# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**WASHINGTON, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For Quarterly Period Ended September 30, 2024**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from __________ to __________**

**Commission File Number 1-12658**

# ALBEMARLE CORPORATION
**(Exact name of registrant as specified in its charter)**

| **Virginia** | **54-1692118** |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |

**4250 Congress Street, Suite 900**
**Charlotte, North Carolina 28209**
**(Address of principal executive offices) (Zip Code)**

**Registrant's telephone number, including area code - (980) 299-5700**

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|---|---|---|
| **COMMON STOCK, $.01 Par Value** | **ALB** | **New York Stock Exchange** |
| **DEPOSITARY SHARES, each representing a 1/20th interest in a share of 7.25% Series A Mandatory Convertible Preferred Stock** | **ALB PR A** | **New York Stock Exchange** |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| | | Emerging growth company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock, $.01 par value, outstanding as of October 31, 2024: 117,540,339

**ALBEMARLE CORPORATION**

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## PART I. FINANCIAL INFORMATION

**Item 1. Financial Statements (Unaudited).**

### ALBEMARLE CORPORATION AND SUBSIDIARIES
### CONSOLIDATED STATEMENTS OF (LOSS) INCOME
### (In Thousands, Except Per Share Amounts)
### (Unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net sales | $ 1,354,692 | $ 2,310,596 | $ 4,145,813 | $ 7,261,038 |
| Cost of goods sold[(a)] | 1,458,726 | 2,255,662 | 4,221,487 | 5,371,077 |
| Gross (loss) profit | (104,034) | 54,934 | (75,674) | 1,889,961 |
| Selling, general and administrative expenses | 154,253 | 172,109 | 482,052 | 716,046 |
| Restructuring charges and asset write-offs | 828,146 | 1,757 | 1,156,522 | 9,196 |
| Research and development expenses | 22,397 | 21,082 | 66,699 | 62,972 |
| Operating (loss) profit | (1,108,830) | (140,014) | (1,780,947) | 1,101,747 |
| Interest and financing expenses | (47,760) | (29,332) | (120,916) | (81,686) |
| Other (expenses) income, net | (22,256) | 11,182 | 61,311 | 147,628 |
| (Loss) income before income taxes and equity in net income of unconsolidated investments | (1,178,846) | (158,164) | (1,840,552) | 1,167,689 |
| Income tax expense (benefit) | 110,853 | (8,551) | 76,472 | 311,399 |
| (Loss) income before equity in net income of unconsolidated investments | (1,289,699) | (149,613) | (1,917,024) | 856,290 |
| Equity in net income of unconsolidated investments (net of tax) | 229,058 | 470,306 | 696,436 | 1,417,545 |
| Net (loss) income | (1,060,641) | 320,693 | (1,220,588) | 2,273,835 |
| Net income attributable to noncontrolling interests | (8,351) | (18,160) | (34,154) | (82,679) |
| Net (loss) income attributable to Albemarle Corporation | (1,068,992) | 302,533 | (1,254,742) | 2,191,156 |
| Mandatory convertible preferred stock dividends | (41,687) | — | (94,959) | — |
| Net (loss) income attributable to Albemarle Corporation common shareholders | $ (1,110,679) | $ 302,533 | $ (1,349,701) | $ 2,191,156 |
| | | | | |
| Basic (loss) earnings per share attributable to common shareholders | $ (9.45) | $ 2.58 | $ (11.49) | $ 18.68 |
| Diluted (loss) earnings per share attributable to common shareholders | $ (9.45) | $ 2.57 | $ (11.49) | $ 18.60 |
| Weighted-average common shares outstanding – basic | 117,535 | 117,349 | 117,505 | 117,304 |
| Weighted-average common shares outstanding – diluted | 117,535 | 117,783 | 117,505 | 117,797 |

(a) Included purchases from related unconsolidated affiliates of $441.1 million and $634.7 million for the three-month periods ended September 30, 2024 and 2023, respectively, and $1.6 billion and $1.4 billion for the nine-month periods ended September 30, 2024 and 2023, respectively.

See accompanying Notes to the Condensed Consolidated Financial Statements.

**ALBEMARLE CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME**
**(In Thousands)**
**(Unaudited)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| Net (loss) income | $ (1,060,641) | $ 320,693 | $ (1,220,588) | $ 2,273,835 |
| Other comprehensive income (loss), net of tax: | | | | |
| Foreign currency translation and other | 158,724 | (143,957) | 61,753 | (103,376) |
| Cash flow hedge | 9,215 | (39,088) | (2,828) | (36,961) |
| Total other comprehensive income (loss), net of tax | 167,939 | (183,045) | 58,925 | (140,337) |
| Comprehensive (loss) income | (892,702) | 137,648 | (1,161,663) | 2,133,498 |
| Comprehensive income attributable to noncontrolling interests | (8,509) | (18,141) | (34,323) | (82,652) |
| Comprehensive (loss) income attributable to Albemarle Corporation | $ (901,211) | $ 119,507 | $ (1,195,986) | $ 2,050,846 |

See accompanying Notes to the Condensed Consolidated Financial Statements.

**ALBEMARLE CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**(In Thousands, Except Per Share Amounts)**
**(Unaudited)**

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 1,664,519 | $ 889,900 |
| Trade accounts receivable, less allowance for credit losses (2024 – $2,161; 2023 – $2,808) | 749,792 | 1,213,160 |
| Other accounts receivable | 268,696 | 509,097 |
| Inventories | 1,657,688 | 2,161,287 |
| Other current assets | 328,915 | 443,475 |
| Total current assets | 4,669,610 | 5,216,919 |
| Property, plant and equipment, at cost | 12,376,369 | 12,233,757 |
| Less accumulated depreciation and amortization | 3,117,917 | 2,738,553 |
| Net property, plant and equipment | 9,258,452 | 9,495,204 |
| Investments | 1,179,598 | 1,369,855 |
| Other assets | 463,690 | 297,087 |
| Goodwill | 1,637,758 | 1,629,729 |
| Other intangibles, net of amortization | 246,078 | 261,858 |
| **Total assets** | $ 17,455,186 | $ 18,270,652 |
| **Liabilities And Equity** | | |
| Current liabilities: | | |
| Accounts payable to third parties | $ 1,070,717 | $ 1,537,859 |
| Accounts payable to related parties | 152,093 | 550,186 |
| Accrued expenses | 513,122 | 544,835 |
| Current portion of long-term debt | 3,012 | 625,761 |
| Dividends payable | 61,262 | 46,666 |
| Income taxes payable | 110,514 | 255,155 |
| Total current liabilities | 1,910,720 | 3,560,462 |
| Long-term debt | 3,565,990 | 3,541,002 |
| Postretirement benefits | 25,959 | 26,247 |
| Pension benefits | 143,666 | 150,312 |
| Other noncurrent liabilities | 791,823 | 769,100 |
| Deferred income taxes | 526,367 | 558,430 |
| Commitments and contingencies (Note 7) | | |
| Equity: | | |
| Albemarle Corporation shareholders’ equity: | | |
| Common stock, $.01 par value, authorized – 275,000, issued and outstanding – 117,538 in 2024 and 117,356 in 2023 | 1,176 | 1,174 |
| Mandatory convertible preferred stock, Series A, no par value, $1,000 stated value, authorized – 15,000, issued and outstanding – 2,300 in 2024 and 0 in 2023 | 2,235,105 | — |
| Additional paid-in capital | 2,978,387 | 2,952,517 |
| Accumulated other comprehensive loss | (469,770) | (528,526) |
| Retained earnings | 5,495,697 | 6,987,015 |
| Total Albemarle Corporation shareholders’ equity | 10,240,595 | 9,412,180 |
| Noncontrolling interests | 250,066 | 252,919 |
| Total equity | 10,490,661 | 9,665,099 |
| **Total liabilities and equity** | $ 17,455,186 | $ 18,270,652 |

See accompanying Notes to the Condensed Consolidated Financial Statements.

**ALBEMARLE CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**
**(In Thousands, Except Per Share Amounts)**
**(Unaudited)**

| | Common Stock | | Mandatory Convertible Preferred Stock | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **(In Thousands, Except Share Data)** | **Shares** | **Amounts** | **Shares** | **Amounts** | **Additional Paid-in Capital** | **Accumulated Other Comprehensive Loss** | **Retained Earnings** | **Total Albemarle Shareholders' Equity** | **Noncontrolling Interests** | **Total Equity** |
| **Balance at June 30, 2024** | **117,528,174** | **$ 1,175** | **2,300,000** | **$ 2,235,105** | **$ 2,969,851** | **$ (637,551)** | **$ 6,653,979** | **$ 11,222,559** | **$ 260,596** | **$ 11,483,155** |
| Net (loss) income | | | | | | | (1,068,992) | (1,068,992) | 8,351 | (1,060,641) |
| Other comprehensive income | | | | | | 167,781 | | 167,781 | 158 | 167,939 |
| Cash dividends declared, $0.405 per common share | | | | | | | (47,603) | (47,603) | (19,039) | (66,642) |
| Mandatory convertible preferred stock cumulative dividends | | | | | | | (41,687) | (41,687) | | (41,687) |
| Stock-based compensation | | | | | 8,723 | | | 8,723 | | 8,723 |
| Exercise of stock options | 500 | — | | | 28 | | | 28 | | 28 |
| Issuance of common stock, net | 11,621 | 1 | | | — | | | 1 | | 1 |
| Withholding taxes paid on stock-based compensation award distributions | (2,461) | — | | | (215) | | | (215) | | (215) |
| **Balance at September 30, 2024** | **117,537,834** | **$ 1,176** | **2,300,000** | **$ 2,235,105** | **$ 2,978,387** | **$ (469,770)** | **$ 5,495,697** | **$ 10,240,595** | **$ 250,066** | **$ 10,490,661** |
| **Balance at June 30, 2023** | **117,339,879** | **$ 1,174** | **—** | **$ —** | **$ 2,936,036** | **$ (517,946)** | **$ 7,396,045** | **$ 9,815,309** | **$ 272,731** | **$ 10,088,040** |
| Net income | | | | | | | 302,533 | 302,533 | 18,160 | 320,693 |
| Other comprehensive loss | | | | | | (183,026) | | (183,026) | (19) | (183,045) |
| Cash dividends declared, $0.40 per common share | | | | | | | (46,940) | (46,940) | (26,248) | (73,188) |
| Stock-based compensation | | | | | 11,159 | | | 11,159 | | 11,159 |
| Exercise of stock options | 592 | — | | | 36 | | | 36 | | 36 |
| Issuance of common stock, net | 17,031 | — | | | — | | | — | | — |
| Withholding taxes paid on stock-based compensation award distributions | (5,785) | — | | | (1,256) | | | (1,256) | | (1,256) |
| **Balance at September 30, 2023** | **117,351,717** | **$ 1,174** | **—** | **$ —** | **$ 2,945,975** | **$ (700,972)** | **$ 7,651,638** | **$ 9,897,815** | **$ 264,624** | **$ 10,162,439** |

| (In Thousands, Except Share Data) | Common Stock | | Mandatory Convertible Preferred Stock | | Additional Paid-in Capital | Accumulated Other Comprehensive Loss | Retained Earnings | Total Albemarle Shareholders' Equity | Noncontrolling Interests | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|
| | Shares | Amounts | Shares | Amounts | | | | | | |
| **Balance at December 31, 2023** | **117,356,270** | **$ 1,174** | **—** | **$ —** | **$ 2,952,517** | **$ (528,526)** | **$ 6,987,015** | **$ 9,412,180** | **$ 252,919** | **$ 9,665,099** |
| Net (loss) income | | | | | | | (1,254,742) | (1,254,742) | 34,154 | (1,220,588) |
| Other comprehensive income | | | | | | 58,756 | | 58,756 | 169 | 58,925 |
| Common stock dividends declared, $1.205 per common share | | | | | | | (141,617) | (141,617) | (37,176) | (178,793) |
| Mandatory convertible preferred stock cumulative dividends | | | | | | | (94,959) | (94,959) | | (94,959) |
| Stock-based compensation | | | | | 25,105 | | | 25,105 | | 25,105 |
| Exercise of stock options | 1,920 | — | | | 114 | | | 114 | | 114 |
| Issuance of common stock, net | 273,834 | 3 | | | 11,543 | | | 11,546 | | 11,546 |
| Issuance of mandatory convertible preferred stock, net | | | 2,300,000 | 2,235,105 | | | | 2,235,105 | | 2,235,105 |
| Withholding taxes paid on stock-based compensation award distributions | (94,190) | (1) | | | (10,892) | | | (10,893) | | (10,893) |
| **Balance at September 30, 2024** | **117,537,834** | **$ 1,176** | **2,300,000** | **$ 2,235,105** | **$ 2,978,387** | **$ (469,770)** | **$ 5,495,697** | **$ 10,240,595** | **$ 250,066** | **$ 10,490,661** |
| | | | | | | | | | | |
| **Balance at December 31, 2022** | **117,168,366** | **$ 1,172** | **—** | **$ —** | **$ 2,940,840** | **$ (560,662)** | **$ 5,601,277** | **$ 7,982,627** | **$ 208,220** | **$ 8,190,847** |
| Net income | | | | | | | 2,191,156 | 2,191,156 | 82,679 | 2,273,835 |
| Other comprehensive loss | | | | | | (140,310) | | (140,310) | (27) | (140,337) |
| Common stock dividends declared, $1.20 per common share | | | | | | | (140,795) | (140,795) | (26,248) | (167,043) |
| Stock-based compensation | | | | | 31,186 | | | 31,186 | | 31,186 |
| Exercise of stock options | 1,812 | — | | | 117 | | | 117 | | 117 |
| Issuance of common stock, net | 293,891 | 3 | | | (3) | | | — | | — |
| Withholding taxes paid on stock-based compensation award distributions | (112,352) | (1) | | | (26,165) | | | (26,166) | | (26,166) |
| **Balance at September 30, 2023** | **117,351,717** | **$ 1,174** | **—** | **$ —** | **$ 2,945,975** | **$ (700,972)** | **$ 7,651,638** | **$ 9,897,815** | **$ 264,624** | **$ 10,162,439** |

See accompanying Notes to the Condensed Consolidated Financial Statements.

**ALBEMARLE CORPORATION AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(In Thousands)**
**(Unaudited)**

| | Nine Months Ended September 30, | |
|---|---|---|
| | **2024** | **2023** |
| Cash and cash equivalents at beginning of year | $ 889,900 | $ 1,499,142 |
| Cash flows from operating activities: | | |
| Net (loss) income | (1,220,588) | 2,273,835 |
| Adjustments to reconcile net (loss) income to cash flows from operating activities: | | |
| Depreciation and amortization | 425,532 | 285,801 |
| Non-cash restructuring and asset write-offs | 1,075,888 | — |
| Stock-based compensation and other | 24,443 | 29,465 |
| Equity in net income of unconsolidated investments (net of tax) | (696,436) | (1,417,545) |
| Dividends received from unconsolidated investments and nonmarketable securities | 348,358 | 1,939,225 |
| Pension and postretirement expense | 3,806 | 5,925 |
| Pension and postretirement contributions | (13,339) | (12,243) |
| Realized loss on investments in marketable securities | 33,746 | — |
| Unrealized loss (gain) on investments in marketable securities | 26,982 | (36,740) |
| Deferred income taxes | (112,777) | (182,764) |
| Working capital changes | 823,194 | (1,332,042) |
| Other, net | (17,415) | (129,377) |
| Net cash provided by operating activities | 701,394 | 1,423,540 |
| Cash flows from investing activities: | | |
| Acquisitions, net of cash acquired | — | (43,207) |
| Capital expenditures | (1,330,062) | (1,465,193) |
| Sales (purchases) of marketable securities, net | 83,651 | (205,952) |
| Investments in equity investments and nonmarketable securities | (217) | (1,279) |
| Net cash used in investing activities | (1,246,628) | (1,715,631) |
| Cash flows from financing activities: | | |
| Proceeds from issuance of mandatory convertible preferred stock, net of issuance costs | 2,236,750 | — |
| Repayments of long-term debt and credit agreements | (84,403) | — |
| Proceeds from borrowings of long-term debt and credit agreements | 84,403 | 300,000 |
| Other debt (repayments) borrowings, net | (629,434) | 172,791 |
| Dividends paid to common shareholders | (140,929) | (140,251) |
| Dividends paid to mandatory convertible preferred shareholders | (81,059) | — |
| Dividends paid to noncontrolling interests | (37,176) | (79,393) |
| Proceeds from exercise of stock options | 114 | 117 |
| Withholding taxes paid on stock-based compensation award distributions | (10,892) | (26,166) |
| Other | (2,758) | (191) |
| Net cash provided by financing activities | 1,334,616 | 226,907 |
| Net effect of foreign exchange on cash and cash equivalents | (14,763) | 167,710 |
| Increase in cash and cash equivalents | 774,619 | 102,526 |
| Cash and cash equivalents at end of period | $ 1,664,519 | $ 1,601,668 |

See accompanying Notes to the Condensed Consolidated Financial Statements.

**ALBEMARLE CORPORATION AND SUBSIDIARIES**
**Notes to the Condensed Consolidated Financial Statements**
**(Unaudited)**

**NOTE 1—Basis of Presentation:**

In the opinion of management, the accompanying unaudited condensed consolidated financial statements of Albemarle Corporation and our wholly-owned, majority-owned and controlled subsidiaries (collectively, "Albemarle," "we," "us," "our" or the "Company") contain all adjustments necessary for a fair statement, in all material respects, of our consolidated balance sheets as of September 30, 2024 and December 31, 2023, our consolidated statements of (loss) income, consolidated statements of comprehensive (loss) income and consolidated statements of changes in equity for the three- and nine-month periods ended September 30, 2024 and 2023 and our condensed consolidated statements of cash flows for the nine-month periods ended September 30, 2024 and 2023. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the U.S. Securities and Exchange Commission ("SEC") on February 15, 2024. The December 31, 2023 consolidated balance sheet data herein was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles ("GAAP") in the United States ("U.S."). The results of operations for the three- and nine-month periods ended September 30, 2024 are not necessarily indicative of the results to be expected for the full year.

Cost of goods sold for the three- and nine-month periods ended September 30, 2024 includes income of $17.4 million for the correction of out of period errors pertaining to an overstated accrual for a profit sharing arrangement with the partner of one of the Company's joint ventures. For the three-month periods ended September 30, 2023 and December 31, 2023, Cost of goods sold was overstated by $8.3 million and $9.1 million, respectively. The Company believes these adjustments are not material to the consolidated financial statements for any of the prior periods presented or to the three-month period ended September 30, 2024, in which the corrections were made.

**NOTE 2—Inventories:**

The following table provides a breakdown of inventories at September 30, 2024 and December 31, 2023 (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Finished goods | $ 1,054,496 | $ 1,624,893 |
| Raw materials and work in process[(a)] | 444,282 | 401,050 |
| Stores, supplies and other | 158,910 | 135,344 |
| Total[(b)] | $ 1,657,688 | $ 2,161,287 |

(a) Includes $295.2 million and $213.4 million at September 30, 2024 and December 31, 2023, respectively, of work in process in our Energy Storage segment.
(b) During the year ended December 31, 2023, the Company recorded a $604.1 million charge in Cost of goods sold to reduce the value of certain spodumene and finished goods to their net realizable value following the decline in lithium market pricing at the end of the year.

