



# Albemarle 2023 Sustainability Day

June 20, 2023

9:00am ET

# Forward-Looking Statements

This presentation, webcast and discussions that follow contain 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,” “should,” “would,” and “will”. Forward-looking statements may include statements regarding 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: changes in economic and business conditions; financial and operating performance of customers; timing and magnitude of customer orders fluctuations in lithium market pricing; 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, 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.



**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.**



# Committed to Building a Resilient World

New in the 2022 Sustainability Report



Sustainability is a core part of Albemarle's strategy and operating model. Our 2022 report is a comprehensive look at our sustainability strategy including positive progress on current targets and ambitious new targets that will continue to push Albemarle to be a sustainable leader.

Kent Masters  
Chairman and CEO

Initial TCFD reporting

Continued progress on environmental and DEI goals

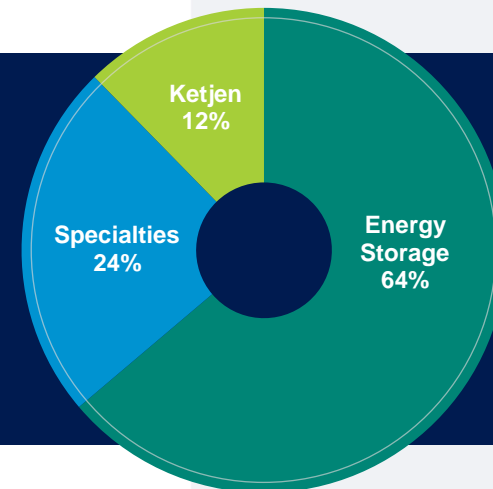
Updated targets reflecting new GBU structure

New goals around scope 3 and air quality

Global updates from our External Affairs Team

# Leading the World in Transforming Essential Resources

2022 NET SALES



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

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

## FY 2022 Financial Highlights

Net Sales	\$7.3B
Net Income <sup>3</sup>	\$2.7B
Adj. EBITDA <sup>4</sup>	\$3.5B
Adj. EBITDA Margin <sup>4</sup>	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**
- Growth expected to continue in 2023 – **+35-55% net sales Y/Y**
- Capitalizing on growth opportunities in **electric vehicles and beyond** - mobility, energy, connectivity, health

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

# Our Purpose and Values

Albemarle's core values help us fulfill our corporate purpose to enable a more resilient world. In 2022, we restated our values to include accountability to further underline that we take ownership and responsibility for our actions to reliably deliver results.

## Care

We improve the safety, well-being and resilience of our communities, employees and environment.

## Curiosity

We continuously learn and are comfortable taking informed risks to innovate.

## Collaboration

We work together, value each other and encourage diverse thought to drive more impactful solutions.

## Humility

We share the credit and value the ideas of others to achieve goals together.

## Accountability

We act with courage to take ownership for what matters and responsibly deliver results.

## Integrity

We do what we say with honesty and transparency for the benefit of all.

**OUR CORPORATE PURPOSE IS TO ENABLE A MORE RESILIENT WORLD.**

# Our Strategy

## A Clear Strategy to Deliver Enduring Value



### Grow Profitably

Strategically grow lithium and bromine capacity to leverage low-cost resources.

Maintain capital discipline and operational excellence.

### Maximize Productivity

Optimize earnings, cash flow and cost structure across our businesses.

Deploy operating model to build strong platform for growth.

### Invest with Discipline

Actively manage portfolio to generate shareholder value.

Maintain Investment Grade credit rating and support our dividend.

### Advance Sustainability

Drive continuous improvement on environmental, social and governance (ESG) performance across our businesses.

Accelerate our customers' sustainability ambitions.