The Company purchases certain of its inventory from its equity method investments (primarily the Windfield Holdings Pty. Ltd. ("Windfield") joint venture) and eliminates the balance of intra-entity profits on purchases of such inventory that remains unsold at the balance sheet in Inventories, specifically finished goods and equally reduces Equity in net income of unconsolidated investments (net of tax) on the consolidated statements of (loss) income. The balance of intra-entity profits on inventory purchased from equity method investments in Inventories totaled $86.7 million and $559.6 million at September 30, 2024 and December 31, 2023, respectively. The intra-entity profit is recognized in Equity in net income of unconsolidated investments (net of tax) in the period that converted inventory is sold to a third-party customer. In the same period, the intra-entity profit is also recognized as higher Cost of goods sold on the consolidated statements of (loss) income.

**NOTE 3—Other Current Assets:**

The following table provides a breakdown of other current assets at September 30, 2024 and December 31, 2023 (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Income tax receivables | $ 200,441 | $ 112,953 |
| Prepaid taxes | 55,464 | 207,894 |
| Other prepaid expenses | 72,326 | 116,033 |
| Other | 684 | 6,595 |
| Total | $ 328,915 | $ 443,475 |

**NOTE 4—Investments:**

*Proportionately Consolidated Joint Ventures*

On October 18, 2023, the Company closed on the restructuring of the MARBL lithium joint venture in Australia ("MARBL") with Mineral Resources Limited ("MRL"). This updated structure is intended to simplify the commercial operation agreements previously entered into, allowed us to retain full control of downstream conversion assets and provide greater strategic opportunities for each company based on their global operations and the evolving lithium market.

Under the amended agreements, Albemarle acquired the remaining 40% ownership of the Kemerton lithium hydroxide processing facility in Australia that was jointly owned with MRL through the MARBL joint venture. Following this restructuring, Albemarle and MRL each own 50% of the Wodgina Lithium Mine Project ("Wodgina"), and MRL operates the Wodgina mine on behalf of the joint venture. During the fourth quarter of 2023, Albemarle paid MRL approximately $380 million in cash, which included $180 million of consideration for the remaining ownership of Kemerton as well as a payment for the economic effective date of the transaction being retroactive to April 1, 2022.

This joint venture is unincorporated with each investor holding an undivided interest in each asset and proportionately liable for each liability; therefore our proportionate share of assets, liabilities, revenue and expenses are included in the appropriate classifications in the consolidated financial statements.

*Unconsolidated Joint Ventures*

The following table details the Company's equity in net income of unconsolidated investments (net of tax) for the three-month and nine-month periods ended September 30, 2024 and 2023 (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Windfield | $ 227,266 | $ 465,931 | $ 678,940 | $ 1,399,173 |
| Other joint ventures | 1,792 | 4,375 | 17,496 | 18,372 |
| Total | $ 229,058 | $ 470,306 | $ 696,436 | $ 1,417,545 |

The Company holds a 49% equity interest in Windfield, where the ownership parties share risks and benefits disproportionate to their voting interests. As a result, the Company considers Windfield to be a variable interest entity ("VIE"), however this investment is not consolidated as the Company is not the primary beneficiary. The carrying amount of the Company's 49% equity interest in Windfield, which is the Company's most significant VIE, was $637.9 million and $712.0 million at September 30, 2024 and December 31, 2023, respectively. The Company's unconsolidated VIEs are reported in Investments on the consolidated balance sheets. The Company does not guarantee debt for, or have other financial support obligations to, these entities, and its maximum exposure to loss in connection with its continuing involvement with these entities is limited to the carrying value of the investments.

The following table summarizes the unaudited results of operations for the Windfield joint venture, which met the significant subsidiary test for subsidiaries not consolidated or 50% or less owned persons under Rule 10-01 of Regulation S-X, for the three-month and nine-month periods ended September 30, 2024 and 2023 (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net sales | $ 338,844 | $ 1,478,430 | $ 1,070,835 | $ 5,756,748 |
| Gross profit | 244,490 | 1,410,698 | 786,082 | 5,556,634 |
| Income before income taxes | 205,071 | 1,353,249 | 626,023 | 5,289,278 |
| Net income | 143,147 | 947,275 | 436,247 | 3,702,503 |

*Public Equity Securities*

Included in the Company's investments balance are holdings in equity securities of public companies. The fair value is measured using publicly available share prices of the investments, with any changes reported in Other (expenses) income, net in our consolidated statements of (loss) income. During the nine-month period ended September 30, 2023, the Company purchased approximately $203.4 million of shares in publicly-traded companies. In addition, during the three-month and nine-month periods ended September 30, 2024, the Company recorded unrealized mark-to-market losses of $5.0 million and $32.2 million, respectively, in Other (expenses) income, net for all public equity securities held at the end of the balance sheet date. During the three-month and nine-month periods ended September 30, 2023, the Company recorded unrealized mark-to-market (losses) gains of ($26.4) million and $34.4 million, respectively, in Other (expenses) income, net for all public equity securities held at the end of the balance sheet date.

In January 2024, the Company sold equity securities of a public company for proceeds of approximately $81.5 million. As a result of the sale, the Company realized a loss of $33.7 million in the nine months ended September 30, 2024.

*Other*

As part of the proceeds from the sale of the fine chemistry services ("FCS") business on June 1, 2021, W.R. Grace & Co. ("Grace") issued Albemarle preferred equity of a Grace subsidiary having an aggregate stated value of $270 million. The preferred equity can be redeemed at Grace's option under certain conditions and began accruing payment-in-kind ("PIK") dividends at an annual rate of 12% on June 1, 2023. In addition, the preferred equity can be redeemed by Albemarle when the accumulated balance reaches 200% of the original value. This preferred equity had a fair value of $304.5 million and $289.3 million at September 30, 2024 and December 31, 2023, respectively, which is reported in Investments in the consolidated balance sheets.

**NOTE 5—Goodwill and Other Intangibles:**

The following table summarizes the changes in goodwill by reportable segment for the nine-month period ended September 30, 2024 (in thousands):

| | Energy Storage | Specialties | Ketjen | Total |
|---|---|---|---|---|
| Balance at December 31, 2023[(a)] | $ 1,424,484 | $ 32,639 | $ 172,606 | $ 1,629,729 |
| Foreign currency translation adjustments | 7,158 | 47 | 824 | 8,029 |
| Balance at September 30, 2024[(a)] | $ 1,431,642 | $ 32,686 | $ 173,430 | $ 1,637,758 |

(a) Balance at September 30, 2024 and December 31, 2023 includes an accumulated impairment loss of $6.8 million in Ketjen. As a result, the balance of Ketjen at September 30, 2024 and December 31, 2023 fully consists of goodwill related to the Refining Solutions reporting unit.

In July 2024, the Company made the decision to stop construction of Kemerton conversion plant Train 3 and put Kemerton Train 2 into care and maintenance. See Note 9, "Restructuring Charges and Asset Write-offs," for further details. The Company determined these actions to be a triggering event for a review for impairment of its Energy Storage reporting unit goodwill. As a result, during the third quarter of 2024, the Company tested the goodwill of the Energy Storage reporting unit by comparing its estimated fair value, using a discounted cash flow model, to the related carrying value. The Company's analysis

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included significant assumptions such as: revenue growth rate, adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA") margin, and discount rate, which are judgmental and variations in any assumptions could result in materially different calculations of fair value. Based on the analysis, the Energy Storage reporting unit has sufficient headroom, which is defined as the percentage difference between the fair value of a reporting unit and its carrying value, that reasonable differences in the significant assumptions used would not impact the conclusion. Consequently, the Company concluded that the Energy Storage estimated fair value exceeded its carrying value, thus no impairment was recorded in the third quarter of 2024. The Company will test the goodwill of each of its reporting units in the fourth quarter of 2024 as part of its annual goodwill impairment test.

The following table summarizes the changes in other intangibles and related accumulated amortization for the nine-month period ended September 30, 2024 (in thousands):

| | Customer Lists and Relationships | Trade Names and Trademarks[(a)] | Patents and Technology | Other | Total |
|---|---|---|---|---|---|
| **Gross Asset Value** | | | | | |
| Balance at December 31, 2023 | $ 417,803 | $ 13,405 | $ 46,287 | $ 34,649 | $ 512,144 |
| Retirements | — | (2,309) | (14,506) | (4,409) | (21,224) |
| Foreign currency translation adjustments and other | 1,260 | (23) | 1,047 | 29 | 2,313 |
| Balance at September 30, 2024 | $ 419,063 | $ 11,073 | $ 32,828 | $ 30,269 | $ 493,233 |
| **Accumulated Amortization** | | | | | |
| Balance at December 31, 2023 | $ (204,481) | $ (3,673) | $ (26,758) | $ (15,374) | $ (250,286) |
| Amortization | (14,688) | — | (1,896) | (679) | (17,263) |
| Retirements | — | 2,309 | 14,506 | 4,409 | 21,224 |
| Foreign currency translation adjustments and other | (946) | 40 | 61 | 15 | (830) |
| Balance at September 30, 2024 | $ (220,115) | $ (1,324) | $ (14,087) | $ (11,629) | $ (247,155) |
| Net Book Value at December 31, 2023 | $ 213,322 | $ 9,732 | $ 19,529 | $ 19,275 | $ 261,858 |
| Net Book Value at September 30, 2024 | $ 198,948 | $ 9,749 | $ 18,741 | $ 18,640 | $ 246,078 |

(a) Net Book Value includes only indefinite-lived intangible assets.

**NOTE 6—Long-Term Debt:**

Long-term debt at September 30, 2024 and December 31, 2023 consisted of the following (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| 1.125% notes due 2025 | $ 419,858 | $ 416,501 |
| 1.625% notes due 2028 | 556,650 | 552,200 |
| 3.45% Senior notes due 2029 | 171,612 | 171,612 |
| 4.65% Senior notes due 2027 | 650,000 | 650,000 |
| 5.05% Senior notes due 2032 | 600,000 | 600,000 |
| 5.45% Senior notes due 2044 | 350,000 | 350,000 |
| 5.65% Senior notes due 2052 | 450,000 | 450,000 |
| Commercial paper notes | — | 620,000 |
| Interest-free loan | 300,000 | 300,000 |
| Variable-rate foreign bank loans | 29,713 | 30,197 |
| Finance lease obligations | 112,291 | 110,245 |
| Other | 22,000 | 22,000 |
| Unamortized discount and debt issuance costs | (93,122) | (105,992) |
| Total long-term debt | 3,569,002 | 4,166,763 |
| Less amounts due within one year | 3,012 | 625,761 |
| Long-term debt, less current portion | $ 3,565,990 | $ 3,541,002 |

During the nine months ended September 30, 2024, we repaid a net amount of $620.0 million of commercial paper notes using the net proceeds received from the issuance of mandatory convertible preferred stock. See Note 8, "Equity," for additional information.

*Subsequent Event*

Given economic conditions, specifically around the market pricing of lithium, and the related anticipated impact on the Company's future earnings, on October 31, 2024 the Company further amended its revolving, unsecured amended and restated credit agreement dated October 28, 2022, as previously amended on February 9, 2024 (the "2022 Credit Agreement"), which provides for borrowings of up to $1.5 billion and matures on October 28, 2027. Borrowings under the 2022 Credit Agreement bear interest at variable rates based on a benchmark rate depending on the currency in which the loans are denominated, plus an applicable margin which ranges from 0.910% to 1.375%, depending on the Company's credit rating from Standard & Poor's Rating Services LLC, Moody's Investors Services, Inc. and Fitch Ratings, Inc. With respect to loans denominated in U.S. dollars, interest is calculated using the term Secured Overnight Financing Rate ("SOFR") plus a term SOFR adjustment of 0.10%, plus the applicable margin. The applicable margin on the facility was 1.20% as of September 30, 2024. There were no borrowings outstanding under the 2022 Credit Agreement as of September 30, 2024.

Borrowings under the 2022 Credit Agreement are conditioned upon satisfaction of certain customary conditions precedent, including the absence of defaults. The October 2024 amendment was entered into to modify the financial covenants under the 2022 Credit Agreement to avoid a potential covenant violation through June 2026 given the market pricing of lithium. The amended 2022 Credit Agreement subjects the Company to two financial covenants, as well as customary affirmative and negative covenants. The amended first financial covenant requires that the ratio of (a) (i) the Company's consolidated net funded debt plus a proportionate amount of Windfield's net funded debt less (ii) the Company's unrestricted cash and cash equivalents plus a proportionate amount of Windfield's unrestricted cash and cash equivalents (up to a specified amount) to (b) consolidated Windfield-Adjusted EBITDA (as such terms are defined in the 2022 Credit Agreement) be less than or equal to: (i) 5.50:1.0 as of the end of the third quarter of 2024, (ii) 4.00:1.0 as of the end of the fourth quarter of 2024, (iii) 4.75:1.0 as of the end of the first quarter of 2025, (iv) 5.75:1.0 as of the end of the second quarter of 2025, (v) 5.50:1.0 as of the end of the third quarter of 2025, (vi) 5.00:1.0 as of the end of the fourth quarter of 2025, (vii) 4.75:1.0 as of the end of the first and second quarters of 2026, respectively and (viii) 3.50:1.0 as of the end of the third quarter of 2026 and each fiscal quarter thereafter through the third quarter of 2027. The maximum permitted leverage ratios described above are subject to adjustment in

accordance with the terms of the 2022 Credit Agreement upon the consummation of an acquisition after June 30, 2026 if the consideration includes cash proceeds from the issuance of funded debt in excess of $500 million.

The amended second financial covenant requires that, beginning as of the end of the fourth quarter of 2024, the ratio of the Company's consolidated EBITDA to consolidated interest charges (as such terms are defined in the 2022 Credit Agreement) be no less than (i) 1.00:1.0 as of the end of each fiscal quarter through the second quarter of 2025, (ii) 2.00:1.0 as of the end of the third quarter of 2025, (iii) 2.50:1.0 as of the end of the fourth quarter of 2025, and (iv) 3.00:1.0 as of the end of each fiscal quarter thereafter. The 2022 Credit Agreement also contains customary default provisions, including defaults for non-payment, breach of representations and warranties, insolvency, non-performance of covenants and cross-defaults to other material indebtedness. The occurrence of an event of default under the 2022 Credit Agreement could result in all loans and other obligations becoming immediately due and payable and the commitments under the 2022 Credit Agreement being terminated. Following the $2.2 billion issuance of mandatory convertible preferred stock in March 2024 and the amendments to the financial covenants, the Company expects to maintain compliance with the amended financial covenants for the next twelve months. In addition to the amended covenants, the Company has introduced additional cost reduction plans to further reduce operating expenses and capital investments, as discussed in Note 9, "Restructuring Charges and Assets Write-offs." No assurances can be given that any additional cost reduction strategies undertaken will be sufficient to meet the amended financial covenants. Further, a significant and extended downturn in lithium market prices or demand could impact the Company's ability to maintain compliance with its amended financial covenants and it could require the Company to seek additional amendments to the 2022 Credit Agreement and/or issue debt or equity securities to fund its activities and maintain financial flexibility. If the Company were unable to obtain such necessary additional amendments, this could lead to an event of default and its lenders could require the Company to repay its outstanding debt. In that situation, the Company may not be able to raise sufficient debt or equity capital, or divest assets, to refinance or repay the lenders.

**NOTE 7—Commitments and Contingencies:**

*Environmental*

The following activity was recorded in environmental liabilities for the nine months ended September 30, 2024 (in thousands):

| | | |
|---|---|---|
| Beginning balance at December 31, 2023 | $ | 34,149 |
| Expenditures | | (3,911) |
| Accretion of discount | | 865 |
| Liability releases | | (2,570) |
| Foreign currency translation adjustments and other | | 670 |
| Ending balance at September 30, 2024 | | 29,203 |
| Less amounts reported in Accrued expenses | | 4,253 |
| Amounts reported in Other noncurrent liabilities | $ | 24,950 |

Environmental remediation liabilities included discounted liabilities of $25.5 million and $27.4 million at September 30, 2024 and December 31, 2023, respectively, discounted at rates with a weighted-average of 3.6% and 3.7%, respectively, and with the undiscounted amount totaling $52.4 million and $55.4 million at September 30, 2024 and December 31, 2023, respectively. For certain locations where the Company is operating groundwater monitoring and/or remediation systems, prior owners or insurers have assumed all or most of the responsibility.

The amounts recorded represent our future remediation and other anticipated environmental liabilities. These liabilities typically arise during the normal course of our operational and environmental management activities or at the time of acquisition of the site, and are based on internal analysis as well as input from outside consultants. As evaluations proceed at each relevant site, changes in risk assessment practices, remediation techniques and regulatory requirements can occur, therefore such liability estimates may be adjusted accordingly. The timing and duration of remediation activities at these sites will be determined when evaluations are completed. Although it is difficult to quantify the potential financial impact of these remediation liabilities, management estimates (based on the latest available information) that there is a reasonable possibility that future environmental remediation costs associated with our past operations could represent an additional $46 million before income taxes, in excess of amounts already recorded.

We believe that any sum we may be required to pay in connection with environmental remediation matters in excess of the amounts recorded would likely occur over a period of time and would likely not have a material adverse effect upon our

results of operations, financial condition or cash flows on a consolidated annual basis although any such sum could have a material adverse impact on our results of operations, financial condition or cash flows in a particular quarterly reporting period.

*Litigation*

We are involved from time to time in legal proceedings of types regarded as common in our business, including administrative or judicial proceedings seeking remediation under environmental laws, such as the federal Comprehensive Environmental Response, Compensation and Liability Act, commonly known as CERCLA or Superfund, products liability, breach of contract liability and premises liability litigation. Where appropriate, we may establish financial reserves for such proceedings. We also maintain insurance to mitigate certain of such risks. Costs for legal services are generally expensed as incurred.

*Indemnities*

We are indemnified by third parties in connection with certain matters related to acquired and divested businesses. Although we believe that the financial condition of those parties who may have indemnification obligations to the Company is generally sound, in the event the Company seeks indemnity under any of these agreements or through other means, there can be no assurance that any party who may have obligations to indemnify us will adhere to their obligations and we may have to resort to legal action to enforce our rights under the indemnities.

The Company may be subject to indemnity claims relating to properties or businesses it divested, including properties or businesses of acquired businesses that were divested prior to the completion of the acquisition. In the opinion of management, and based upon information currently available, the ultimate resolution of any indemnification obligations owed to the Company or by the Company is not expected to have a material effect on the Company's financial condition, results of operations or cash flows. The Company had approximately $14.9 million and $14.5 million at September 30, 2024 and December 31, 2023, respectively, recorded in Other noncurrent liabilities, primarily related to the indemnification of certain income and non-income tax liabilities associated with the Chemetall Surface Treatment entities sold in 2017.

*Other*

The Company has contracts with certain of its customers which serve as guarantees of product delivery and performance according to customer specifications that can cover both shipments on an individual basis, as well as blanket coverage of multiple shipments under certain customer supply contracts. The financial coverage provided by these guarantees is typically based on a percentage of net sales value. The Company is unable to estimate the maximum amount of the potential future liability under performance guarantees. However, the Company accrues for any potential loss for which we believe a future payment is probable and a range of loss can be reasonably estimated. At September 30, 2024, the Company believes its liability under such obligations is immaterial.

**NOTE 8—Equity:**

*Common Stock*

On May 9, 2024, the Company filed to amend the Company's Amended and Restated Articles of Incorporation (the "Charter") to increase the number of authorized shares of common stock, $0.01 par value per share, from 150,000,000 to 275,000,000 (the "Charter Amendment"). The Charter Amendment became effective May 10, 2024.

On July 16, 2024, the Company's board of directors declared a cash dividend of $0.405 per share. This dividend was paid on October 1, 2024 to shareholders of record at the close of business as of September 13, 2024. On October 28, 2024, the Company's board of directors declared a cash dividend of $0.405 per share, which is payable on January 2, 2025 to shareholders of record at the close of business as of December 13, 2024.

*Mandatory Convertible Preferred Stock*

On March 8, 2024, the Company issued 46,000,000 depositary shares ("Depositary Shares"), each representing a 1/20th interest in a share of Series A Mandatory Convertible Preferred Stock ("Mandatory Convertible Preferred Stock"). The 2,300,000 shares of Mandatory Convertible Preferred Stock issued had a $1,000 per share liquidation preference. As a result of this transaction, the Company received cash proceeds of approximately $2.2 billion, net of underwriting fees and offering costs. The Company intends to use the proceeds for general corporate purposes, which may include, among other uses, funding capital expenditures, following the repayment of commercial paper with a portion of the proceeds in the first quarter of 2024.

Dividends on the Mandatory Convertible Preferred Stock are payable on a cumulative basis when, as and if declared by the Albemarle board of directors, or an authorized committee thereof, at an annual rate of 7.25% on the liquidation preference of $1,000 per share, and may be paid in cash or, subject to certain limitations, in shares of common stock or, subject to certain limitations, any combination of cash and shares of common stock. Dividends that are declared on the Mandatory Convertible Preferred Stock will be payable quarterly to the holders of record on the February 15, May 15, August 15 and November 15 of each year, immediately preceding the relevant dividend payment date, whether or not such holders convert their Depositary Shares, or such Depositary Shares are automatically converted, after a record date and on or prior to the immediately succeeding dividend payment date. Dividends of $17.12 and $18.125 per share of Mandatory Convertible Preferred Stock were paid in June and September 2024, respectively. Subsequent quarterly cash dividends are expected to be $18.125 per share of Mandatory Convertible Preferred Stock. Dividends are expected to be paid on March 1, June 1, September 1 and December 1 of each year ending on, and including, March 1, 2027.

The Company may not redeem the shares of the Mandatory Convertible Preferred Stock. However, at its option, the Company may purchase the Mandatory Convertible Preferred Stock from time to time on the open market, by tender offer, exchange offer or otherwise.

Unless converted earlier in accordance with its terms, each share of Mandatory Convertible Preferred Stock will automatically convert on the mandatory conversion date, which is expected to be March 1, 2027, into between 7.618 shares and 9.140 shares of common stock, in each case, subject to customary anti-dilution adjustments described in the certificate of designations related to the Mandatory Convertible Preferred Stock (the “Certificate of Designations”). The number of shares of common stock issuable upon conversion will be determined based on the average volume weighted average price per share of common stock over the 20 consecutive trading day period beginning on, and including, the 21st scheduled trading day immediately prior to March 1, 2027.

Holders of shares of Mandatory Convertible Preferred Stock have the option to convert all or any portion of their shares of the Mandatory Convertible Preferred Stock at any time. The conversion rate applicable to any early conversion may in certain circumstances be increased to compensate holders of the Mandatory Convertible Preferred Stock for certain unpaid accumulated dividends as described in the Certificate of Designations.

If a Fundamental Change, as defined in the Certificate of Designations, occurs on or prior to March 1, 2027, then holders of the Mandatory Convertible Preferred Stock will be entitled to convert all or any portion of their Mandatory Convertible Preferred Stock at the fundamental change conversion rate, as defined in the Certificate of Designations, as for a specified period of time and to also receive an amount to compensate them for certain unpaid accumulated dividends and any remaining future scheduled dividend payments.

There were 2,300,000 shares of Mandatory Convertible Preferred Stock issued and outstanding at September 30, 2024.

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*Accumulated Other Comprehensive Loss*

The components and activity in Accumulated other comprehensive loss (net of deferred income taxes) consisted of the following during the periods indicated below (in thousands):

| | Three Months Ended September 30, 2024 | | | Three Months Ended September 30, 2023 | | |
|---|---|---|---|---|---|---|
| | Foreign Currency Translation and Other | Cash Flow Hedge[(a)] | Total | Foreign Currency Translation and Other | Cash Flow Hedge(a) | Total |
| Balance, beginning of period | $ (633,583) | $ (3,968) | $ (637,551) | $ (522,297) | $ 4,351 | $ (517,946) |
| Other comprehensive income (loss) before reclassifications | 158,708 | (6,849) | 151,859 | (143,974) | (39,021) | (182,995) |
| Amounts reclassified from accumulated other comprehensive loss | 16 | 16,064 | 16,080 | 17 | (67) | (50) |
| Other comprehensive income (loss), net of tax | 158,724 | 9,215 | 167,939 | (143,957) | (39,088) | (183,045) |
| Other comprehensive (income) loss attributable to noncontrolling interests | (158) | — | (158) | 19 | — | 19 |
| Balance, end of period | $ (475,017) | $ 5,247 | $ (469,770) | $ (666,235) | $ (34,737) | $ (700,972) |

| | Nine Months Ended September 30, 2024 | | | Nine Months Ended September 30, 2023 | | |
|---|---|---|---|---|---|---|
| | Foreign Currency Translation and Other | Cash Flow Hedge[(a)] | Total | Foreign Currency Translation and Other | Cash Flow Hedge[(a)] | Total |
| Balance, beginning of period | $ (536,601) | $ 8,075 | $ (528,526) | $ (562,886) | $ 2,224 | $ (560,662) |
| Other comprehensive income (loss) before reclassifications | 61,704 | (24,131) | 37,573 | (103,426) | (36,894) | (140,320) |
| Amounts reclassified from accumulated other comprehensive loss | 49 | 21,303 | 21,352 | 50 | (67) | (17) |
| Other comprehensive income (loss), net of tax | 61,753 | (2,828) | 58,925 | (103,376) | (36,961) | (140,337) |
| Other comprehensive (income) loss attributable to noncontrolling interests | (169) | — | (169) | 27 | — | 27 |
| Balance, end of period | $ (475,017) | $ 5,247 | $ (469,770) | $ (666,235) | $ (34,737) | $ (700,972) |

(a) We previously entered into a foreign currency forward contract, which was designated and accounted for as a cash flow hedge under ASC 815, *Derivatives and Hedging*. During the nine-month period ended September 30, 2024, the Company de-designated the remaining foreign currency forward contracts accounted for as cash flow hedges. The related loss was reclassified to Other (expenses) income, net during the nine-month period ended September 30, 2024. The balance of the settled hedged foreign currency forward contracts will be reclassified to earnings over the life of the related assets. See Note 9, “Restructuring Charges and Asset Write-offs,” and Note 15, “Fair Value of Financial Instruments,” for additional information.

The amount of income tax (expense) benefit allocated to each component of Other comprehensive income (loss) for the three-month and nine-month periods ended September 30, 2024 and 2023 is provided in the following tables (in thousands):

| | Three Months Ended September 30, 2024 | | | Three Months Ended September 30, 2023 | | |
|---|---|---|---|---|---|---|
| | Foreign Currency Translation and Other | Cash Flow Hedge | Total | Foreign Currency Translation and Other | Cash Flow Hedge | Total |
| Other comprehensive income (loss), before tax | $ 158,727 | $ 14,376 | $ 173,103 | $ (143,954) | $ (39,088) | $ (183,042) |
| Income tax expense | (3) | (5,161) | (5,164) | (3) | — | (3) |
| Other comprehensive income (loss), net of tax | $ 158,724 | $ 9,215 | $ 167,939 | $ (143,957) | $ (39,088) | $ (183,045) |

| | Nine Months Ended September 30, 2024 | | | Nine Months Ended September 30, 2023 | | |
|---|---|---|---|---|---|---|
| | Foreign Currency Translation and Other | Cash Flow Hedge | Total | Foreign Currency Translation and Other | Cash Flow Hedge | Total |
| Other comprehensive income (loss), before tax | $ 61,763 | $ (2,828) | $ 58,935 | $ (103,607) | $ (36,961) | $ (140,568) |
| Income tax (expense) benefit | (10) | — | (10) | 231 | — | 231 |
| Other comprehensive income (loss), net of tax | $ 61,753 | $ (2,828) | $ 58,925 | $ (103,376) | $ (36,961) | $ (140,337) |

**NOTE 9—Restructuring Charges and Asset Write-offs:**

*Second Half 2024 Restructuring*

In July 2024, the Company announced a comprehensive review of its cost and operating structure to proactively respond to ongoing industry headwinds, particularly in the lithium value chain, and to maintain a competitive position. As part of this review, the Company made the decision to stop construction of Kemerton conversion plant Train 3 in Western Australia and to put Kemerton Train 2 into care and maintenance. As a result, the Company recorded charges in Cost of goods sold and Restructuring charges and asset write-offs for the three-month and nine-month periods ended September 30, 2024 of $16.5 million and $826.3 million, respectively, consisting of the write-off of the carrying value of the Kemerton Train 3 assets less any salvage value, contract cancellation costs, severance, decommissioning, demolition and other associated restructuring costs for both Kemerton Trains 2 and 3. Kemerton Train 1 will continue to operate and activity around it is currently focused on commercialization efforts. In addition, the Company recorded a loss of $16.2 million in Other (expenses) income, net for the three-month and nine-month periods ended September 30, 2024 related to the reclassification of the related dedesignated cash flow hedge from Accumulated other comprehensive loss.

The Company's actions regarding Kemerton are part of a broader effort focused on preserving its world-class resource advantages, optimizing its global conversion network, improving the Company's cost competitiveness and efficiency by lowering operating costs, reducing capital intensity and enhancing the Company's financial flexibility. As part of this effort, on October 7, 2024, the Company announced a new operating structure effective November 1, 2024. The new operating structure will transition to a fully integrated functional model (excluding Ketjen) from a global business unit model. In connection with changes to be implemented under the new operating structure and the actions taken at Kemerton, the Company expects to record additional charges related to severance and employee benefits in the range of $30 million to $50 million and other restructuring costs in the range of $25 million to $30 million in the fourth quarter of 2024, with the actions to be substantially completed in the first half of 2025.

*First Half 2024 Restructuring*

In January 2024, the Company announced measures to unlock near-term cash flow and generate long-term financial flexibility by re-phasing organic growth investments and optimizing its cost structure. As part of these measures, during the second quarter of 2024, the Company indefinitely suspended construction of Kemerton Train 4, as well as deferred spending and investments with respect to certain other capital projects. The Company wrote-off the book value of assets related to these

capital projects, which are no longer part of the Company's modified capital plan, as it determined that these assets will not provide future value or will require significant re-engineering if the related projects are restarted, as well as recorded losses for associated contract cancellation costs. In addition, the Company recorded severance costs for employees in Corporate and each of the businesses as part of these announced measures. These actions resulted in charges of $1.8 million and $330.2 million recorded in Restructuring charges and asset write-offs for the three-month and nine-month periods ended September 30, 2024, respectively, and a loss of $5.4 million recorded in Other (expenses) income, net for the nine-month period ended September 30, 2024 related to the reclassification of the related dedesignated cash flow hedge from Accumulated other comprehensive loss. No further costs associated with the First Half 2024 Restructuring are expected to be recorded as this restructuring plan was completed in the first half of 2024.

*2023 Restructuring*

During the three-month and nine-month periods ended September 30, 2023, $1.8 million and $9.2 million of separation and other severance costs to employees in Corporate and the Ketjen business were recorded in Restructuring charges and asset write-offs, respectively.

*Detail of Restructuring Charges and Reserves*

The following table provides details of our restructuring related charges for the three-month and nine-month periods ended September 30, 2024, which represent the cumulative amounts incurred to date for these plans (in thousands):

| | Three Months Ended September 30, 2024 | | | | |
|---|---|---|---|---|---|
| | Asset Write-offs[(a)] | Severance and Employee Benefits[(b)] | Contract Cancellation Costs[(c)] | Other[(d)] | Total |
| First Half 2024 Restructuring[(e)] | $ 4,562 | $ 504 | $ (3,248) | $ — | $ 1,818 |
| Second Half 2024 Restructuring[(f)] | 785,005 | 7,988 | 42,456 | 23,597 | 859,046 |
| | $ 789,567 | $ 8,492 | $ 39,208 | $ 23,597 | $ 860,864 |

| | Nine Months Ended September 30, 2024 | | | | |
|---|---|---|---|---|---|
| | Asset Write-offs[(a)] | Severance and Employee Benefits[(b)] | Contract Cancellation Costs[(c)] | Other[(d)] | Total |
| First Half 2024 Restructuring[(e)] | $ 280,596 | $ 19,365 | $ 30,233 | $ 5,374 | $ 335,568 |
| Second Half 2024 Restructuring[(f)] | 785,005 | 7,988 | 42,456 | 23,597 | 859,046 |
| | $ 1,065,601 | $ 27,353 | $ 72,689 | $ 28,971 | $ 1,194,614 |

(a) Asset write-offs include $16.5 million recorded in Cost of goods sold, primarily related to work in process inventory with no future value as a result of the decomissioning of Kemerton Train 2 that was placed into care and maintenance. The remainder of the asset write-offs primarily relate to property, plant and equipment of the in-construction Kemerton Trains 3 and 4, and Kemerton Train 2 that was placed into care and maintenance. All asset write-off charges not related to inventories were recorded in Restructuring charges and asset write-offs.
(b) Severance and employee benefit charges for global employees terminated during the various restructuring programs were recorded in Restructuring charges and asset write-offs.
(c) Includes cancellation fees for contractors and required payments under take or pay contracts. All asset write-off charges were recorded in Restructuring charges and asset write-offs.
(d) Other includes costs to put Kemerton Train 2 into care and maintenance and similar restructuring costs, and are recorded in Restructuring charges and asset write-offs. In addition, Other includes the reclassification of the related dedesignated cash flow hedge from Accumulated other comprehensive loss. $16.2 million recorded in Other (expenses) income net, for the three-month and nine-month periods ended September 30, 2024 related to the Second Half 2024 Restructuring and $5.4 million recorded in Other (expenses) income, net for the nine-month period ended September 30, 2024 related to the First Half 2024 Restructuring.
(e) Severance and employee benefits related to Corporate and all segments. All other restructuring costs were primarily recorded in the Energy Storage segment.
(f) Recorded in the Energy Storage segment.

Restructuring charges related to severance and employee benefits of $1.8 million and $9.2 million for the three-month and nine-month periods ended September 30, 2023, respectively, were recorded in Restructuring charges and asset write-offs and

are reported in Corporate and the Ketjen segment. As of December 31, 2023, there was a liability of $3.3 million related to these severance costs, which was paid during the nine-month period ended September 30, 2024.

As a result of the actions taken at Kemerton Trains 2 and 3 during the third quarter of 2024, the Company elected to evaluate the recoverability of its property, plant and equipment within the corresponding asset group as of August 31, 2024, and concluded that the carrying amount of the associated asset group is recoverable as the undiscounted cash flows of the asset group significantly exceed its carrying value. Accordingly, no impairment loss was recognized during the nine-month period ended September 30, 2024.

The following tables summarize the changes in restructuring liabilities for the nine-month period ended September 30, 2024 (in thousands):

| *First Half 2024 Restructuring* | Asset Write-offs | Severance and Employee Benefits | Contract Cancellation Costs | Other | Total |
|---|---|---|---|---|---|
| Beginning balance at December 31, 2023 | $ — | $ — | $ — | $ — | $ — |
| 2024 charges | 280,596 | 19,365 | 33,481 | 5,374 | 338,816 |
| Change in estimate | — | — | (3,248) | — | (3,248) |
| Cash payments | — | (18,883) | (22,120) | — | (41,003) |
| Asset writedowns/hedge dedesignation | (280,596) | — | — | (5,374) | (285,970) |
| Foreign currency translation adjustments | — | 27 | — | — | 27 |
| Ending balance at September 30, 2024[(a)(b)] | $ — | $ 509 | $ 8,113 | $ — | $ 8,622 |

| *Second Half 2024 Restructuring* | Asset Write-offs | Severance and Employee Benefits | Contract Cancellation Costs | Other | Total |
|---|---|---|---|---|---|
| Beginning balance at December 31, 2023 | $ — | $ — | $ — | $ — | $ — |
| 2024 charges | 785,005 | 7,988 | 42,456 | 23,597 | 859,046 |
| Cash payments | — | (5,369) | (14,391) | — | (19,760) |
| Asset writedowns/hedge dedesignation | (785,005) | — | — | (16,170) | (801,175) |
| Ending balance at September 30, 2024[(a)(b)] | $ — | $ 2,619 | $ 28,065 | $ 7,427 | $ 38,111 |

(a) Approximately $34.3 million recorded in Accrued expenses and $12.4 million recorded in Other noncurrent liabilities on the consolidated balance sheets as of September 30, 2024.
(b) The majority of the remaining balances are expected to be paid in the next twelve months. Certain take or pay liabilities will be paid in line with the terms of the original contract through 2027.

**NOTE 10—Pension Plans and Other Postretirement Benefits:**

The components of pension and postretirement benefits cost (credit) for the three-month and nine-month periods ended September 30, 2024 and 2023 were as follows (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Pension Benefits Cost (Credit):** | | | | |
| Service cost | $ 1,576 | $ 1,340 | $ 4,705 | $ 3,995 |
| Interest cost | 8,163 | 8,587 | 24,448 | 25,687 |
| Expected return on assets | (8,854) | (8,434) | (26,522) | (25,258) |
| Amortization of prior service benefit | 20 | 20 | 59 | 61 |
| Total net pension benefits cost | $ 905 | $ 1,513 | $ 2,690 | $ 4,485 |
| **Postretirement Benefits Cost:** | | | | |
| Service cost | $ 12 | $ 12 | $ 35 | $ 36 |
| Interest cost | 360 | 467 | 1,081 | 1,404 |
| Total net postretirement benefits cost | $ 372 | $ 479 | $ 1,116 | $ 1,440 |
| Total net pension and postretirement benefits cost | $ 1,277 | $ 1,992 | $ 3,806 | $ 5,925 |

All components of net benefit cost, other than service cost, are included in Other (expenses) income, net on the consolidated statements of (loss) income.

During the three-month and nine-month periods ended September 30, 2024, the Company made contributions of $3.9 million and $13.3 million, respectively, to its qualified and nonqualified pension plans and the U.S. postretirement benefit plan. During the three-month and nine-month periods ended September 30, 2023, the Company made contributions of $3.6 million and $12.2 million, respectively, to its qualified and nonqualified pension plans and the U.S. postretirement benefit plan.