# 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.

# 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

Energy & Greenhouse Gases

Water

Resource Stewardship

Waste

## Sustainable Shareholder Value

Foster the conditions that create sustainable value for shareholders

Value Chain Excellence

Product & Process Innovation

Safety

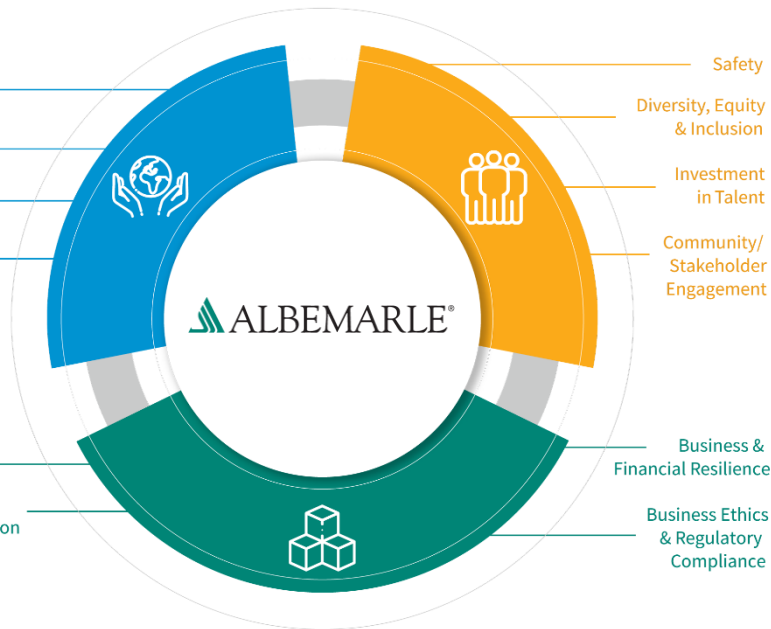
Diversity, Equity & Inclusion

Investment in Talent

Community/ Stakeholder Engagement

Business & Financial Resilience

Business Ethics & Regulatory Compliance



## 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

# Committed to Building a More Resilient World

CEO Water  
Mandate Signatory

New  
in 2022



ALB Salar de Atacama:  
First lithium producer to  
complete third-party audit  
and report

New  
in 2023



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



8th  
Straight  
Year<sup>1</sup>



4th  
Straight  
Year



4th  
Straight  
Year



2nd  
Straight  
Year



Our focus on sustainability continues to gain recognition

<sup>1</sup> EcoVadis Gold 2016-2021; Silver 2022-2023



# 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



**Mike Simmons**

President, Ketjen  
Experience: 30+ years



**Melissa Anderson**

Chief People 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



Audit & Finance Committee

Executive Compensation Committee

Nominating & Governance Committee

Capital Investment Committee

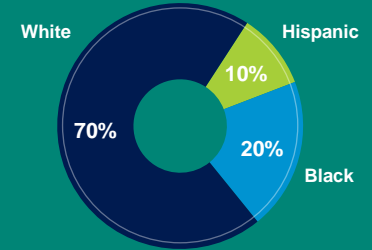
Health, Safety & Environment Committee

Chairman of the Board

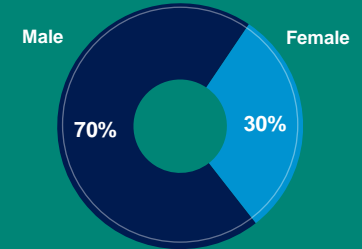
Lead Independent

Committee Chairperson

## RACIAL DIVERSITY



## GENDER DIVERSITY



## AVERAGE TENURE

5+ years

# Diversity, Equity and Inclusion (DE&I)

## Strategic Pillars

### Workforce

- Attract diverse slates
- Recruit among colleges / universities and other organizations with diverse representation
  - Fairygodboss, HBCU Connect, Society of Women Engineers, National Society of Black Engineers, Society of Hispanic Professional Engineers, Women in Manufacturing, International Women in Mining, Society of Asian Scientists & Engineers and Hiring Our Heroes
- Post on strategic job boards
- Hired a dedicated diversity recruiter
- Targeted learning and development for diverse populations

### Workplace

- Culture of equity, inclusion and belonging
- DE&I education and awareness through learning roadmaps, both virtual and in-person
  - LinkedIn Learning and Blue Ocean Brain
- Employee engagement through CONNECT employee resources groups
- Implement actions from 2022 employee engagement survey
- 2<sup>nd</sup> annual CEO Day of Understanding
- New employee and labor relations roles

### Community

- Workforce development from an early stage
  - High school and community college STEM programs among diverse populations
- External community groups for veterans and other underrepresented groups
- Albemarle Foundation and CONNECT groups giving back to the communities in which we operate
- Endeavor to hire locally where possible
- Implement new supplier diversity program