**NOTE 11—Income Taxes:**

The effective income tax rates for the three-month and nine-month periods ended September 30, 2024 were (9.4)% and (4.2)%, respectively, compared to 5.4% and 26.7% for the three-month and nine-month periods ended September 30, 2023, respectively. The three-month and nine-month periods ended September 30, 2024 included the impact of the 15% global minimum tax under the Pillar Two Global Anti-Base Erosion Rules (“Pillar Two”) developed by the Organisation for Economic Co-operation and Development (“OECD”) as part of global tax framework. The Company’s effective income tax rate fluctuates based on, among other factors, the amount and location of income. The lower effective tax rate in the three-month and nine-month periods ended September 30, 2024, compared to the three-month and nine-month periods ended September 30, 2023, was due to lower 2024 earnings in various jurisdictions. The difference between the U.S. federal statutory income tax rate of 21% and the Company’s effective income tax rate for the three-month and nine-month periods ended September 30, 2024 was impacted by a variety of factors, primarily the location in which income was earned, including the impact of the OECD Pillar Two minimum tax, the valuation allowance for losses in our consolidated Australian entities and certain entities in China, and an uncertain tax position recorded in Chile. The difference between the U.S. federal statutory income tax rate of 21% and the Company’s effective income tax rate for the three-month and nine-month periods ended September 30, 2023 was impacted by a variety of factors, primarily the location in which income was earned, foreign-derived intangible income and an uncertain tax position recorded in Chile. During the nine-month period ended September 30, 2023, the effective tax rate was also impacted by a non-deductible accrual for the agreements in principle to resolve a previously disclosed legal matter with the U.S. Department of Justice (“DOJ”), the SEC, and the Dutch Public Prosecutor (“DPP”).

**NOTE 12—Earnings Per Share:**

Basic and diluted (loss) earnings per share for the three-month and nine-month periods ended September 30, 2024 and 2023 are calculated as follows (in thousands, except per share amounts):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Basic (loss) earnings per share** | | | | |
| Numerator: | | | | |
| Net (loss) income attributable to Albemarle Corporation | $ (1,068,992) | $ 302,533 | $ (1,254,742) | $ 2,191,156 |
| Mandatory convertible preferred stock dividends | (41,687) | — | (94,959) | — |
| Net (loss) income attributable to Albemarle Corporation common shareholders | $ (1,110,679) | $ 302,533 | $ (1,349,701) | $ 2,191,156 |
| Denominator: | | | | |
| Weighted-average common shares for basic (loss) earnings per share | 117,535 | 117,349 | 117,505 | 117,304 |
| Basic (loss) earnings per share | $ (9.45) | $ 2.58 | $ (11.49) | $ 18.68 |
| **Diluted (loss) earnings per share** | | | | |
| Numerator: | | | | |
| Net (loss) income attributable to Albemarle Corporation | $ (1,068,992) | $ 302,533 | $ (1,254,742) | $ 2,191,156 |
| Mandatory convertible preferred stock dividends | (41,687) | — | (94,959) | — |
| Net (loss) income attributable to Albemarle Corporation common shareholders | $ (1,110,679) | $ 302,533 | $ (1,349,701) | $ 2,191,156 |
| Denominator: | | | | |
| Weighted-average common shares for basic (loss) earnings per share | 117,535 | 117,349 | 117,505 | 117,304 |
| Incremental shares under stock compensation plans | — | 434 | — | 493 |
| Weighted-average common shares for diluted (loss) earnings per share | 117,535 | 117,783 | 117,505 | 117,797 |
| Diluted (loss) earnings per share | $ (9.45) | $ 2.57 | $ (11.49) | $ 18.60 |

The following table summarizes the number of shares, calculated on a weighted average basis, not included in the computation of diluted earnings per share because their effect would have been anti-dilutive (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Shares assuming the conversion of the mandatory convertible preferred stock | 21,022 | — | 15,568 | — |
| Shares under the stock compensation plans | 1,138 | 104 | 1,058 | 94 |

**NOTE 13—Leases:**

We lease certain office space, buildings, transportation and equipment in various countries. The initial lease terms generally range from 1 to 30 years for real estate leases, and from 2 to 15 years for non-real estate leases. Leases with an initial term of 12 months or less are not recorded on the balance sheet, and we recognize lease expense for these leases on a straight-line basis over the lease term.

Many leases include options to terminate or renew, with renewal terms that can extend the lease term from 1 to 50 years or more. The exercise of lease renewal options is at our sole discretion. Certain leases also include options to purchase the leased property. The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The following table provides details of our lease contracts for the three-month and nine-month periods ended September 30, 2024 and 2023 (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Operating lease cost | $ 9,184 | $ 11,307 | $ 28,302 | $ 37,369 |
| Finance lease cost: | | | | |
| Amortization of right of use assets | 1,653 | 1,686 | 5,318 | 4,466 |
| Interest on lease liabilities | 1,568 | 1,616 | 4,769 | 4,310 |
| Total finance lease cost | 3,221 | 3,302 | 10,087 | 8,776 |
| | | | | |
| Short-term lease cost | 4,639 | 4,826 | 19,443 | 14,746 |
| Variable lease cost | 9,618 | 7,560 | 26,630 | 15,835 |
| Total lease cost | $ 26,662 | $ 26,995 | $ 84,462 | $ 76,726 |

Supplemental cash flow information related to our lease contracts for the nine-month periods ended September 30, 2024 and 2023 is as follows (in thousands):

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows from operating leases | $ 26,760 | $ 35,364 |
| Operating cash flows from finance leases | 8,176 | 3,593 |
| Financing cash flows from finance leases | 3,733 | 1,627 |
| Right-of-use assets obtained in exchange for lease obligations: | | |
| Operating leases | 16,595 | 43,907 |
| Finance leases | 6,200 | 46,773 |

Supplemental balance sheet information related to our lease contracts, including the location on balance sheet, at September 30, 2024 and December 31, 2023 is as follows (in thousands, except as noted):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Operating leases: | | |
| Other assets | $ 122,746 | $ 137,405 |
| | | |
| Accrued expenses | 29,966 | 30,583 |
| Other noncurrent liabilities | 107,808 | 113,681 |
| Total operating lease liabilities | 137,774 | 144,264 |
| Finance leases: | | |
| Net property, plant and equipment | 113,350 | 112,438 |
| | | |
| Current portion of long-term debt[(a)] | 5,043 | 9,702 |
| Long-term debt | 109,279 | 104,484 |
| Total finance lease liabilities | 114,322 | 114,186 |
| Weighted average remaining lease term (in years): | | |
| Operating leases | 12.4 | 12.2 |
| Finance leases | 20.3 | 20.7 |
| Weighted average discount rate (%): | | |
| Operating leases | 4.60 % | 4.74 % |
| Finance leases | 5.61 % | 4.71 % |

(a) Balance includes accrued interest of finance lease recorded in Accrued expenses.

Maturities of lease liabilities at September 30, 2024 were as follows (in thousands):

| | Operating Leases | Finance Leases |
|---|---|---|
| Remainder of 2024 | $ 8,291 | $ 3,208 |
| 2025 | 32,404 | 10,830 |
| 2026 | 23,976 | 10,162 |
| 2027 | 18,546 | 10,162 |
| 2028 | 13,643 | 10,162 |
| Thereafter | 110,634 | 141,523 |
| Total lease payments | 207,494 | 186,047 |
| Less imputed interest | 69,720 | 71,725 |
| Total | $ 137,774 | $ 114,322 |

**NOTE 14—Segment Information:**

The Company’s three reportable segments include: (1) Energy Storage; (2) Specialties; and (3) Ketjen. The segments are organized based on their similar markets, customers, economic characteristics and production processes. The organizational structure facilitates the continued standardization of business processes across the organization, and is consistent with the manner in which information is presently used internally by the Company’s chief operating decision maker to evaluate performance and make resource allocation decisions.

The Corporate category is not considered to be a segment and includes corporate-related items not allocated to the operating segments. Pension and other post-employment benefit (“OPEB”) service cost (which represents the benefits earned by active employees during the period) and amortization of prior service cost or benefit are allocated to the reportable segments and Corporate, whereas the remaining components of pension and OPEB benefits cost or credit (“Non-operating pension and

OPEB items") are included in Corporate. Segment data includes inter-segment transfers of raw materials at cost and allocations for certain corporate costs.

The Company's chief operating decision maker uses adjusted EBITDA (as defined below) to assess the ongoing performance of the Company's business segments and to allocate resources. Effective January 1, 2024, the Company changed its definition of adjusted EBITDA for financial accounting purposes. The updated definition includes Albemarle's share of the pre-tax earnings of the Windfield joint venture, whereas the prior definition included Albemarle's share of Windfield earnings net of tax. This calculation is consistent with the definition of adjusted EBITDA used in the leverage financial covenant calculation in the amended 2022 Credit Agreement, which is a material agreement for the Company and aligns the information presented to various stakeholders. This presentation more closely represents the materiality and financial contribution of the strategic investment in Windfield to the Company's earnings, and more closely represents a measure of EBITDA. The Company's updated definition of adjusted EBITDA is earnings before interest and financing expenses, income tax expenses, the proportionate share of Windfield income tax expense, depreciation and amortization, as adjusted on a consistent basis for certain non-operating, non-recurring or unusual items in a balanced manner and on a segment basis. These non-operating, non-recurring or unusual items may include acquisition and integration related costs, gains or losses on sales of businesses, restructuring charges, facility divestiture charges, certain litigation and arbitration costs and charges, non-operating pension and OPEB items and other significant non-recurring items. In addition, management uses adjusted EBITDA for business and enterprise planning purposes and as a significant component in the calculation of performance-based compensation for management and other employees. The Company has reported adjusted EBITDA because management believes it provides additional useful measurements to review the Company's operations, provides transparency to investors and enables period-to-period comparability of financial performance. Adjusted EBITDA for the prior period has been recast to conform to the current year presentation.

Segment information for the three-month and nine-month periods ended September 30, 2024 and 2023 were as follows (in thousands).

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Net sales:** | | | | |
| Energy Storage | $ 767,291 | $ 1,697,163 | $ 2,398,299 | $ 5,403,910 |
| Specialties | 342,376 | 352,722 | 993,041 | 1,142,802 |
| Ketjen | 245,025 | 260,711 | 754,473 | 714,326 |
| Total net sales | $ 1,354,692 | $ 2,310,596 | $ 4,145,813 | $ 7,261,038 |
| **Adjusted EBITDA:** | | | | |
| Energy Storage | $ 142,887 | $ 604,948 | $ 623,862 | $ 3,337,720 |
| Specialties | 56,273 | 46,307 | 155,629 | 268,665 |
| Ketjen | 35,473 | 15,159 | 95,288 | 72,584 |
| Total segment adjusted EBITDA | $ 234,633 | $ 666,414 | $ 874,779 | $ 3,678,969 |
| **Depreciation and amortization:** | | | | |
| Energy Storage | $ 124,346 | $ 67,323 | $ 312,053 | $ 176,025 |
| Specialties | 24,474 | 22,699 | 70,081 | 63,890 |
| Ketjen | 12,988 | 13,259 | 38,282 | 39,486 |
| Total segment depreciation and amortization | 161,808 | 103,281 | 420,416 | 279,401 |
| Corporate | 1,694 | 2,164 | 5,116 | 6,400 |
| Total depreciation and amortization | $ 163,502 | $ 105,445 | $ 425,532 | $ 285,801 |

See below for a reconciliation of total segment adjusted EBITDA to the Company's consolidated Net (loss) income attributable to Albemarle Corporation, the most directly comparable financial measure calculated and reported in accordance with U.S. GAAP (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Total segment adjusted EBITDA | $ 234,633 | $ 666,414 | $ 874,779 | $ 3,678,969 |
| Corporate expenses, net | (23,135) | (13,442) | 14,315 | 1,949 |
| Depreciation and amortization | (163,502) | (105,445) | (425,532) | (285,801) |
| Interest and financing expenses | (47,760) | (29,332) | (120,916) | (81,686) |
| Income tax (expense) benefit | (110,853) | 8,551 | (76,472) | (311,399) |
| Proportionate share of Windfield income tax expense[a] | (99,523) | (199,685) | (292,992) | (599,646) |
| Acquisition and integration related costs[b] | (439) | (10,043) | (3,927) | (21,653) |
| Restructuring charges and asset write-offs[c] | (860,864) | (1,757) | (1,194,614) | (9,196) |
| Non-operating pension and OPEB items | 331 | (620) | 993 | (1,833) |
| (Loss) gain in fair value of public equity securities[d] | (4,983) | (26,445) | (65,922) | 34,401 |
| Legal accrual[e] | — | — | — | (218,510) |
| Other[f] | 7,103 | 14,337 | 35,546 | 5,561 |
| Net (loss) income attributable to Albemarle Corporation | $ (1,068,992) | $ 302,533 | $ (1,254,742) | $ 2,191,156 |

(a) Albemarle's 49% ownership interest in the reported income tax expense of the Windfield joint venture.
(b) Costs related to the acquisition, integration and potential divestitures for various significant projects, recorded in SG&A.
(c) See Note 9, "Restructuring Charges and Asset Write-offs," for further details.
(d) Loss of $5.0 million and $32.2 million recorded in Other (expenses) income, net for the three and nine months ended September 30, 2024, respectively, resulting from the net change in fair value of investments in public equity securities and a loss of $33.7 million recorded in Other (expenses) income, net for the nine months ended September 30, 2024 resulting from the sale of investments in public equity securities. (Loss) gain of ($26.4) million and $34.4 million recorded in Other (expenses) income, net for the three and nine months ended September 30, 2023, respectively, resulting from the net change in fair value of investments in public equity securities.
(e) Accrual recorded in SG&A representing for the agreements in principle to resolve a previously disclosed legal matter with the DOJ and SEC. This matter was settled in the third quarter of 2023.
(f) Included amounts for the three months ended September 30, 2024 recorded in:
- SG&A - $0.1 million of expenses related to certain historical legal matters.
- Other (expenses) income, net - $9.2 million of income from PIK dividends of preferred equity in a Grace subsidiary, partially offset by a $2.0 million loss resulting from the adjustment of indemnification related to a previously disposed business.

Included amounts for the three months ended September 30, 2023 recorded in:
- SG&A - $0.7 million of facility closure expenses related to offices in Germany and $0.3 million of a loss from the sale of legacy properties not part of our operations.
- Other (expenses) income, net - $8.2 million gain in the fair value of preferred equity of a Grace subsidiary and a $7.2 million gain resulting from insurance proceeds of a prior legal matter.

Included amounts for the nine months ended September 30, 2024 recorded in:
- Cost of goods sold - $1.4 million of expenses related to non-routine labor and compensation related costs that are outside normal compensation arrangements.
- SG&A - $5.3 million of expenses related to certain historical legal and environmental matters.
- Other (expenses) income, net - $26.8 million of income from PIK dividends of preferred equity in a Grace subsidiary, a $17.3 million gain primarily from the sale of assets at a site not part of our operations, a $0.6 million gain from an updated cost estimate of an environmental reserve at a site not part of our operations and a $0.4 million net gain primarily resulting from the adjustment of indemnification related to previously disposed businesses, partially offset by $2.9 million of charges for asset retirement obligations at a site not part of our operations.

Included amounts for the nine months ended September 30, 2023 recorded in:
- SG&A - $2.1 million of facility closure expenses related to offices in Germany, $1.9 million of charges primarily for environmental reserves at sites not part of our operations and $1.0 million primarily related to shortfall contributions for a multiemployer plan financial improvement plan.
- Other (expenses) income, net - $10.9 million gain in the fair value of preferred equity of a Grace subsidiary and a $7.2 million gain resulting from insurance proceeds of a prior legal matter, partially offset by $3.9 million of a loss resulting from the adjustment of indemnification related to previously disposed businesses and $3.6 million of charges for asset retirement obligations at a site not part of our operations.

**NOTE 15—Fair Value of Financial Instruments:**

In assessing the fair value of financial instruments, we use methods and assumptions that are based on market conditions and other risk factors existing at the time of assessment. Fair value information for our financial instruments is as follows:

Long-Term Debt—the fair values of our notes are estimated using Level 1 inputs and account for the difference between the recorded amount and fair value of our long-term debt. The carrying value of our remaining long-term debt reported in the accompanying consolidated balance sheets approximates fair value as substantially all of such debt bears interest based on prevailing variable market rates currently available in the countries in which we have borrowings.

| | September 30, 2024 | | December 31, 2023 | |
|---|---|---|---|---|
| | Recorded Amount | Fair Value | Recorded Amount | Fair Value |
| | (In thousands) | | | |
| Long-term debt | $ 3,586,452 | $ 3,472,443 | $ 4,186,532 | $ 4,021,693 |

During the fourth quarter of 2019, we entered into a foreign currency forward contract to hedge the cash flow exposure of non-functional currency purchases during the construction of the Kemerton plant in Australia. This derivative financial instrument is used to manage risk and is not used for trading or other speculative purposes. This foreign currency forward contract has been designated as a hedging instrument under Accounting Standards Codification ("ASC") 815, *Derivatives and Hedging*. As a result of the actions taken at Kemerton Trains 3 and 4 during 2024, the Company dedesignated the remaining hedged foreign currency forward contracts. The Company recorded a loss in Other (expenses) income, net of $16.2 million and $21.6 million during the three- and nine-month periods ended September 30, 2024 from the reclassification of the hedged balance from Accumulated other comprehensive loss. The balance of the settled hedged foreign currency forward contracts associated with the construction of Kemerton Trains 1 and 2 assets placed into service will be reclassified to earnings over the life of the related assets. We had outstanding designated foreign currency forward contracts with notional values totaling the equivalent of $994.5 million at December 31, 2023.

In connection with our risk management strategies, we also enter into other derivative financial instruments that have not been designated as hedging instruments under ASC 815, *Derivatives and Hedging.* These derivative financial instruments are used to manage risk and are not used for trading or other speculative purposes. At September 30, 2024 and December 31, 2023, we had outstanding non-designated derivative financial instruments with notional values totaling $7.0 billion and $7.1 billion, respectively. The non-designated derivative financial instruments are primarily comprised of foreign currency forward contracts that attempt to minimize the financial impact of changes in foreign currency exchange rates. The fair values of our non-designated foreign currency forward contracts are estimated based on current settlement values. At September 30, 2024, these foreign currency forward contracts hedge our exposure to various currencies including the Chinese Renminbi, Euro, Australian Dollar and Chilean Peso.

The following table summarizes the fair value of our derivative financial instruments included in the consolidated balance sheets as of September 30, 2024 and December 31, 2023 (in thousands):

| | September 30, 2024 | | December 31, 2023 | |
|---|---|---|---|---|
| | Assets | Liabilities | Assets | Liabilities |
| **Designated as hedging instruments** | | | | |
| Other current assets | $ — | $ — | $ 3,489 | $ — |
| Other assets | — | — | 11,704 | — |
| Accrued expenses | — | — | — | 446 |
| Total designated as hedging instruments | — | — | 15,193 | 446 |
| **Not designated as hedging instruments** | | | | |
| Other current assets | 237 | — | 2,636 | — |
| Accrued expenses | — | 8,892 | — | 5,306 |
| Other noncurrent liabilities | — | 6,535 | — | — |
| Total not designated as hedging instruments | 237 | 15,427 | 2,636 | 5,306 |
| Total | $ 237 | $ 15,427 | $ 17,829 | $ 5,752 |

**ALBEMARLE CORPORATION AND SUBSIDIARIES**
**Notes to the Condensed Consolidated Financial Statements**
**(Unaudited)**

The following table summarizes the net (losses) gains recognized for our derivative financial instruments during the three-month and nine-month periods ended September 30, 2024 and 2023 (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Designated as hedging instruments** | | | | |
| Loss recognized in Other comprehensive (loss) income | $ (6,849) | $ (39,021) | $ (24,131) | $ (36,894) |
| (Loss) income recognized in Other (expenses) income, net | $ (16,064) | $ 67 | $ (21,303) | $ 67 |
| **Not designated as hedging instruments** | | | | |
| (Loss) income recognized in Other (expenses) income, net[(a)] | $ (20,534) | $ (59,241) | $ (7,559) | $ 184,166 |

(a) Fluctuations in the value of our foreign currency forward contracts not designated as hedging instruments are generally expected to be offset by changes in the value of the underlying exposures being hedged, which are also reported in Other (expenses) income, net.

In addition, for the nine-month periods ended September 30, 2024 and 2023, we recorded net cash receipts of $5.5 million and $192.8 million, respectively, in Other, net, in our condensed consolidated statements of cash flows.

Unrealized gains and losses related to the cash flow hedges will be reclassified to earnings over the life of the related assets when settled and the related assets are placed into service.

The counterparties to our foreign currency forward contracts are major financial institutions with which we generally have other financial relationships. We are exposed to credit loss in the event of nonperformance by these counterparties. However, we do not anticipate nonperformance by the counterparties.

**NOTE 16—Fair Value Measurement:**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The inputs used to measure fair value are classified into the following hierarchy:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 Unadjusted quoted prices in active markets for similar assets or liabilities, or unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability

Level 3 Unobservable inputs for the asset or liability

**ALBEMARLE CORPORATION AND SUBSIDIARIES**
**Notes to the Condensed Consolidated Financial Statements**
**(Unaudited)**

We endeavor to utilize the best available information in measuring fair value. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following tables set forth our financial assets and liabilities that were accounted for at fair value on a recurring basis as of September 30, 2024 and December 31, 2023 (in thousands):

| | September 30, 2024 | Quoted Prices in Active Markets for Identical Items (Level 1) | Quoted Prices in Active Markets for Similar Items (Level 2) | Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| **Assets:** | | | | |
| Available for sale debt securities[a] | $ 304,507 | $ — | $ — | $ 304,507 |
| Investments under executive deferred compensation plan[b] | $ 35,367 | $ 35,367 | $ — | $ — |
| Public equity securities[c] | $ 22,747 | $ 22,747 | $ — | $ — |
| Private equity securities measured at net asset value[d][e] | $ 4,478 | $ — | $ — | $ — |
| Derivative financial instruments[f] | $ 237 | $ — | $ 237 | $ — |
| **Liabilities:** | | | | |
| Obligations under executive deferred compensation plan[b] | $ 35,367 | $ 35,367 | $ — | $ — |
| Derivative financial instruments[f] | $ 15,427 | $ — | $ 15,427 | $ — |

| | December 31, 2023 | Quoted Prices in Active Markets for Identical Items (Level 1) | Quoted Prices in Active Markets for Similar Items (Level 2) | Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| **Assets:** | | | | |
| Available for sale debt securities[a] | $ 289,307 | $ — | $ — | $ 289,307 |
| Investments under executive deferred compensation plan[b] | $ 33,564 | $ 33,564 | $ — | $ — |
| Public equity securities[c] | $ 168,928 | $ 168,928 | $ — | $ — |
| Private equity securities measured at net asset value[d][e] | $ 4,536 | $ — | $ — | $ — |
| Derivative financial instruments[f] | $ 17,829 | $ — | $ 17,829 | $ — |
| **Liabilities:** | | | | |
| Obligations under executive deferred compensation plan[b] | $ 33,564 | $ 33,564 | $ — | $ — |
| Derivative financial instruments[f] | $ 5,752 | $ — | $ 5,752 | $ — |

(a) Preferred equity of a Grace subsidiary acquired as a portion of the proceeds of the FCS sale on June 1, 2021. A third-party estimate of the fair value was prepared using expected future cash flows over the period up to when the asset is likely to be redeemed, applying a discount rate that appropriately captures a market participant's view of the risk associated with the investment. These are considered to be Level 3 inputs.

(b) We maintain an Executive Deferred Compensation Plan ("EDCP") that was adopted in 2001 and subsequently amended. The purpose of the EDCP is to provide current tax planning opportunities as well as supplemental funds upon the retirement or death of certain of our employees. The EDCP is intended to aid in attracting and retaining employees of exceptional ability by providing them with these benefits. We also maintain a Benefit Protection Trust (the "Trust") that was created to provide a source of funds to assist in meeting the obligations of the EDCP, subject to the claims of our creditors in the event of our insolvency. Assets of the Trust are consolidated in accordance with authoritative guidance. The assets of the Trust consist primarily of mutual fund investments (which are accounted for as trading securities and are marked-to-market on a monthly basis through the consolidated statements of (loss) income) and cash and cash equivalents. As such, these assets and obligations are classified within Level 1.

(c) Holdings in equity securities of public companies reported in Investments in the consolidated balance sheets. The fair value is measured using publicly available share prices of the investments, and as a result these balances are classified within Level 1. Any changes are reported in Other (expenses) income, net in our consolidated statements of (loss) income. See Note 4, "Investments," for further details.

(d) Primarily consists of private equity securities reported in Investments in the consolidated balance sheets. The changes in fair value are reported in Other (expenses) income, net in our consolidated statements of (loss) income.

(e) Holdings in certain private equity securities are measured at fair value using the net asset value per share (or its equivalent) practical expedient and have not been categorized in the fair value hierarchy.

(f) The derivative financial instruments are primarily comprised of foreign currency forward contracts. As a result of our global operating and financing activities, we are exposed to market risks from changes in foreign currency exchange rates which may adversely affect our operating results and financial position. When deemed appropriate, we minimize our risks from foreign currency exchange rate

fluctuations through the use of foreign currency forward contracts. The foreign currency forward contracts are valued using broker quotations or market transactions in either the listed or over-the-counter markets. As such, these derivative instruments are classified within Level 2. See Note 15, "Fair Value of Financial Instruments," for further details about our foreign currency forward contracts.

The following table sets forth the reconciliation of the beginning and ending balance for the Level 3 recurring fair value measurements (in thousands):

| | Available for Sale Debt Securities |
|---|---|
| Beginning balance at December 31, 2023 | $ 289,307 |
| PIK dividends | 26,827 |
| Cash received for tax liability | (11,627) |
| Ending balance at September 30, 2024 | $ 304,507 |

**NOTE 17—Related Party Transactions:**

Our consolidated statements of (loss) income include sales to and purchases from unconsolidated affiliates in the ordinary course of business as follows (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Sales to unconsolidated affiliates | $ 11,618 | $ 4,070 | $ 13,803 | $ 14,843 |
| Purchases from unconsolidated affiliates[(a)] | $ 187,117 | $ 884,886 | $ 505,570 | $ 3,072,374 |

(a) Purchases from unconsolidated affiliates primarily relate to spodumene purchased from the Company's Windfield joint venture. The decrease from prior year primarily related to the lower lithium market prices in recent months.

Our consolidated balance sheets include accounts receivable due from and payable to unconsolidated affiliates in the ordinary course of business as follows (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Receivables from unconsolidated affiliates | $ 11,249 | $ 15,992 |
| Payables to unconsolidated affiliates[(a)] | $ 152,093 | $ 550,186 |

(a) Payables to unconsolidated affiliates primarily relate to spodumene purchased from the Company's Windfield joint venture under normal payment terms.

**NOTE 18—Supplemental Cash Flow Information:**

Supplemental information related to the condensed consolidated statements of cash flows is as follows (in thousands):

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Supplemental non-cash disclosure related to investing and financing activities: | | |
| Capital expenditures included in Accounts payable | $ 297,222 | $ 434,882 |
| Common stock issued for annual incentive bonus plan[(a)] | 11,545 | — |

(a) During the nine-month period ended September 30, 2024, the Company issued 95,003 shares of common stock to certain employees in lieu of cash as payment of a portion of their 2023 annual incentive bonus plan.

Other, net within Cash flows from operating activities on the condensed consolidated statements of cash flows for the nine-month periods ended September 30, 2024 and 2023 included $82.7 million and $64.4 million, respectively, representing the reclassification of the current portion of the one-time transition tax resulting from the enactment of the U.S. Tax Cuts and Jobs Act from Other noncurrent liabilities to Income taxes payable within current liabilities.

**NOTE 19—Recently Issued Accounting Pronouncements:**

In March 2020, the Financial Accounting Standards Board ("FASB") issued accounting guidance that provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The guidance applies only to contracts, hedging relationships and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. In January 2021, the FASB issued additional accounting guidance which clarifies that certain optional expedients and exceptions apply to derivatives that are affected by the discounting transition. The guidance under both FASB issuances was originally effective March 12, 2020 through December 31, 2022. However, in December 2022, the FASB issued an update to defer the sunset date of this guidance to December 31, 2024. The Company currently does not expect this guidance to have a material impact on its consolidated financial statements.

In August 2023, the FASB issued guidance which will require a joint venture to recognize and initially measure its assets, including goodwill, and liabilities using a new basis of accounting upon formation. Initial measurement of a joint venture's total net assets will be equal to the fair value of one hundred percent of the joint venture's equity. In addition, a joint venture will be permitted to apply the measurement period guidance of ASC 805-10 if the initial accounting for the joint venture formation is incomplete by the end of the reporting period in which the formation occurs. This guidance is effective prospectively for all joint venture formations with a formation date on or after January 1, 2025. The Company currently does not expect this guidance to have a material impact on its consolidated financial statements.

In November 2023, the FASB issued guidance to update qualitative and quantitative reportable segment disclosure requirements, including enhanced disclosures about significant segment expenses and increased interim disclosure requirements, among others. This guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted, and the amendments should be applied retrospectively. The Company currently does not expect this guidance to have a material impact on its consolidated financial statement disclosures.

In December 2023, the FASB issued guidance to require qualitative and quantitative updates to the rate reconciliation and income taxes paid disclosures, among others, in order to enhance the transparency of income tax disclosures, including consistent categories and greater disaggregation of information in the rate reconciliation and disaggregation by jurisdiction of income taxes paid. This guidance is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The amendments should be applied prospectively; however, retrospective application is also permitted. The Company is currently evaluating the impact this guidance will have on its financial statement disclosures.

In November 2024, the FASB issued guidance to require tabular disclosures disaggregating certain types of expenses presented on the income statement within continuing operations, as well as disclosures about selling expenses. This guidance is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted, and the amendments should be applied prospectively; however, retrospective application is also permitted. The Company is currently evaluating the impact this guidance will have on its financial statement disclosures.

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

***Forward-looking Statements***

Some of the information presented in this Quarterly Report on Form 10-Q, including the documents incorporated by reference herein, may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on our current expectations, which are in turn based on assumptions that we believe are reasonable based on our current knowledge of our business and operations. We have used words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “should,” “would,” “will” and variations of such words and similar expressions to identify such forward-looking statements.

These forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict and many of which are beyond our control. There can be no assurance that our actual results will not differ materially from the results and expectations expressed or implied in the forward-looking statements. Factors that could cause actual results to differ materially from the outlook expressed or implied in any forward-looking statement include, without limitation, information related to:

- changes in economic and business conditions;
- product development;
- 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;
- fluctuations in lithium market pricing, which could impact our revenues and profitability particularly due to our increased exposure to index-referenced and variable-priced contracts for battery grade lithium sales;
- inflationary trends in our input costs, such as raw materials, transportation and energy, and their effects on our business and financial results;
- changes with respect to contract renegotiations;
- potential production volume shortfalls;
- 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;
- technological change and development;
- 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 actions, proceedings, claims or litigation (including with respect to the U.S. Foreign Corrupt Practices Act and foreign anti-corruption laws);
- the occurrence of cyber-security breaches, terrorist attacks, industrial accidents or natural disasters;
- the effects of climate change, including any regulatory changes to which we might be subject;
- hazards associated with chemicals manufacturing;
- the inability to maintain current levels of insurance, including 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 or interpretation;
- 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;
- future acquisition and divestiture transactions, including the ability to successfully execute, operate and integrate acquisitions and divestitures and incurring additional indebtedness;
- expected benefits and expenses related to our new operating structure and asset optimization activities;
- timing of active and proposed restructuring and cost optimization projects;
- impact of any future pandemics;
- impacts of the situation in the Middle East and the military conflict between Russia and Ukraine, and the global response to it;
- performance of our partners in joint ventures and other projects;
- changes in credit ratings;
- the inability to realize the benefits of our decision to retain our Ketjen business as a wholly-owned subsidiary; and
- the other factors detailed from time to time in the reports we file with the Securities and Exchange Commission (“SEC”).

These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. 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. The following discussion should be read together with our condensed consolidated financial statements and related notes included in this Quarterly Report on Form 10-Q.

The following is a discussion and analysis of our results of operations for the three-month and nine-month periods ended September 30, 2024 and 2023. A discussion of our consolidated financial condition and sources of additional capital is included under a separate heading, “Financial Condition and Liquidity.”

***Overview***

Albemarle is a world leader in transforming essential resources into critical ingredients for mobility, energy, connectivity, and health. Our purpose is to enable a more resilient world. We partner to pioneer new ways to move, power, connect, and protect. The end markets we serve include grid storage, automotive, aerospace, conventional energy, electronics, construction, agriculture and food, pharmaceuticals and medical devices. We believe that our world-class resources with reliable and consistent supply, our leading process chemistry, high-impact innovation, customer centricity and focus on people and planet will enable us to maintain a leading position in the industries in which we operate.

Secular trends favorably impacting demand within the end markets that we serve combined with our diverse product portfolio, broad geographic presence and customer-focused solutions will continue to be key drivers of our future earnings growth. We continue to build upon our existing green solutions portfolio and our ongoing mission to provide innovative, yet commercially viable, clean energy products and services to the marketplace to contribute to our sustainability-based revenue. For example, our Energy Storage business contributes to the growth of clean miles driven with electric vehicles and more efficient use of renewable energy through grid storage; Specialties enables the prevention of fires starting in electronic equipment, greater fuel efficiency from rubber tires and the reduction of emissions from coal fired power plants; and our Ketjen business enhances the efficiency of natural resources through more usable products from a single barrel of oil, enables safer, greener production of alkylates used to produce more environmentally-friendly fuels, and reduced emissions through cleaner transportation fuels. We believe our disciplined cost reduction efforts and ongoing productivity improvements, among other factors, position us well to take advantage of strengthening economic conditions as they occur, while softening the negative impact of the current challenging global economic environment.

***Third Quarter 2024***

During the third quarter of 2024:

- Our board of directors declared a quarterly dividend of $0.405 per share on July 16, 2024, which was paid on October 1, 2024 to common shareholders of record at the close of business as of September 13, 2024.
- We announced a comprehensive review of our cost and operating structure to maintain a competitive position, further generate long-term financial flexibility and drive long-term value creation. As part of this review, we concluded to stop construction of the Kemerton conversion plant Train 3 and placed Kemerton Train 2 into care and maintenance. Kemerton Train 1 will continue to operate and activity around it is currently focused on commercialization efforts.

- We submitted several state and federal permit applications for the potential redevelopment of the Kings Mountain Mine, one of the few known hard-rock lithium deposits in the United States. Development of the mine is subject to the successful completion of permitting as well as a final investment decision prior to starting construction.
- We announced a new operating structure, effective November 1, 2024, that will transition from two core global business units - Energy Storage and Specialties - to a fully integrated functional model (excluding Ketjen) designed to increase agility, deliver significant cost savings and maintain long-term competitiveness. Albemarle will continue to report results across its three existing operating segments: Energy Storage, Specialties and Ketjen.

***Outlook***

The current global business environment presents a diverse set of opportunities and challenges in the markets we serve. In particular, we believe that the market for lithium battery and energy storage, particularly for electric vehicles (“EV”), remains strong, providing the opportunity to continue to develop high quality and innovative products while managing the high cost of expanding capacity. The other markets we serve continue to present various opportunities for value and growth as we have positioned ourselves to manage the impact on our business of changing global conditions, such as slow and uneven global growth, currency exchange volatility, crude oil price fluctuation, a dynamic pricing environment, an ever-changing landscape in electronics, the continuous need for cutting edge catalysts and technology by our refinery customers and increasingly stringent environmental standards. During the course of 2023, lithium index pricing dropped significantly, and remained relatively steady at these lower levels during the first nine months of 2024. Amidst these dynamics, and despite recent downward lithium price pressure, we believe our business fundamentals are sound and that we are strategically well-positioned as we remain focused on increasing sales volumes, optimizing and improving the value of our portfolio primarily through pricing and product development, managing costs and delivering value to our customers and shareholders. We believe that our businesses remain well-positioned to capitalize on new business opportunities and long-term trends driving growth within our end markets and to respond quickly to changes in economic conditions in these markets.

However, in order to optimize our cost structure and strengthen our financial flexibility, we are taking proactive actions, including certain restructuring activities and reducing planned capital expenditures. As part of these actions, we announced a new operating structure, effective November 1, 2024, that will transition from two core global business units to a fully integrated functional model (excluding Ketjen) designed to increase agility, deliver significant cost savings and maintain long-term competitiveness. We will continue to report results across its three existing operating segments of Energy Storage, Specialties and Ketjen. If lithium index pricing trends further downward or remains at low levels for an extended time, we may need to take additional measures to support growth and financial flexibility, including further restructuring actions.

At this time, relating to the current situation in the Middle East, our business operations have continued as normal with some shipping and raw material delays. We are monitoring the situation and will continue to make efforts to protect the safety of our employees and the health of our business.

**Energy Storage:** We expect Energy Storage net sales and profitability to decrease year-over-year in 2024 as lithium market prices remain at lower levels compared to the prior year. Due to many of our contracts being index-referenced and variable-priced, our business is more aligned with changes in market and index pricing. The first part of 2023 saw record high lithium price levels which increased prior year results. As a result, increases or further decreases in lithium market pricing could have a material impact on our results. We do expect the lower pricing to be partially offset by higher sales volume driven primarily by additional capacity from La Negra, Chile, Meishan and Qinzhou, China, as well as additional tolling volume supported by increased spodumene production out of Australia. The Meishan, China lithium conversion plant achieved first commercial sales during the second quarter of 2024. During the fourth quarter of 2023, we recorded a $604 million charge to reduce the value of certain spodumene and finished goods to their net realizable value following the decline in lithium market pricing at the end of the year. We could record additional inventory valuation charges in 2024 if lithium prices continue to deteriorate during the projected period of conversion and sale. While we ramp up our new capacity, we will continue to utilize tolling arrangements to meet growing customer demand. Global EV sales are expected to continue to increase over the prior year, driving continued demand for lithium batteries.

As part of the above-mentioned actions to optimize our cost structure and strengthen our financial flexibility, we have stopped construction of the Kemerton Trains 3 and 4. In addition, we have put Kemerton Train 2 into care and maintenance. Kemerton Train 1 will continue to operate and activity around it is currently focused on commercialization efforts.

On a longer-term basis, we believe that demand for lithium will continue to grow as new lithium applications advance and the use of plug-in hybrid EVs and full battery EVs increases. This demand for lithium is supported by a favorable backdrop of steadily declining lithium-ion battery costs, increasing battery performance, continuing significant investments in the battery and EV supply chain by cathode and battery producers and automotive OEMs and favorable global public policy toward e-mobility/renewable energy usage. Our outlook is also bolstered by long-term supply agreements with key strategic customers,

reflecting our standing as a preferred global lithium partner, highlighted by our scale, access to geographically diverse, low-cost resources and long-term track record of reliability of supply and operating execution.