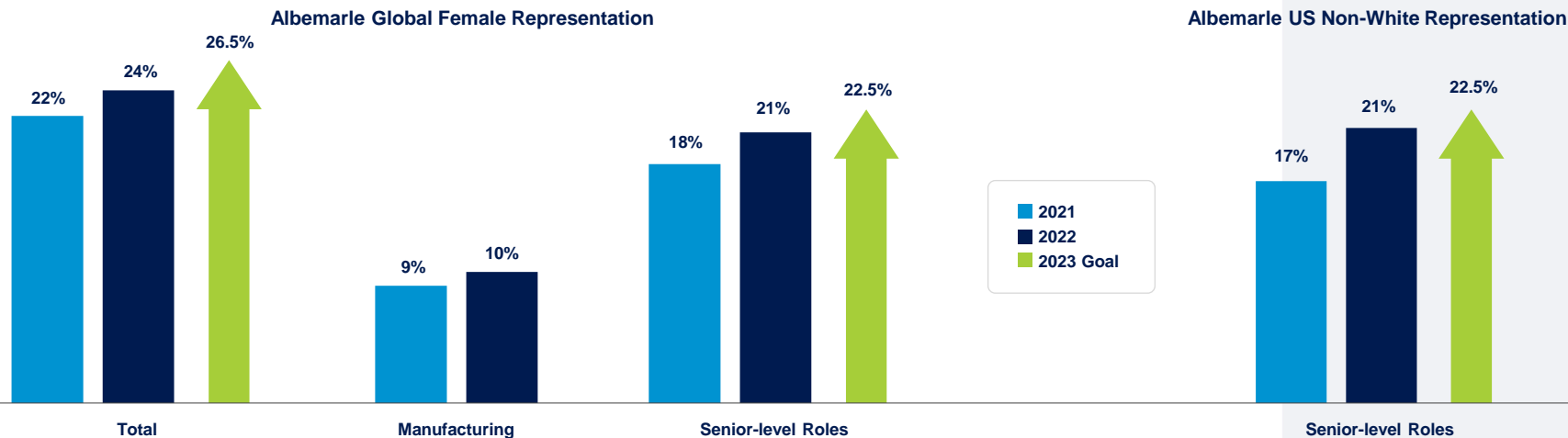
Values

Leadership Commitment

Engagement



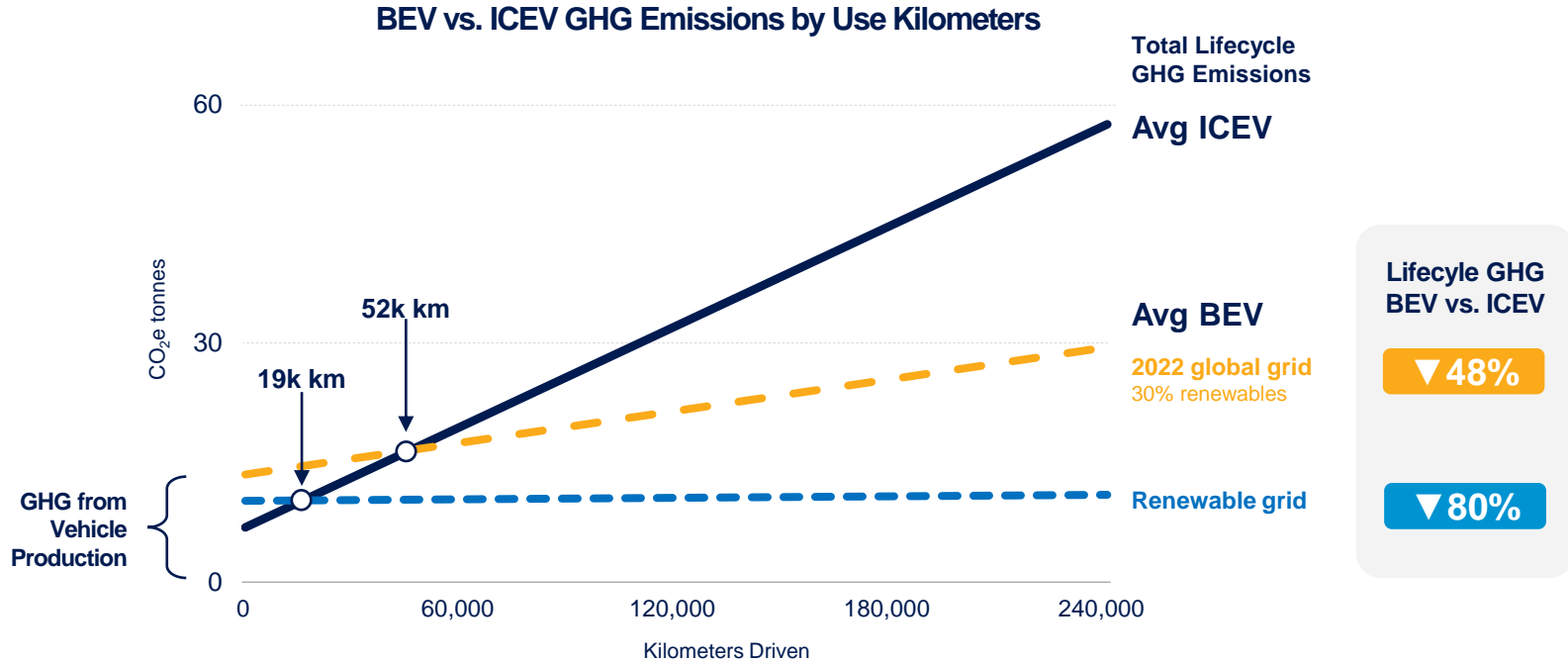
# Committed to Building a Culture of Engagement and Inclusiveness



- 2022 total gender diversity +2% Y/Y; **exceeding** +1% target
- 2022 manufacturing gender diversity +1% Y/Y; in-line with +1% target
- **New** 2023 targets for total gender diversity of 26.5% with a focus on manufacturing, mining, and technical roles
- **New** 2023 target for gender diversity in senior roles of 22.5%

- 2022 racial diversity in senior roles +4% Y/Y; **exceeding** +1% goal
- **New** 2023 target for racial diversity in senior roles of 22.5%

# Lithium: Essential for Clean Transportation and the Fight Against Climate Change



**Lithium production represents just 3% of EV production GHG emissions**

# Initial Task Force for Climate-related Financial Disclosures (TCFD)

## Transition Risks

- Carbon pricing
- Loss of customers linked to Albemarle's climate performance
- Regulation of Li-ion batteries