**Specialties:** We expect both net sales and profitability to be lower in 2024 year-over-year as we recover from reduced customer demand in certain markets, including consumer and industrial electronics, and maintain strong demand in other end-markets, such as pharmaceuticals, agriculture and oilfield services. We have taken measures to reduce the negative impact of lower demand, which we expect to partially offset the lower results in 2024.

On a longer-term basis, we continue to believe that improving global standards of living, widespread digitization, increasing demand for data management capacity and the potential for increasingly stringent fire safety regulations in developing markets are likely to drive continued demand for fire safety, bromine and lithium specialties products. We are focused on profitably growing our globally competitive production networks to serve all major bromine and lithium specialties consuming products and markets. The combination of our solid, long-term business fundamentals, strong cost position, product innovations and effective management of raw material costs should enable us to manage our business through end-market challenges and to capitalize on opportunities that are expected with favorable market trends in select end markets.

**Ketjen:** Total Ketjen results in 2024 are expected to increase year-over-year due to higher revenue and favorable product mix. The fluidized catalytic cracking (“FCC”) market is expected to remain stable. Hydroprocessing catalysts (“HPC”) demand is project-driven, but we have seen increased demand as refineries are taking turnarounds.

On a longer-term basis, we believe increased global demand for transportation fuels, new refinery start-ups and ongoing adoption of cleaner fuels will be the primary drivers of growth in our Ketjen business. We believe delivering superior end-use performance continues to be the most effective way to create sustainable value in the refinery catalysts industry. We also believe our technologies continue to provide significant performance and financial benefits to refiners challenged to meet tighter regulations around the world.

**Corporate:** We continue to focus on cash generation, working capital management and process efficiencies. We expect our global effective tax rate will vary based on the locations in which income is actually earned and remains subject to potential volatility from changing legislation in the United States, such as the Inflation Reduction Act and the recently released Pillar Two Global Anti-Base Erosion Rules (“Pillar Two”) which became effective in early 2024, and other tax jurisdictions. In 2024, we have taken actions as part of an effort that will focus on preserving our world-class resource advantages, optimizing our global conversion network, improving our cost competitiveness and efficiency, reducing capital intensity and enhancing our financial flexibility. As part of these measures, we stopped construction or deferred spending on certain capital projects, such as the Kemerton conversion plant noted above. In addition, we will incur severance and other restructuring charges associated with the Company’s transition to a new fully integrated functional operating model.

From time to time, we may evaluate the merits of any opportunities that may arise for acquisitions or other business development activities that will complement our business footprint. Additional information regarding our products, markets and financial performance is provided at our website, *www.albemarle.com*. Our website is not a part of this document nor is it incorporated herein by reference.

***Results of Operations***

The following data and discussion provides an analysis of certain significant factors affecting our results of operations during the periods included in the accompanying consolidated statements of (loss) income. Certain percentage changes are considered not meaningful (“NM”).

*Third Quarter 2024 Compared to Third Quarter 2023*

***Net Sales***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
|---|---|---|---|---|
| Net sales | $ 1,354,692 | $ 2,310,596 | $ (955,904) | (41)% |

- $1.2 billion decrease primarily attributable to lower lithium carbonate and hydroxide market pricing in Energy Storage
- $261.4 million increase attributable to higher sales volume in Energy Storage and Specialties
- $1.2 million of unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies

***Gross (Loss) Profit***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
| --- | --- | --- | --- | --- |
| Gross (loss) profit | $ (104,034) | $ 54,934 | $ (158,968) | (289)% |
| Gross (loss) profit margin | (7.7)% | 2.4 % | | |

- Unfavorable pricing impacts primarily in Energy Storage, including the recognition of gross profit on converted inventory originally purchased from the Windfield joint venture, that was sold to third-party customers. The higher cost of goods sold of inventory purchased from Windfield is offset in the equity in net income of unconsolidated investments in the period the converted inventory is sold to third-party customers.
- Unfavorable currency exchange impacts resulting from the stronger U.S. Dollar against various currencies
- Partially offset by higher sales volume in Energy Storage and decreased commission expenses in Chile resulting from the lower pricing

***Selling, General and Administrative ("SG&A") Expenses***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
| --- | --- | --- | --- | --- |
| Selling, general and administrative expenses | $ 154,253 | $ 172,109 | $ (17,856) | (10)% |
| Percentage of Net sales | 11.4 % | 7.4 % | | |

- Reduced expenses as part of announced cost reduction efforts, including outside services and travel and entertainment costs

***Restructuring Charges and Asset Write-Offs***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
| --- | --- | --- | --- | --- |
| Restructuring charges and asset write-offs | $ 828,146 | $ 1,757 | $ 826,389 | NM |

- Capital project asset write-offs and associated contract cancellation costs recorded primarily related to stopping construction of Kemerton Train 3. The Company determined that these assets will not provide future value or will require significant re-engineering if the related projects are restarted.
- Severance and other restructuring costs associated with placing Kemerton Train 2 into care and maintenance

***Research and Development Expenses***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
| --- | --- | --- | --- | --- |
| Research and development expenses | $ 22,397 | $ 21,082 | $ 1,315 | 6 % |
| Percentage of Net sales | 1.7 % | 0.9 % | | |

***Interest and Financing Expenses***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
| --- | --- | --- | --- | --- |
| Interest and financing expenses | $ (47,760) | $ (29,332) | $ (18,428) | 63 % |

- Lower capitalized interest in 2024 as major projects are completed

***Other (Expenses) Income, Net***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
| --- | --- | --- | --- | --- |
| Other (expenses) income, net | $ (22,256) | $ 11,182 | $ (33,438) | (299)% |

- $56.6 million decrease attributable to foreign exchange impacts from losses recorded in 2024. Foreign exchange loss in 2024 includes a loss of $16.2 million due to the reclass from accumulated other comprehensive loss related to the dedesignation of cash flow hedge.
- 2024 included losses of $5.0 million related to the fair market value adjustment of equity securities in public companies compared to $26.4 million of net losses for similar fair value adjustments in 2023
- $9.0 million increase attributable to interest income from higher cash balances in 2024
- $7.2 million gain resulting from insurance proceeds related to a prior legal matter in 2023

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***Income Tax Expense (Benefit)***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
|---|---|---|---|---|
| Income tax expense (benefit) | $ 110,853 | $ (8,551) | $ 119,404 | NM |
| Effective income tax rate | (9.4)% | 5.4 % | | |

- Change in geographic mix of earnings, with lower 2024 earnings in various jurisdictions
- 2024 included the impact from the valuation allowance for losses in our consolidated Australian entities and certain China entities
- 2024 included the impact of the 15% global minimum tax under Pillar Two

***Equity in Net Income of Unconsolidated Investments***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
|---|---|---|---|---|
| Equity in net income of unconsolidated investments | $ 229,058 | $ 470,306 | $ (241,248) | (51)% |

- Decreased earnings primarily due to lower pricing from the Windfield joint venture in Energy Storage
- $13.1 million increase attributable to unfavorable foreign exchange impacts from the Windfield joint venture

***Net Income Attributable to Noncontrolling Interests***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
|---|---|---|---|---|
| Net income attributable to noncontrolling interests | $ (8,351) | $ (18,160) | $ 9,809 | (54)% |

- Decrease in consolidated income related to our Jordan Bromine Company Limited (“JBC”) joint venture primarily due to lower pricing

***Net (Loss) Income Attributable to Albemarle Corporation***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
|---|---|---|---|---|
| Net (loss) income attributable to Albemarle Corporation | $ (1,068,992) | $ 302,533 | $ (1,371,525) | NM |
| Percentage of Net sales | (78.9)% | 13.1 % | | |
| Net (loss) income attributable to Albemarle Corporation common shareholders | $ (1,110,679) | $ 302,533 | $ (1,413,212) | NM |
| Basic (loss) earnings per share attributable to common shareholders | $ (9.45) | $ 2.58 | $ (12.03) | NM |
| Diluted (loss) earnings per share attributable to common shareholders | $ (9.45) | $ 2.57 | $ (12.02) | NM |

- Decrease in 2024 results due to reasons noted above
- Net (loss) income attributable to Albemarle Corporation common shareholders in 2024 includes $41.7 million reduction for mandatory convertible preferred stock dividends

***Other Comprehensive Income (Loss), Net of Tax***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
|---|---|---|---|---|
| Other comprehensive income (loss), net of tax | $ 167,939 | $ (183,045) | $ 350,984 | NM |
| ▪ Foreign currency translation and other | $ 158,724 | $ (143,957) | $ 302,681 | NM |
| ▪ 2024 included favorable movements in the Euro of approximately $153 million, the Japanese Yen of approximately $12 million, the Taiwanese Dollar of approximately $3 million and a net favorable variance in various other currencies of $4 million, partially offset by unfavorable movements in the Chinese Renminbi of approximately $12 million | | | | |
| ▪ 2023 included unfavorable movements in the Euro of approximately $134 million, the Japanese Yen of approximately $4 million and a net unfavorable variance in various other currencies of $6 million | | | | |
| ▪ Cash flow hedge | $ 9,215 | $ (39,088) | $ 48,303 | NM |

***Segment Information Overview.*** We have identified three reportable segments according to the nature and economic characteristics of our products as well as the manner in which the information is used internally by the Company’s chief operating decision maker to evaluate performance and make resource allocation decisions. Our reportable business segments consist of: (1) Energy Storage, (2) Specialties and (3) Ketjen.

The Corporate category is not considered to be a segment and includes corporate-related items not allocated to the operating segments. Pension and OPEB service cost (which represents the benefits earned by active employees during the period) and amortization of prior service cost or benefit are allocated to the reportable segments and Corporate, whereas the remaining components of pension and OPEB benefits cost or credit ("Non-operating pension and OPEB items") are included in Corporate. Segment data includes intersegment transfers of raw materials at cost and allocations for certain corporate costs.

Our chief operating decision maker uses adjusted EBITDA (as defined below) to assess the ongoing performance of the Company's business segments and to allocate resources. Effective January 1, 2024, the Company changed its definition of adjusted EBITDA for financial accounting purposes. The updated definition includes Albemarle's share of the pre-tax earnings of the Windfield joint venture, whereas the prior definition included Albemarle's share of Windfield earnings net of tax. This calculation is consistent with the definition of adjusted EBITDA used in the leverage financial covenant calculation in the February 9, 2024 amendment to our revolving, unsecured amended and restated credit agreement dated October 28, 2022 (as so amended, the 2022 Credit Agreement"), which is a material agreement for the Company and aligns the information presented to various stakeholders. This presentation more closely represents the materiality and financial contribution of the strategic investment in Windfield to the Company's earnings, and more closely represents a measure of EBITDA. The Company's updated definition of adjusted EBITDA is earnings before interest and financing expenses, income tax expenses, the proportionate share of Windfield income tax expense, depreciation and amortization, as adjusted on a consistent basis for certain non-operating, non-recurring or unusual items in a balanced manner and on a segment basis. These non-operating, non-recurring or unusual items may include acquisition and integration related costs, gains or losses on sales of businesses, restructuring charges, facility divestiture charges, certain litigation and arbitration costs and charges, non-operating pension and OPEB items and other significant non-recurring items. In addition, management uses adjusted EBITDA for business and enterprise planning purposes and as a significant component in the calculation of performance-based compensation for management and other employees. The Company has reported adjusted EBITDA because management believes it provides additional useful measurements to review the Company's operations, provides transparency to investors and enables period-to-period comparability of financial performance. Total adjusted EBITDA is a financial measure that is not required by, or presented in accordance with, U.S. GAAP. Total adjusted EBITDA should not be considered as an alternative to Net (loss) income attributable to Albemarle Corporation, the most directly comparable financial measure calculated and reported in accordance with U.S. GAAP, or any other financial measure reported in accordance with U.S. GAAP. Adjusted EBITDA for the prior period has been recast to conform to the current year presentation.

| | Three Months Ended September 30, | | | | Percentage Change |
|---|---|---|---|---|---|
| | 2024 | % | 2023 | % | 2024 vs 2023 |
| | (In thousands, except percentages) | | | | |
| **Net sales:** | | | | | |
| Energy Storage | $ 767,291 | 56.6 % | $ 1,697,163 | 73.4 % | (55)% |
| Specialties | 342,376 | 25.3 % | 352,722 | 15.3 % | (3)% |
| Ketjen | 245,025 | 18.1 % | 260,711 | 11.3 % | (6)% |
| Total net sales | $ 1,354,692 | 100.0 % | $ 2,310,596 | 100.0 % | (41)% |
| **Adjusted EBITDA:** | | | | | |
| Energy Storage | $ 142,887 | 67.5 % | $ 604,948 | 92.7 % | (76)% |
| Specialties | 56,273 | 26.6 % | 46,307 | 7.1 % | 22 % |
| Ketjen | 35,473 | 16.8 % | 15,159 | 2.3 % | 134 % |
| Total segment adjusted EBITDA | 234,633 | 110.9 % | 666,414 | 102.1 % | (65)% |
| Corporate | (23,135) | (10.9)% | (13,442) | (2.1)% | 72 % |
| Total adjusted EBITDA | $ 211,498 | 100.0 % | $ 652,972 | 100.0 % | (68)% |

See below for a reconciliation of total segment adjusted EBITDA to consolidated Net (loss) income attributable to Albemarle Corporation, the most directly comparable financial measure calculated and reported in accordance with U.S. GAAP (in thousands):

| | Three Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Total segment adjusted EBITDA | $ 234,633 | $ 666,414 |
| Corporate expenses, net | (23,135) | (13,442) |
| Depreciation and amortization | (163,502) | (105,445) |
| Interest and financing expenses | (47,760) | (29,332) |
| Income tax (expense) benefit | (110,853) | 8,551 |
| Proportionate share of Windfield income tax expense[(a)] | (99,523) | (199,685) |
| Acquisition and integration related costs[(b)] | (439) | (10,043) |
| Restructuring charges and asset write-offs[(c)] | (860,864) | (1,757) |
| Non-operating pension and OPEB items | 331 | (620) |
| Loss in fair value of public equity securities[(d)] | (4,983) | (26,445) |
| Other[(e)] | 7,103 | 14,337 |
| Net (loss) income attributable to Albemarle Corporation | $ (1,068,992) | $ 302,533 |

(a) Albemarle's 49% ownership interest in the reported income tax expense of the Windfield joint venture.
(b) Costs related to the acquisition, integration and potential divestitures for various significant projects, recorded in SG&A.
(c) See Note 9, "Restructuring Charges and Asset Write-offs," to the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for further details.
(d) Loss of $5.0 million and $26.4 million recorded in Other (expenses) income, net for the three months ended September 30, 2024 and 2023, respectively, resulting from the net change in fair value of investments in public equity securities.
(e) Included amounts for the three months ended September 30, 2024 recorded in:
- SG&A - $0.1 million of expenses related to certain historical legal matters.
- Other (expenses) income, net - $9.2 million of income from PIK dividends of preferred equity in a W.R. Grace & Co. ("Grace") subsidiary, partially offset by a $2.0 million loss resulting from the adjustment of indemnification related to a previously disposed business.

Included amounts for the three months ended September 30, 2023 recorded in:
- SG&A - $0.7 million of facility closure expenses related to offices in Germany and $0.3 million of a loss from the sale of legacy properties not part of our operations.
- Other (expenses) income, net - $8.2 million gain in the fair value of preferred equity of a Grace subsidiary and a $7.2 million gain resulting from insurance proceeds related to a prior legal matter.

***Energy Storage***

| *In thousands* | Q3 2024 | Q3 2023 | $ Change | % Change |
|---|---|---|---|---|
| Net sales | $ 767,291 | $ 1,697,163 | $ (929,872) | (55)% |

- $1.2 billion decrease attributable to unfavorable pricing impacts, primarily in battery- and tech-grade carbonate and hydroxide sold under index-referenced and variable-priced contracts, and mix
- $267.6 million increase attributable to higher sales volume, primarily driven by the La Negra III/IV expansion in Chile, as well as sales of chemical-grade spodumene to meet growing customer demand

| | Q3 2024 | Q3 2023 | $ Change | % Change |
|---|---|---|---|---|
| Adjusted EBITDA | $ 142,887 | $ 604,948 | $ (462,061) | (76)% |

- Unfavorable pricing impacts in lithium carbonate and hydroxide
- Decreased equity in net income from the Windfield joint venture, driven by lower spodumene pricing
- Higher sales volume
- Savings from designed restructuring and productivity improvements
- Decreased commission expenses in Chile resulting from the lower pricing
- $23.9 million increase attributable to favorable currency translation resulting from the weaker U.S. Dollar against various currencies

***Specialties***

| *In thousands* | Q3 2024 | | Q3 2023 | | $ Change | | % Change |
|---|---|---|---|---|---|---|---|
| Net sales | $ | 342,376 | $ | 352,722 | $ | (10,346) | (3)% |

- $22.6 million decrease attributable to unfavorable pricing impacts
- $13.8 million increase attributable to higher sales volumes related to increased demand across all products
- $1.5 million decrease attributable to unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Adjusted EBITDA | $ | 56,273 | $ | 46,307 | $ | 9,966 | 22 % |

- Unfavorable pricing impacts
- Higher sales volume related to increased demand across all products
- Decreased manufacturing costs resulting from higher production volume and productivity initiatives
- $1.0 million decrease attributable to unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies

***Ketjen***

| *In thousands* | Q3 2024 | | Q3 2023 | | $ Change | | % Change |
|---|---|---|---|---|---|---|---|
| Net sales | $ | 245,025 | $ | 260,711 | $ | (15,686) | (6)% |

- $20.0 million decrease attributable to lower sales volume, primarily due to the timing of sales
- $4.9 million increase attributable to favorable pricing impacts due to the product mix

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Adjusted EBITDA | $ | 35,473 | $ | 15,159 | $ | 20,314 | 134 % |

- Favorable product mix, primarily in the clean fuel technologies ("CFT") business
- Lower manufacturing input and fixed costs

***Corporate***

| *In thousands* | Q3 2024 | | Q3 2023 | | $ Change | | % Change |
|---|---|---|---|---|---|---|---|
| Adjusted EBITDA | $ | (23,135) | $ | (13,442) | $ | (9,693) | 72 % |

- $27.3 million decrease attributable to unfavorable currency exchange impacts, net of a $13.1 million increase in foreign exchange impacts from our Windfield joint venture
- Reduced expenses as part of announced cost reduction efforts, including outside services and travel and entertainment costs

*First Nine Months 2024 Compared to First Nine Months 2023*

***Net Sales***

| *In thousands* | YTD 2024 | | YTD 2023 | | $ Change | | % Change |
|---|---|---|---|---|---|---|---|
| Net sales | $ | 4,145,813 | $ | 7,261,038 | $ | (3,115,225) | (43)% |

- $4.7 billion decrease primarily attributable to lower lithium carbonate and hydroxide market pricing in Energy Storage
- $1.6 billion increase attributable to higher sales volume in all businesses, primarily Energy Storage
- $37.5 million of unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies

***Gross (Loss) Profit***

| *In thousands* | YTD 2024 | | YTD 2023 | | $ Change | | % Change |
|---|---|---|---|---|---|---|---|
| Gross (loss) profit | $ | (75,674) | $ | 1,889,961 | $ | (1,965,635) | NM |
| Gross (loss) profit margin | | (1.8)% | | 26.0 % | | | |

- Unfavorable pricing impacts primarily in Energy Storage, including the recognition of gross profit on converted inventory originally purchased from the Windfield joint venture, that was sold to third-party customers. The higher cost of goods sold of inventory purchased from Windfield is offset in the equity in net income of unconsolidated investments in the period the converted inventory is sold to third-party customers.
- Unfavorable currency exchange impacts resulting from the stronger U.S. Dollar against various currencies
- Higher sales volume in Energy Storage and decreased commission expenses in Chile resulting from the lower pricing

***Selling, General and Administrative Expenses***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Selling, general and administrative expenses | $ 482,052 | $ 716,046 | $ (233,994) | (33)% |
| Percentage of Net sales | 11.6 % | 9.9 % | | |

- 2023 included a $218.5 million legal accrual recorded for the agreements in principle to resolve a previously disclosed legal matter with the DOJ, SEC and DPP
- Reduced expenses as part of announced cost reduction efforts, including outside services and travel and entertainment costs
- Higher compensation-related expenses across Corporate and each business

***Restructuring Charges and Asset Write-Offs***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Restructuring charges and asset write-offs | $ 1,156,522 | $ 9,196 | $ 1,147,326 | NM |

- Capital project asset write-offs and associated contract cancellation costs recorded in 2024 primarily related to stopping construction of Kemerton Trains 3 and 4. The Company determined that these assets will not provide future value or will require significant re-engineering if the related projects are restarted.
- Severance and other restructuring costs associated with placing Kemerton Train 2 into care and maintenance in 2024
- 2023 included separation and other severance costs to employees in Corporate and the Ketjen business

***Research and Development Expenses***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Research and development expenses | $ 66,699 | $ 62,972 | $ 3,727 | 6 % |
| Percentage of Net sales | 1.6 % | 0.9 % | | |

***Interest and Financing Expenses***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Interest and financing expenses | $ (120,916) | $ (81,686) | $ (39,230) | 48 % |

- Increased debt balance outstanding during the first nine months of 2024, primarily in variable-rate commercial paper paid off in March 2024
- Lower capitalized interest in 2024
- Increased amortization of debt discounts in 2024 primarily from interest-free loan entered into in the second quarter of 2023

***Other Income, Net***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Other income, net | $ 61,311 | $ 147,628 | $ (86,317) | (58)% |

- 2024 included losses of $65.9 million related to the sale and fair market value adjustment of equity securities in public companies compared to $34.4 million of net gains for similar fair value adjustments in 2023
- $35.8 million decrease attributable to foreign exchange gains in 2024 compared to 2023. Foreign exchange gains in 2024 are net of a loss of $21.5 million due to the reclass from accumulated other comprehensive loss related to the dedesignation of cash flow hedge.
- $17.3 million gain primarily from the sale of assets at a site not part of our operations in 2024
- $15.9 million increase of income from PIK dividends of preferred equity in a Grace subsidiary in 2024

***Income Tax Expense***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Income tax expense | $ 76,472 | $ 311,399 | $ (234,927) | (75)% |
| Effective income tax rate | (4.2)% | 26.7 % | | |

- Change in geographic mix of earnings, with lower 2024 earnings in various jurisdictions
- 2024 included the impact of the valuation allowance for losses in our consolidated Australian entities and certain entities in China
- 2024 included the impact of the 15% global minimum tax under Pillar Two
- 2023 included tax impact of a non-deductible $218.5 million legal accrual recorded for the agreements in principle to resolve a previously disclosed legal matter with the DOJ, SEC and DPP

***Equity in Net Income of Unconsolidated Investments***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Equity in net income of unconsolidated investments | $ 696,436 | $ 1,417,545 | $ (721,109) | (51)% |

- Decreased earnings from lower pricing from the Windfield joint venture in Energy Storage

***Net Income Attributable to Noncontrolling Interests***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Net income attributable to noncontrolling interests | $ (34,154) | $ (82,679) | $ 48,525 | (59)% |

- Decrease in consolidated income related to our JBC joint venture primarily due to lower pricing

***Net (Loss) Income Attributable to Albemarle Corporation***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Net (loss) income attributable to Albemarle Corporation | $ (1,254,742) | $ 2,191,156 | $ (3,445,898) | NM |
| Percentage of Net sales | (30.3)% | 30.2 % | | |
| Net (loss) income attributable to Albemarle Corporation common shareholders | $ (1,349,701) | $ 2,191,156 | $ (3,540,857) | NM |
| Basic (loss) earnings per share | $ (11.49) | $ 18.68 | $ (30.17) | NM |
| Diluted (loss) earnings per share | $ (11.49) | $ 18.60 | $ (30.09) | NM |

- Decrease in 2024 results due to reasons noted above
- Net (loss) income attributable to Albemarle Corporation common shareholders in 2024 includes $95.0 million reduction for mandatory convertible preferred stock dividends

***Other Comprehensive Income (Loss), Net of Tax***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Other comprehensive income (loss), net of tax | $ 58,925 | $ (140,337) | $ 199,262 | NM |
| ▪ Foreign currency translation and other | $ 61,753 | $ (103,376) | $ 165,129 | NM |

- 2024 included favorable movements in the Euro of approximately $79 million, partially offset by unfavorable movements in the Brazilian Real of approximately $8 million, the Chinese Renminbi of approximately $3 million, the Taiwanese Dollar of approximately $3 million and a net unfavorable variance in various other currencies of $4 million
- 2023 included unfavorable movements in the Euro of approximately $90 million, the Japanese Yen of approximately $13 million, partially offset by a net favorable variance in various other currencies of less than $1 million

| | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| ▪ Cash flow hedge | $ (2,828) | $ (36,961) | $ 34,133 | NM |

***Segment Information Overview.*** Summarized financial information concerning our reportable segments is shown in the following tables.

| | Nine Months Ended September 30, | | | | Percentage Change |
|---|---|---|---|---|---|
| | 2024 | % | 2023 | % | 2024 vs 2023 |
| | (In thousands, except percentages) | | | | |
| **Net sales:** | | | | | |
| Energy Storage | $ 2,398,299 | 57.8 % | $ 5,403,910 | 74.5 % | (56)% |
| Specialties | 993,041 | 24.0 % | 1,142,802 | 15.7 % | (13)% |
| Ketjen | 754,473 | 18.2 % | 714,326 | 9.8 % | 6 % |
| Total net sales | $ 4,145,813 | 100.0 % | $ 7,261,038 | 100.0 % | (43)% |
| **Adjusted EBITDA:** | | | | | |
| Energy Storage | $ 623,862 | 70.2 % | $ 3,337,720 | 90.7 % | (81)% |
| Specialties | 155,629 | 17.5 % | 268,665 | 7.3 % | (42)% |
| Ketjen | 95,288 | 10.7 % | 72,584 | 2.0 % | 31 % |
| Total segment adjusted EBITDA | 874,779 | 98.4 % | 3,678,969 | 100.0 % | (76)% |
| Corporate | 14,315 | 1.6 % | 1,949 | — % | NM |
| Total adjusted EBITDA | $ 889,094 | 100.0 % | $ 3,680,918 | 100.0 % | (76)% |

See below for a reconciliation of total segment adjusted EBITDA to consolidated Net (loss) income attributable to Albemarle Corporation, the most directly comparable financial measure calculated and reported in accordance with U.S. GAAP (in thousands):

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Total segment adjusted EBITDA | $ 874,779 | $ 3,678,969 |
| Corporate expenses, net | 14,315 | 1,949 |
| Depreciation and amortization | (425,532) | (285,801) |
| Interest and financing expenses | (120,916) | (81,686) |
| Income tax expense | (76,472) | (311,399) |
| Proportionate share of Windfield income tax expense[(a)] | (292,992) | (599,646) |
| Acquisition and integration related costs[(b)] | (3,927) | (21,653) |
| Restructuring charges and asset write-offs[(c)] | (1,194,614) | (9,196) |
| Non-operating pension and OPEB items | 993 | (1,833) |
| (Loss) gain in fair value on public equity securities[(d)] | (65,922) | 34,401 |
| Legal accrual[(e)] | — | (218,510) |
| Other[(f)] | 35,546 | 5,561 |
| Net (loss) income attributable to Albemarle Corporation | $ (1,254,742) | $ 2,191,156 |

(a) Albemarle's 49% ownership interest in the reported income tax expense of the Windfield joint venture.
(b) Costs related to the acquisition, integration and potential divestitures for various significant projects, recorded in SG&A.
(c) See Note 9, "Restructuring Charges and Asset Write-offs," to the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for further details.
(d) Loss of $33.7 million recorded in Other income, net for the nine months ended September 30, 2024 resulting from the sale of investments in public equity securities and a (loss) gain of ($32.2) million and $34.4 million recorded in Other income, net for the nine months ended September 30, 2024 and 2023, respectively, resulting from the net change in fair value of investments in public equity securities.
(e) Accrual recorded in SG&A representing for the agreements in principle to resolve a previously disclosed legal matter with the DOJ and SEC. This matter was settled in the third quarter of 2023.
(f) Included amounts for the nine months ended September 30, 2024 recorded in:
- Cost of goods sold - $1.4 million of expenses related to non-routine labor and compensation related costs that are outside normal compensation arrangements.
- SG&A - $5.3 million of expenses related to certain historical legal and environmental matters.
- Other income, net - $26.8 million of income from PIK dividends of preferred equity in a Grace subsidiary, a $17.3 million gain primarily from the sale of assets at a site not part of our operations, a $0.6 million gain from an updated cost estimate of an environmental reserve at a site not part of our operations and a $0.4 million net gain primarily resulting from the adjustment of

indemnification related to previously disposed businesses, partially offset by $2.9 million of charges for asset retirement obligations at a site not part of our operations.

Included amounts for the nine months ended September 30, 2023 recorded in:

- SG&A - $2.1 million of facility closure expenses related to offices in Germany, $1.9 million of charges primarily for environmental reserves at sites not part of our operations and $1.0 million primarily related to shortfall contributions for a multiemployer plan financial improvement plan.
- Other income, net - $10.9 million gain in the fair value of preferred equity of a Grace subsidiary and a $7.2 million gain resulting from insurance proceeds of a prior legal matter, partially offset by $3.9 million of a loss resulting from the adjustment of indemnification related to previously disposed businesses and $3.6 million of charges for asset retirement obligations at a site not part of our operations.

***Energy Storage***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Net sales | $ 2,398,299 | $ 5,403,910 | $ (3,005,611) | (56)% |

- $4.5 billion decrease attributable to unfavorable pricing impacts, primarily in battery- and tech-grade carbonate and hydroxide sold under index-referenced and variable-priced contracts, and mix
- $1.5 billion increase attributable to higher sales volume, primarily driven by the La Negra III/IV expansion in Chile, as well as sales of chemical-grade spodumene to meet growing customer demand
- $30.3 million decrease attributable to unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies

| | | | | |
|---|---|---|---|---|
| Adjusted EBITDA | $ 623,862 | $ 3,337,720 | $ (2,713,858) | (81)% |

- Unfavorable pricing impacts in lithium carbonate and hydroxide
- Decreased equity in net income from the Windfield joint venture, driven by lower spodumene pricing
- Higher sales volume
- Decreased commission expenses in Chile resulting from the lower pricing
- Savings from designed restructuring and productivity improvements
- $66.9 million increase attributable to favorable currency translation resulting from the weaker U.S. Dollar against various currencies

***Specialties***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Net sales | $ 993,041 | $ 1,142,802 | $ (149,761) | (13)% |

- $167.2 million decrease attributable to unfavorable pricing impacts
- $24.0 million increase attributable to higher sales volume related to increased demand across all products
- $6.5 million decrease attributable to unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies

| | | | | |
|---|---|---|---|---|
| Adjusted EBITDA | $ 155,629 | $ 268,665 | $ (113,036) | (42)% |

- Unfavorable pricing impacts
- Decreased manufacturing costs resulting from higher production volume and productivity initiatives
- Higher sales volume related to increased demand across all products
- Decrease in noncontrolling interests to JBC joint venture resulting from lower pricing
- $6.4 million decrease attributable to unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies

***Ketjen***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Net sales | $ 754,473 | $ 714,326 | $ 40,147 | 6 % |

- $33.0 million increase attributable to higher sales volume, primarily in the CFT division
- $7.9 million increase attributable to favorable product mix, primarily in the CFT division

| | | | | |
|---|---|---|---|---|
| Adjusted EBITDA | $ 95,288 | $ 72,584 | $ 22,704 | 31 % |

- Higher sales volume and favorable product mix, primarily in the CFT division
- Increased manufacturing input costs
- 2023 included a $24 million gain recorded for insurance claim receipts

***Corporate***

| *In thousands* | YTD 2024 | YTD 2023 | $ Change | % Change |
|---|---|---|---|---|
| Adjusted EBITDA | $ 14,315 | $ 1,949 | $ 12,366 | NM |

- Reduced expenses as part of announced cost reduction efforts, including outside services and travel and entertainment costs
- $18.6 million decrease attributable to unfavorable currency exchange impacts

***Financial Condition and Liquidity***

*Overview*

The principal uses of cash in our business generally have been capital investments and resource development costs, funding working capital, and service of debt. We also make contributions to our defined benefit pension plans, pay dividends to our shareholders and have the ability to repurchase shares of our common stock. Historically, cash to fund the needs of our business has been principally provided by cash from operations, debt financing and equity issuances.

We are continually focused on working capital efficiency particularly in the areas of accounts receivable, payables and inventory. We anticipate that cash on hand, cash provided by operating activities, proceeds from divestitures and borrowings will be sufficient to pay our operating expenses, satisfy debt service obligations, fund capital expenditures and other investing activities, fund pension contributions and pay dividends for the foreseeable future.

*Cash Flow*

During the first nine months of 2024, cash on hand, cash provided by operations and net proceeds from the issuance of mandatory convertible preferred stock of $2.2 billion funded the repayment of a net balance of $620.0 million of commercial paper, $1.3 billion of capital expenditures for plant, machinery and equipment, dividends to common shareholders of $140.9 million and dividends to mandatory convertible preferred shareholders of $81.1 million. Our operations provided $701.4 million of cash flows during the first nine months of 2024, as compared to $1.4 billion for the first nine months of 2023. The change compared to prior year was primarily due to decreased earnings from the Energy Storage segment, driven by lower lithium market prices, and lower dividends received from unconsolidated investments, partially offset by positive working capital changes year-over-year of $2.2 billion. The inflow from working capital in 2024 was primarily driven by the impact of lower lithium pricing in inventories and accounts receivable. This was partially offset by lower accounts payable driven by similar lower lithium pricing. Overall, our cash and cash equivalents increased by $774.6 million to $1.7 billion at September 30, 2024 from $889.9 million at December 31, 2023.

Capital expenditures for the nine-month period ended September 30, 2024 of $1.3 billion were primarily associated with plant, machinery and equipment. We expect our capital expenditures to be at the lower-end of $1.7 billion to $1.8 billion in 2024, primarily for Energy Storage growth and capacity increases, including in Chile, China and the U.S., as well as productivity and continuity of operations projects in all segments. Capital expenditures in 2024 also include spending for construction of Kemerton Trains 3 and 4 and certain other capital projects, which were stopped as part of our announced comprehensive review of our cost and operating structure.

In addition, in stopping construction of Kemerton Trains 3 and 4, and putting Kemerton Train 2 on care and maintenance, the Company incurred $72.7 million of related contract cancellation costs and required charges under take or pay contracts, as well as $27.4 million of severance charges. The Company’s actions regarding Kemerton are part of a broader effort that will focus on preserving its world-class resource advantages, optimizing its global conversion network, improving the Company’s cost competitiveness and efficiency, reducing capital intensity and enhancing the Company’s financial flexibility. As part of this effort, on October 7, 2024, the Company announced it will transition to a new operating structure effective November 1, 2024. The new operating structure will transition to a fully integrated functional model (excluding Ketjen) from a global business unit model. As a result, the Company expects to record severance and employee benefits of approximately $30 million to $50 million and other restructuring costs of approximately $25 million to $30 million associated with these actions in the fourth quarter of 2024.

In January 2024, the Company sold equity securities of a public company for proceeds of approximately $81.5 million. As a result of the sale, the Company realized a loss of $33.7 million in the nine months ended September 30, 2024.

On March 8, 2024, the Company issued 46,000,000 depositary shares, each representing a 1/20th interest in a share of Preferred Stock. The 2,300,000 shares of Mandatory Convertible Preferred Stock issued had a $1,000 per share liquidation preference. As a result of this transaction, the Company received cash proceeds of approximately $2.2 billion, net of underwriting fees and offering costs. The Company intends to use the proceeds for general corporate purposes, which may

include, among other uses, funding growth capital expenditures, such as the construction and expansion of lithium operations in Australia and China that are significantly progressed or near completion, following the repayment of commercial paper using a portion of the proceeds in the first quarter of 2024. See Note 8, "Equity," for additional information.

Net current assets were $2.8 billion and $1.7 billion at September 30, 2024 and December 31, 2023, respectively. The increase is primarily due to the increased cash and cash equivalents balance as a result of the $2.2 billion of net proceeds from the issuance of Mandatory Convertible Preferred Stock in March 2024, and the resulting paydown of commercial paper. In addition, accounts receivable, inventory and accounts payable balances all decreased from December 31, 2023 due to the lower lithium market prices. Additional changes in the components of net current assets are primarily due to the timing of the sale of goods and other ordinary transactions leading up to the balance sheet dates. The additional changes are not the result of any policy changes by the Company, and do not reflect any change in either the quality of our net current assets or our expectation of success in converting net working capital to cash in the ordinary course of business.

On July 16, 2024, our board of directors declared a cash dividend of $0.405, which was paid on October 1, 2024 to shareholders of record at the close of business as of September 13, 2024.

At September 30, 2024 and December 31, 2023, our cash and cash equivalents included $980.8 million and $857.6 million, respectively, held by our foreign subsidiaries. The majority of these foreign cash balances are associated with earnings that we have asserted are indefinitely reinvested and which we plan to use to support our continued growth plans outside the U.S. through funding of capital expenditures, acquisitions, research, operating expenses or other similar cash needs of our foreign operations. From time to time, we repatriate cash associated with earnings from our foreign subsidiaries to the U.S. for normal operating needs through intercompany dividends, but only from subsidiaries whose earnings we have not asserted to be indefinitely reinvested or whose earnings qualify as "previously taxed income" as defined by the Internal Revenue Code. During the first nine months of 2024 and 2023, we repatriated $28.8 million and $3.0 million, respectively, of cash as part of these foreign earnings cash repatriation activities.

While we continue to closely monitor our cash generation, working capital management and capital spending in light of continuing uncertainties in the global economy, we believe that we will continue to have the financial flexibility and capability to opportunistically fund future growth initiatives. Additionally, we anticipate that future capital spending, including business acquisitions and other cash outlays, should be financed primarily with cash flow provided by operations, cash on hand and additional issuances of debt or equity securities, as needed.