## Physical Risks

- Water scarcity in Jordan/Chile
- Heat extremes, impact on power supplies in China
- Thunderstorms in the US

## Transition Opportunities

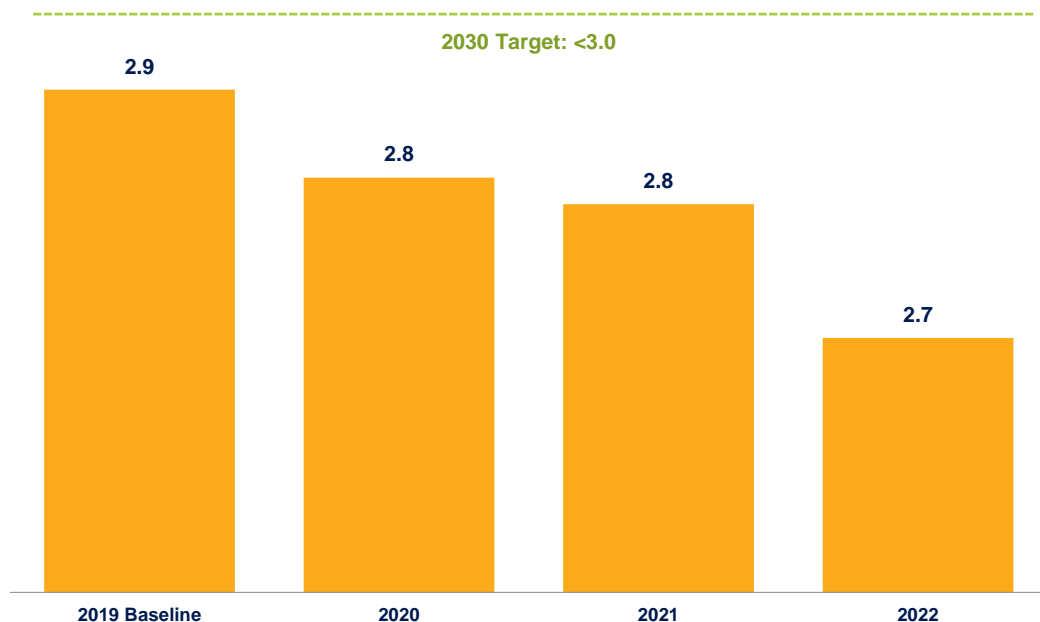
- Expansion of low-carbon mobility
- Expansion of battery recycling



# On Track for 2030 Greenhouse Gas Emissions Reductions

## Lithium Progress towards Target – Intensity

(mt CO<sub>2</sub>e/mt product)

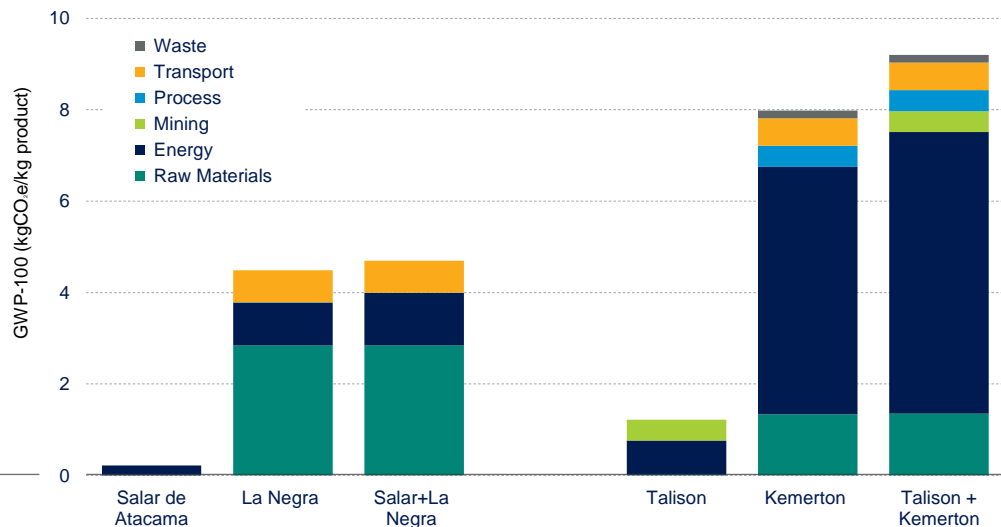


- GHG-intensity below target primarily due to additional lower carbon-intensity brine-based production, increased use of renewable energy
- Lithium carbon-intensity is expected to remain <3.0 mt CO<sub>2</sub>e/mt as reduction measures offset higher rock-based production volumes

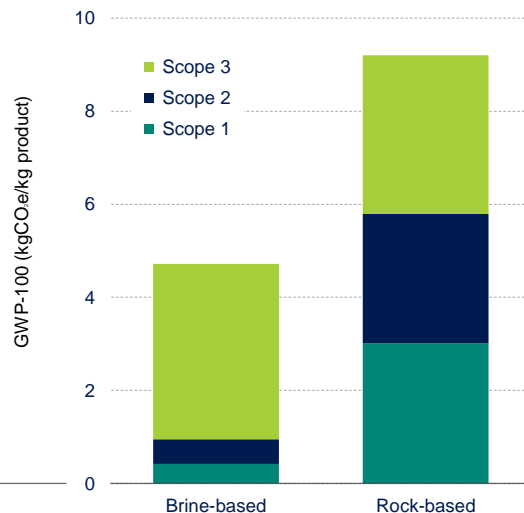
# Carbon-intensity Neutral Growth Requires Significant Carbon Reductions

## Life Cycle Assessments (LCAs) of Li Products

### GWP-100 ('Carbon Footprint') of Lithium from Brine & Rock



### Distribution of GWP by GHG Scope



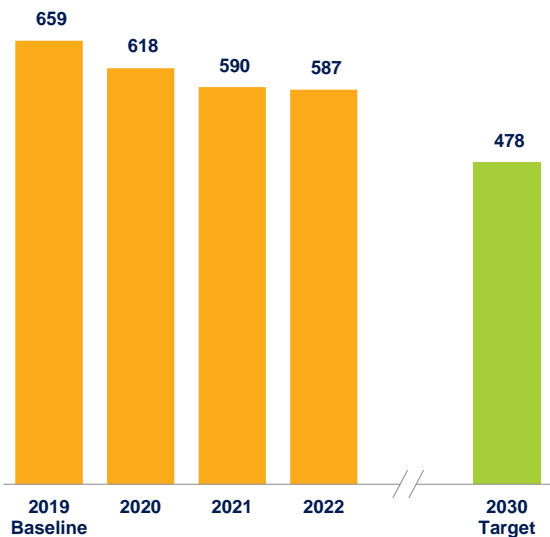
- Based on our product LCAs, we estimate our brine-based carbonate has a significantly lower footprint than rock-based hydroxide
- As we grow hydroxide production to meet demand for higher energy intensity batteries, maintaining the carbon intensity of our Energy Storage business requires significant carbon reductions

# On Track for 2030 Greenhouse Gas Emissions Reductions

## Bromine + Catalysts Progress

### Toward Target - Absolute

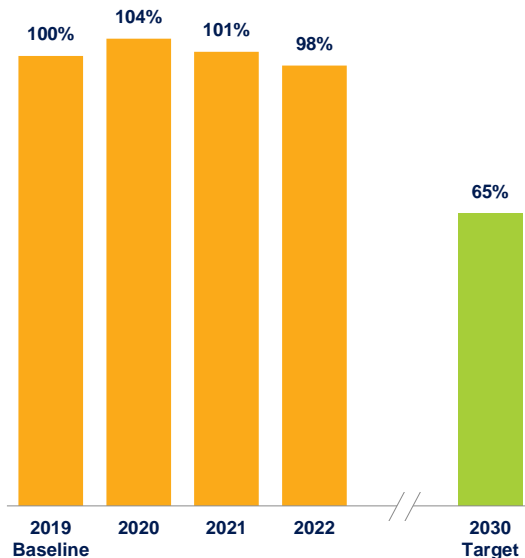
Scope 1 & 2 (kt CO<sub>2</sub>e)



## Bromine + Catalysts Progress

### Toward Target - Intensity

Scope 1 & 2 (relative intensity)

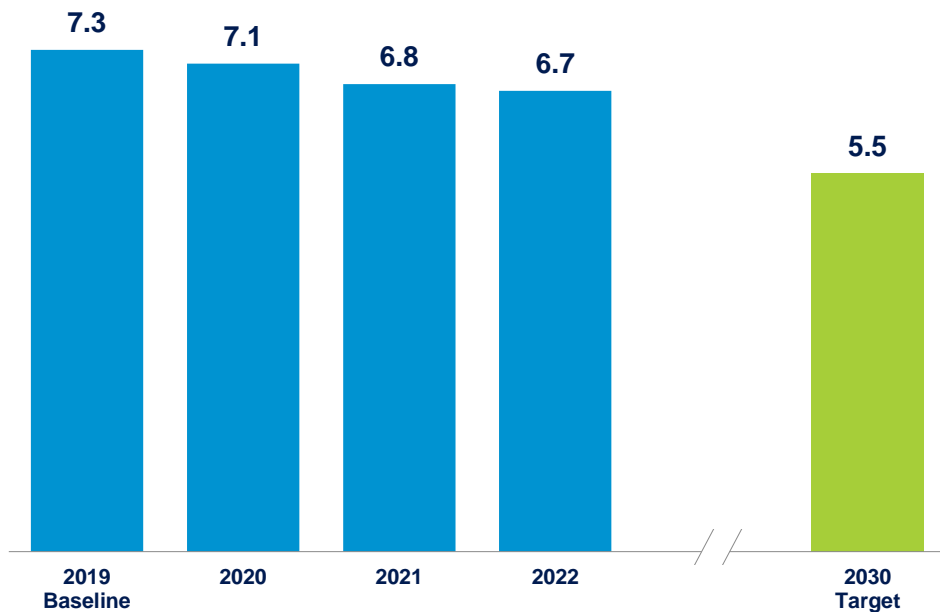


- Absolute emissions are **on track for our 2030 target** due to lower production, efficiency improvements and greater use of renewable energy
- Intensity basis is above target primarily due to lower Catalysts production; **intensity is expected to improve with the Ketjen turnaround plan**



# On Track for 2030 Freshwater Intensity Reductions

Freshwater Usage Intensity in Chile & Jordan  
(m<sup>3</sup> water/mt product)

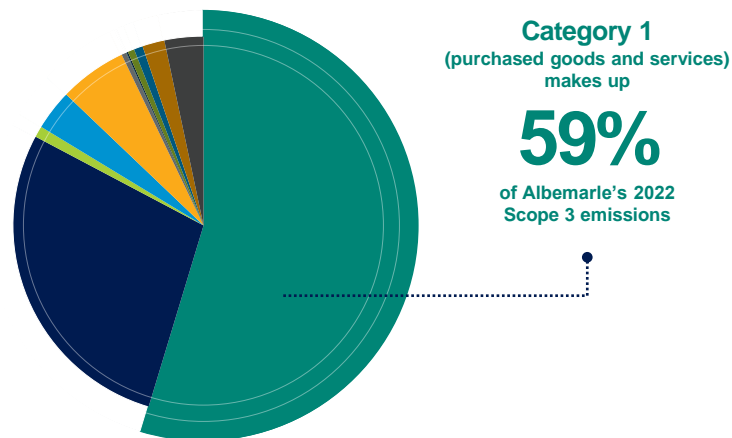


- **Freshwater intensity is on track for 2030 targets** with continued capital improvement projects at La Negra and JBC
- Chile's water intensity was down 20.5% Y/Y thanks to the continued ramp-up of the thermal evaporator at our La Negra site
- Jordan's water intensity increased by 5.5% Y/Y due to a product mix shift to more water intensive products as a response to market demand

# New Targets: Incorporating Scope 3 GHG and Air Quality

## Incorporating Scope 3 GHG Emissions

- New scope 3, category 1 target: collect data from 75% of our suppliers in 2023 and 90% of our suppliers by 2024
- This initial scope 3 goal will help set the foundation for a future scope 3 reduction target



## Reducing Emissions & Improving Circularity

- New goal: reduce Albemarle's SO<sub>x</sub> emissions by 90% by 2027
- At our Magnolia facility, we plan to invest \$35M to enable the conversion and potential reuse of sulfur compounds

# Our Direct and Indirect Emissions



1. Scope 3 categories 8, 11, 13, and 14 are deemed zero, in line with the GHG Protocol.  
 2. Using market-based methodology.



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

	CURRENT GOAL	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	Increase global gender diversity from 24% to 26.5% with an emphasis on manufacturing, engineering and mining roles (2023 vs 2022)	New
	Increase global gender diversity in director level and above positions from 21% to 22.5% (2023 vs 2022)	New
	Increase U.S. racial diversity at director level and above from 21% to 22.5% (2023 vs 2022)	New



## Key Takeaways

Continuing to expect growth in 2023, adjusting guidance with net sales +35-55% 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

# Energy Storage Overview

## Y/Y Q1 Performance Drivers

- Net sales up 319% (price<sup>3</sup> +301%, volume +18%); adjusted EBITDA up 393%
- Increased sales due to renegotiated contracts and increased market pricing
- Adjusted EBITDA benefited from favorable pricing from contract renegotiations as well as the sale of lower cost inventory

## FY 2023 Outlook (as of May 3, 2023)

- Energy Storage FY 2023 adj. EBITDA expected to be roughly flat Y/Y, as higher net sales are offset by timing impacts of higher price spodumene inventories; change from previous outlook reflects recent lithium market prices
- FY 2023 realized price now expected to be up 20-30% Y/Y, Energy Storage outlook range assumes recent market prices continue through year end
- FY 2023 volume expected to up +30-40% Y/Y (unchanged) primarily due to new capacity coming online
- Potential upside if market pricing increases; potential downside if lithium market pricing continues to decrease or potential volume shortfalls in ramping or spot volumes

## Drivers/Sensitivities

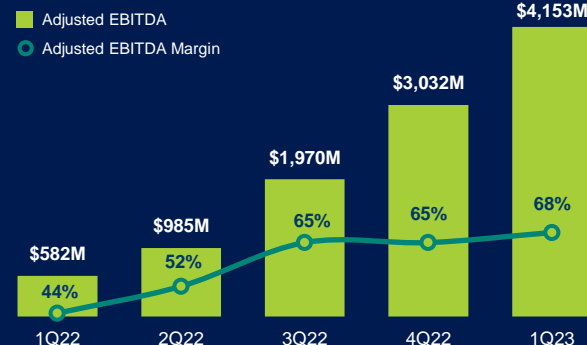
- Global accelerated EV adoption supported by regulation and technological improvements
- Emerging technologies; battery cost declining + performance improving
- Security of supply essential to underwrite global auto OEM investment in vehicle electrification

Note: Numbers may not reconcile due to rounding. <sup>1</sup> Net of FX impacts. <sup>2</sup> Sales based on historical average. <sup>3</sup> Includes FX impact. <sup>4</sup> See appendix for non-GAAP reconciliations.

## Q1 2023 Performance

(in millions)	Q1 2023	Y/Y
Net Sales	\$1,944	319%
Net Sales ex FX <sup>1</sup>	\$1,975	326%
Adj. EBITDA <sup>4</sup>	\$1,406	393%
Adj. EBITDA ex FX <sup>1,4</sup>	\$1,427	400%
Adj. EBITDA Margin <sup>4</sup>	72%	+1,090 bps
Adj. EBITDA Margin ex FX <sup>1,4</sup>	72%	+1,083 bps

## Historical Trend (TTM)



# Specialties Overview

## Y/Y Q1 Performance Drivers

- Net sales down -6% (price<sup>3</sup> +9%, volume -15%); adjusted EBITDA up 6%
- Volume down due to end-market demand weakness
- Adjusted EBITDA benefited by higher pricing and lower freight costs, partially offset by lower volumes

## FY 2023 Outlook (as of May 3, 2023)

- Specialties FY 2023 adj. EBITDA is expected to be up 5-10% Y/Y, unchanged from previous outlook
- Expecting stronger 2H with restocking demand and recovery of consumer electronics

## Drivers/Sensitivities

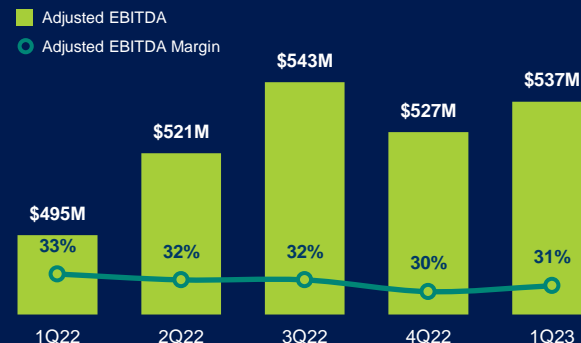
- GDP+ growth with diverse applications and end-markets in mobility, energy, connectivity, and health
- Supported by strong underlying trends in digitalization and electrification

Note: Numbers may not reconcile due to rounding. <sup>1</sup> Net of FX impacts. <sup>2</sup> Sales based on historical average. <sup>3</sup> Includes FX impact. <sup>4</sup> See appendix for non-GAAP reconciliations.

## Q1 2023 Performance

(in millions)	Q1 2023	Y/Y
Net Sales	\$419	-6%
Net Sales ex FX <sup>1</sup>	\$429	-4%
Adj. EBITDA <sup>4</sup>	\$162	6%
Adj. EBITDA ex FX <sup>1,4</sup>	\$168	10%
Adj. EBITDA Margin <sup>4</sup>	39%	+436 bps
Adj. EBITDA Margin ex FX <sup>1,4</sup>	39%	+486 bps

## Historical Trend (TTM)





# Ketjen Overview

## Y/Y Q1 Performance Drivers

- Net sales flat (price<sup>3</sup> +12%, volume -12%); adjusted EBITDA -14%
- Q1 adjusted EBITDA lower due to US freeze related downtime, timing of shipments, and unfavorable raw material cost

## FY 2023 Outlook (as of May 3, 2023)

- Ketjen FY 2023 adj. EBITDA expected to be up 250-400% Y/Y, above previous outlook due to higher volumes and pricing
- Higher volumes across product segments driven by high refinery utilization; higher pricing primarily for FCC products
- Inflation in material costs expected to remain a headwind, energy costs expected to moderate in 2023

## Drivers/Sensitivities

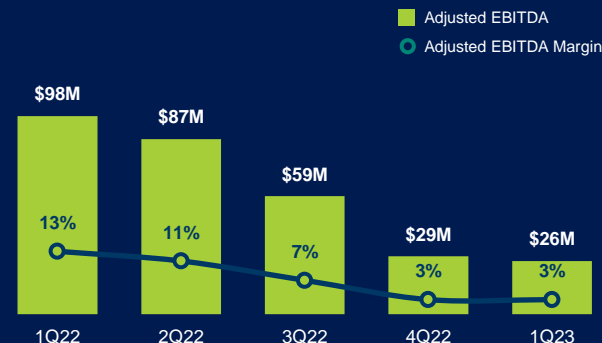
- FCC - miles driven/transportation fuel consumption
- HPC - environmental sulfur regulations and miles driven/transportation fuel consumption
- PCS - plastic and polyurethane demand

Note: Numbers may not reconcile due to rounding. <sup>1</sup> Net of FX impacts. <sup>2</sup> Sales based on historical average. <sup>3</sup> Includes FX impact. <sup>4</sup> See appendix for non-GAAP reconciliations.

## Q1 2023 Performance

(in millions)	Q1 2023	Y/Y
Net Sales	\$218	0%
Net Sales ex FX <sup>1</sup>	\$220	1%
Adj. EBITDA <sup>4</sup>	\$15	-14%
Adj. EBITDA ex FX <sup>1,4</sup>	\$14	-16%
Adj. EBITDA Margin <sup>4</sup>	7%	-92 bps
Adj. EBITDA Margin ex FX <sup>1,4</sup>	6%	-143 bps

## Historical Trend (TTM)



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 top right of the word.

ALBEMARLE®

# 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>Pro-forma Adjusted Net Income</b>	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.
<b>Adjusted Diluted EPS</b>	Diluted EPS before non-recurring, other unusual and non-operating pension and OPEB.
<b>Pro-forma Adjusted Diluted EPS</b>	Diluted EPS before non-recurring, other unusual and non-operating pension and OPEB items, and the net impact of the divested business.
<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>Pro-forma Adjusted EBITDA</b>	Adjusted EBITDA before the net impact of EBITDA of the divested business.
<b>Pro-forma Net Sales</b>	Net Sales before the impact of Net Sales from the divested business.
<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.



# Adjusted EBITDA – Continuing Operations (twelve months ended)

	Twelve Months Ended				
(\$ in thousands)	Mar 31, 2022	Jun 30, 2022	Sep 30, 2022	Dec 31, 2022	Mar 31, 2023
Net income attributable to Albemarle Corporation	\$ 281,378	\$ 263,551	\$ 1,553,547	\$ 2,689,816	\$ 3,675,013
Depreciation and amortization	258,314	267,884	283,515	300,841	321,538
Non-recurring and other unusual items (excluding items associated with interest expense)	478,490	885,605	215,768	28,671	(14,691)
Interest and financing expenses	45,428	79,685	104,240	122,973	121,916
Income tax expense	87,869	69,902	381,510	390,588	587,021
Non-operating pension and OPEB items	(78,629)	(78,196)	(77,752)	(57,032)	(51,151)
Adjusted EBITDA	\$ 1,072,850	\$ 1,488,431	\$ 2,460,828	\$ 3,475,857	\$ 4,639,646
Net impact of adjusted EBITDA from divested businesses	(6,990)	—	—	—	—
<b>Adjusted EBITDA excluding impact from divested business</b>	<b>\$ 1,065,860</b>	<b>\$ 1,488,431</b>	<b>\$ 2,460,828</b>	<b>\$ 3,475,857</b>	<b>\$ 4,639,646</b>
<b>Net sales</b>	<b>\$ 3,626,394</b>	<b>\$ 4,332,091</b>	<b>\$ 5,593,330</b>	<b>\$ 7,320,104</b>	<b>\$ 8,772,628</b>
Net impact of net sales from divested business	(21,191)	—	—	—	—
<b>Net sales excluding impact from divested business</b>	<b>\$ 3,605,203</b>	<b>\$ 4,332,091</b>	<b>\$ 5,593,330</b>	<b>\$ 7,320,104</b>	<b>\$ 8,772,628</b>
<b>Adjusted EBITDA margin excluding impact from divested businesses</b>	<b>30 %</b>	<b>34 %</b>	<b>44 %</b>	<b>47 %</b>	<b>53 %</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>

(\$ in thousands)

	Twelve Months Ended	Three Months Ended			
	Mar 31, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022
<b>Adjusted EBITDA</b>	<b>\$ 4,639,646</b>	<b>\$ 1,595,719</b>	<b>\$ 1,243,752</b>	<b>\$ 1,189,966</b>	<b>\$ 610,209</b>
Net income attributable to noncontrolling interests	135,274	38,123	29,341	33,991	33,819
Equity in net income of unconsolidated investments (net of tax)	(1,106,027)	(396,188)	(322,799)	(258,884)	(128,156)
Dividends received from unconsolidated investments	1,309,623	547,552	450,344	193,931	117,796
<b>Consolidated EBITDA</b>	<b>\$ 4,978,516</b>	<b>\$ 1,785,206</b>	<b>\$ 1,400,638</b>	<b>\$ 1,159,004</b>	<b>\$ 633,668</b>
<b>Total Long Term Debt (as reported)</b>	<b>\$ 3,235,560</b>				
Off balance sheet obligations and other	146,200				
<b>Consolidated Funded Debt</b>	<b>\$ 3,381,760</b>				
Less Cash	1,586,734				
<b>Consolidated Funded Net Debt</b>	<b>\$ 1,795,026</b>				
<b>Consolidated Funded Debt to Consolidated EBITDA Ratio</b>	<b>0.7</b>				
<b>Consolidated Funded Net Debt to Consolidated EBITDA Ratio</b>	<b>0.4</b>				

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

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