*Long-Term Debt*

We currently have the following notes outstanding:

| Issue Month/Year | Principal (in millions) | Interest Rate | Interest Payment Dates | Maturity Date |
|---|---|---|---|---|
| November 2019 | €377.1 | 1.125% | November 25 | November 25, 2025 |
| May 2022[(a)] | $650.0 | 4.65% | June 1 and December 1 | June 1, 2027 |
| November 2019 | €500.0 | 1.625% | November 25 | November 25, 2028 |
| November 2019[(a)] | $171.6 | 3.45% | May 15 and November 15 | November 15, 2029 |
| May 2022[(a)] | $600.0 | 5.05% | June 1 and December 1 | June 1, 2032 |
| November 2014[(a)] | $350.0 | 5.45% | June 1 and December 1 | December 1, 2044 |
| May 2022[(a)] | $450.0 | 5.65% | June 1 and December 1 | June 1, 2052 |

(a) Denotes senior notes.

Our senior notes are senior unsecured obligations and rank equally with all our other senior unsecured indebtedness from time to time outstanding. The notes are effectively subordinated to all of our existing or future secured indebtedness and to the existing and future indebtedness of our subsidiaries. As is customary for such long-term debt instruments, each series of notes outstanding has terms that allow us to redeem the notes before maturity, in whole at any time or in part from time to time, at a redemption price equal to the greater of (i) 100% of the principal amount of these notes to be redeemed, or (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semi-annual basis using the comparable government rate (as defined in the indentures governing these notes) plus between 25 and 40 basis points, depending on the series of notes, plus, in each case, accrued interest thereon to the date of redemption. Holders may require us to purchase such notes at 101% upon a change of control triggering event, as defined in the indentures. These notes are subject to typical events of default, including bankruptcy and insolvency events, nonpayment and the acceleration of certain subsidiary indebtedness of $40 million or more caused by a nonpayment default.

Our Euro notes issued in 2019 are unsecured and unsubordinated obligations and rank equally in right of payment to all our other unsecured senior obligations. The Euro notes are effectively subordinated to all of our existing or future secured indebtedness and to the existing and future indebtedness of our subsidiaries. As is customary for such long-term debt instruments, each series of notes outstanding has terms that allow us to redeem the notes before their maturity, in whole at any time or in part from time to time, at a redemption price equal to the greater of (i) 100% of the principal amount of the notes to be redeemed and (ii) the sum of the present values of the remaining scheduled payments of principal thereof and interest thereon (exclusive of interest accrued to, but excluding, the date of redemption) discounted to the redemption date on an annual basis using the bond rate (as defined in the indentures governing these notes) plus between 25 and 35 basis points, depending on the series of notes, plus, in each case, accrued and unpaid interest on the principal amount being redeemed to, but excluding, the date of redemption. Holders may require us to purchase such notes at 101% upon a change of control triggering event, as defined in the indentures. These notes are subject to typical events of default, including bankruptcy and insolvency events, nonpayment and the acceleration of certain subsidiary indebtedness exceeding $100 million caused by a nonpayment default.

Given current economic conditions, specifically around the market pricing of lithium, and the related impact on the Company's future earnings, on October 31, 2024, we further amended the 2022 Credit Agreement, which provides for borrowings of up to $1.5 billion and matures on October 28, 2027. Borrowings under the 2022 Credit Agreement bear interest at variable rates based on a benchmark rate depending on the currency in which the loans are denominated, plus an applicable margin which ranges from 0.910% to 1.375%, depending on the Company's credit rating from Standard & Poor's Ratings Services LLC ("S&P"), Moody's Investors Services, Inc. ("Moody's") and Fitch Ratings, Inc. ("Fitch"). With respect to loans denominated in U.S. dollars, interest is calculated using the term Secured Overnight Financing Rate ("SOFR") plus a term SOFR adjustment of 0.10%, plus the applicable margin. The applicable margin on the facility was 1.20% as of September 30, 2024. As of September 30, 2024 there were no borrowings outstanding under the 2022 Credit Agreement.

Borrowings under the 2022 Credit Agreement are conditioned upon satisfaction of certain customary conditions precedent, including the absence of defaults. The October 2024 amendment was entered into to modify the financial covenants under the 2022 Credit Agreement to avoid a potential covenant violation over the following 18 months given the current market pricing of lithium. The amended 2022 Credit Agreement subjects the Company to two financial covenants, as well as customary affirmative and negative covenants. The amended first financial covenant requires that the ratio of (a) (i) the Company's consolidated net funded debt plus a proportionate amount of Windfield's net funded debt less (ii) the Company's unrestricted cash and cash equivalents plus a proportionate amount of Windfield's unrestricted cash and cash equivalents (up to a specified amount) to (b) consolidated Windfield-Adjusted EBITDA (as such terms are defined in the 2022 Credit Agreement) be less than or equal to (i) 5.50:1.0 as of the end of the third quarter of 2024, (ii) 4.00:1.0 as of the end of the fourth quarter of 2024, (iii) 4.75:1.0 as of the end of the first quarter of 2025, (iv) 5.75:1.0 as of the end of the second quarter of 2025, (v) 5.50:1.0 as of the end of the third quarter of 2025, (vi) 5.00:1.0 as of the end of fourth quarter of 2025, (vii) 4.75:1.0 as of the end of each of first and second quarter of 2026, and (viii) 3.50:1.0 as of the end of the third quarter of 2026 and each fiscal quarter thereafter through the third quarter of 2027. The maximum permitted leverage ratios described above are subject to adjustment in accordance with the terms of the 2022 Credit Agreement upon the consummation of an acquisition after June 30, 2026 if the consideration includes cash proceeds from the issuance of funded debt in excess of $500 million.

Beginning in the fourth quarter of 2024, the amended second financial covenant requires that the ratio of the Company's consolidated EBITDA to consolidated interest charges (as such terms are defined in the 2022 Credit Agreement) be no less than (i) 1.00:1.0 for fiscal quarters through June 30, 2025, (ii) 2.00:1 for the third quarter of 2025, (iii) 2.50:1 for the fourth quarter of 2025, and (iv) 3.00:1.0 for all fiscal quarters thereafter. The 2022 Credit Agreement also contains customary default provisions, including defaults for non-payment, breach of representations and warranties, insolvency, non-performance of covenants and cross-defaults to other material indebtedness. The occurrence of an event of default under the 2022 Credit Agreement could result in all loans and other obligations becoming immediately due and payable and the commitments under the 2022 Credit Agreement being terminated. Following the $2.2 billion issuance of mandatory convertible preferred stock in March 2024 and the amendments to the financial covenants, the Company expects to maintain compliance with the amended financial covenants in the near future. However, a significant downturn in lithium market prices or demand could impact the Company's ability to maintain compliance with its amended financial covenants and it could require the Company to seek additional amendments to the 2022 Credit Agreement and/or issue debt or equity securities to fund its activities and maintain financial flexibility. If the Company were unable to obtain such necessary additional amendments, this could lead to an event of default and its lenders could require the Company to repay its outstanding debt. In that situation, the Company may not be able to raise sufficient debt or equity capital, or divest assets, to refinance or repay the lenders.

On May 29, 2013, we entered into agreements to initiate a commercial paper program on a private placement basis under which we may issue unsecured commercial paper notes (the "Commercial Paper Notes") from time-to-time. On May 17, 2023, we entered into definitive documentation to increase the size of our existing commercial paper program. The maximum aggregate face amount of Commercial Paper Notes outstanding at any time is $1.5 billion (up from $750 million prior to the increase). The proceeds from the issuance of the Commercial Paper Notes are expected to be used for general corporate

purposes, including the repayment of other debt of the Company. The 2022 Credit Agreement is available to repay the Commercial Paper Notes, if necessary. Aggregate borrowings outstanding under the 2022 Credit Agreement and the Commercial Paper Notes will not exceed the $1.5 billion current maximum amount available under the 2022 Credit Agreement. The Commercial Paper Notes will be sold at a discount from par, or alternatively, will be sold at par and bear interest at rates that will vary based upon market conditions at the time of issuance. The maturities of the Commercial Paper Notes will vary but may not exceed 397 days from the date of issue. The definitive documents relating to the commercial paper program contain customary representations, warranties, default and indemnification provisions. During the nine months ended September 30, 2024, we repaid a net amount of $620.0 million of commercial paper notes using the net proceeds received from the issuance of mandatory convertible preferred stock.

In the second quarter of 2023, the Company received a loan of $300.0 million to be repaid in five equal annual installments beginning on December 31, 2026. This interest-free loan was discounted using an imputed interest rate of 5.5% and the Company will amortize that discount through Interest and financing expenses over the term of the loan.

When constructing new facilities or making major enhancements to existing facilities, we may have the opportunity to enter into incentive agreements with local government agencies in order to reduce certain state and local tax expenditures. Under these agreements, we transfer the related assets to various local government entities and receive bonds. We immediately lease the facilities from the local government entities and have an option to repurchase the facilities for a nominal amount upon tendering the bonds to the local government entities at various predetermined dates. The bonds and the associated obligations for the leases of the facilities offset, and the underlying assets are recorded in property, plant and equipment. We currently have the ability to transfer up to $540 million in assets under these arrangements. At September 30, 2024 and December 31, 2023, there were $74.5 million and $14.3 million, respectively, of bonds outstanding under these arrangements.

The non-current portion of our long-term debt amounted to $3.57 billion at September 30, 2024, compared to $3.54 billion at December 31, 2023. In addition, at September 30, 2024, we had the ability to borrow $1.5 billion under our commercial paper program and the 2022 Credit Agreement, and $222.8 million under other existing lines of credit, subject to various financial covenants under the 2022 Credit Agreement. We have the ability and intent to refinance our borrowings under our other existing lines of credit with borrowings under the 2022 Credit Agreement, as applicable. Therefore, the amounts outstanding under those lines of credit, if any, are classified as long-term debt. We believe that at September 30, 2024 we were, and currently are, in compliance with all of our debt covenants.

*Off-Balance Sheet Arrangements*

In the ordinary course of business with customers, vendors and others, we have entered into off-balance sheet arrangements, including bank guarantees and letters of credit, which totaled approximately $126.0 million at September 30, 2024. None of these off-balance sheet arrangements has, or is likely to have, a material effect on our current or future financial condition, results of operations, liquidity or capital resources.

*Other Obligations*

Our contractual obligations have not significantly changed, based on our ordinary business activities and projected capital expenditures noted above, from the information we provided in our Annual Report on Form 10-K for the year ended December 31, 2023.

Total expected 2024 contributions to our domestic and foreign qualified and nonqualified pension plans, including the Albemarle Corporation Supplemental Executive Retirement Plan, are expected to approximate $14 million. We may choose to make additional pension contributions in excess of this amount. We have made contributions of $11.9 million to our domestic and foreign pension plans (both qualified and nonqualified) during the nine-month period ended September 30, 2024.

The liability related to uncertain tax positions, including interest and penalties, recorded in Other noncurrent liabilities totaled $240.1 million at September 30, 2024 and $220.6 million at December 31, 2023. Related assets for corresponding offsetting benefits recorded in Other assets totaled $74.4 million at September 30, 2024 and $73.0 million at December 31, 2023. We cannot estimate the amounts of any cash payments associated with these liabilities for the remainder of 2024 or the next twelve months, and we are unable to estimate the timing of any such cash payments in the future at this time.

We are subject to federal, state, local and foreign requirements regulating the handling, manufacture and use of materials (some of which may be classified as hazardous or toxic by one or more regulatory agencies), the discharge of materials into the environment and the protection of the environment. To our knowledge, we are currently complying, and expect to continue to comply, in all material respects with applicable environmental laws, regulations, statutes and ordinances. Compliance with existing federal, state, local and foreign environmental protection laws is not expected to have a material effect on capital expenditures, earnings or our competitive position, but the costs associated with increased legal or regulatory requirements could have an adverse effect on our operating results.

Among other environmental requirements, we are subject to the federal Superfund law, and similar state laws, under which we may be designated as a potentially responsible party ("PRP"), and may be liable for a share of the costs associated with cleaning up various hazardous waste sites. Management believes that in cases in which we may have liability as a PRP, our liability for our share of cleanup is de minimis. Further, almost all such sites represent environmental issues that are quite mature and have been investigated, studied and in many cases settled. In de minimis situations, our policy generally is to negotiate a consent decree and to pay any apportioned settlement, enabling us to be effectively relieved of any further liability as a PRP, except for remote contingencies. In other than de minimis PRP matters, our records indicate that unresolved PRP exposures should be immaterial. We accrue and expense our proportionate share of PRP costs. Because management has been actively involved in evaluating environmental matters, we are able to conclude that the outstanding environmental liabilities for unresolved PRP sites should not have a material adverse effect upon our results of operations or financial condition.

*Liquidity Outlook*

We anticipate that cash on hand and cash provided by operating activities, divestitures and borrowings will be sufficient to pay our operating expenses, satisfy debt service obligations, fund any capital expenditures, make acquisitions, make pension contributions and pay dividends for the foreseeable future. We also could issue additional debt or equity securities to fund these activities in an effort to maintain our financial flexibility. Our main focus in the short-term, during the continued uncertainty surrounding the global economy, including lithium market pricing and recent inflationary trends, is to continue to maintain financial flexibility by continuing our cost savings initiative, while still protecting our employees and customers, committing to shareholder returns and maintaining an investment grade rating. Over the next three years, in terms of uses of cash, we will continue to invest in growth of the businesses and return value to shareholders. Additionally, we will continue to evaluate the merits of any opportunities that may arise for acquisitions of businesses or assets, which may require additional liquidity. Financing the purchase price of any such acquisitions could involve borrowing under existing or new credit facilities and/or the issuance of debt or equity securities, in addition to cash on hand.

We expect 2024 capital expenditures to be down from 2023 levels. In January 2024, we announced an intentional re-phasing of larger projects to focus on those that are significantly progressed, near completion and in start up. At that time, we also announced actions to optimize our cost structure by reducing costs primarily related to sales, general and administrative expenses, including a reduction in headcount and lower spending on contracted services. During the nine months ended September 30, 2024, the Company stopped construction of Kemerton Trains 3 and 4, as well as put the Kemerton Train 2 on care and maintenance. Kemerton Train 1 will continue to operate and is currently focusing on commercialization efforts. As part of the comprehensive review of our cost and operating structure, we are planning to reduce capital expenditures by approximately 50% versus 2024 to a range of $800 million to $900 million.

The Company's actions regarding Kemerton are part of a broader effort that will focus on preserving its world-class resource advantages, optimizing its global conversion network, improving the Company's cost competitiveness and efficiency, reducing capital intensity and enhancing the Company's financial flexibility. As part of this effort, on October 7, 2024, the Company announced it will transition to a new operating structure effective November 1, 2024. The new operating structure will transition to a fully integrated functional model (excluding Ketjen) from a global business unit model. As a result, the Company expects to record severance and employee benefits of approximately $30 million to $50 million and other restructuring costs of approximately $25 million to $30 million associated with these actions in the fourth quarter of 2024. We expect the comprehensive review of our cost and operating structure to drive additional cost and productivity improvements of $300 million to $400 million per year.

In 2024, we entered into a Master Receivables Purchase Agreement under which we may sell up to $250.0 million of available and eligible outstanding customer accounts receivable generated by sales to two specified customers. This agreement is uncommitted and has initial terms that expire on April 25, 2025, unless earlier terminated by the purchaser. Transactions under this agreement are accounted for as sales of accounts receivable, and the receivables sold are removed from the consolidated balance sheets at the time of the sales transaction. As of September 30, 2024, there were no accounts receivable sold under this Master Receivables Purchase Agreement.

In October 2022, we announced we had been awarded a nearly $150 million grant from the U.S. Department of Energy to expand domestic manufacturing of batteries for EVs and the electrical grid and for materials and components currently imported from other countries. The grant funding is intended to support a portion of the anticipated cost to construct a new, commercial-scale U.S.-based lithium concentrator facility at our Kings Mountain, North Carolina, location. We expect the concentrator facility to create hundreds of construction and full-time jobs and to produce approximately 420,000 tons of spodumene concentrate annually. To further support the restart of the Kings Mountain mine, in August 2023, we announced a $90 million critical materials award from the U.S. Department of Defense.

Our cash flows from operations may be negatively affected by adverse consequences to our customers and the markets in which we compete as a result of moderating global economic conditions, continuing inflationary trends and reduced capital

availability. We have experienced, and may continue to experience, volatility and increases in the price of certain raw materials and in transportation and energy costs as a result of global market and supply chain disruptions and the broader inflationary environment. As a result, we are planning for various economic scenarios and actively monitoring our balance sheet to maintain the financial flexibility needed.

Although we maintain business relationships with a diverse group of financial institutions as sources of financing, an adverse change in their credit standing could lead them to not honor their contractual credit commitments to us, decline funding under our existing but uncommitted lines of credit with them, not renew their extensions of credit or not provide new financing to us. While the global corporate bond and bank loan markets remain strong, periods of elevated uncertainty related to the stability of the banking system, future pandemics or global economic and/or geopolitical concerns may limit efficient access to such markets for extended periods of time. If such concerns heighten, we may incur increased borrowing costs and reduced credit capacity as our various credit facilities mature. If the U.S. Federal Reserve or similar national reserve banks in other countries decide to continue tightening the monetary supply, we may incur increased borrowing costs (as interest rates increase on our variable rate credit facilities, as our various credit facilities mature or as we refinance any maturing fixed rate debt obligations), although these cost increases would be partially offset by increased income rates on portions of our cash deposits.

Overall, with generally strong cash-generative businesses and no significant long-term debt maturities before the fourth quarter of 2025, we believe we have, and will be able to maintain, a solid liquidity position.

We had cash and cash equivalents totaling $1.7 billion at September 30, 2024, of which $980.8 million is held by our foreign subsidiaries. This cash represents an important source of our liquidity and is invested in bank accounts or money market investments with no limitations on access. The cash held by our foreign subsidiaries is intended for use outside of the U.S. We anticipate that any needs for liquidity within the U.S. in excess of our cash held in the U.S. can be readily satisfied with borrowings under our existing U.S. credit facilities or our commercial paper program.

*Guarantor Financial Information*

***Albemarle Wodgina Pty Ltd Issued Notes***

Albemarle Wodgina Pty Ltd (the "Issuer"), a wholly-owned subsidiary of Albemarle Corporation, issued $300.0 million aggregate principal amount of 3.45% Senior Notes due 2029 (the "3.45% Senior Notes") in November 2019. The 3.45% Senior Notes are fully and unconditionally guaranteed (the "Guarantee") on a senior unsecured basis by Albemarle Corporation (the "Parent Guarantor"). No direct or indirect subsidiaries of the Parent Guarantor guarantee the 3.45% Senior Notes (such subsidiaries are referred to as the "Non-Guarantors").

In 2019, we completed the acquisition of a 60% interest in MRL's Wodgina hard rock lithium mine project ("Wodgina Project") in Western Australia and formed an unincorporated joint venture with MRL, named MARBL Lithium Joint Venture, for the exploration, development, mining, processing and production of lithium and other minerals (other than iron ore and tantalum) from the Wodgina spodumene mine and for the operation of the Kemerton assets in Western Australia. We participate in the Wodgina Project through our ownership interest in the Issuer. On October 18, 2023, we amended the joint venture agreements, resulting in a decrease of our ownership interest in the MARBL joint venture and the Wodgina Project to 50%.

Prior to January 1, 2024, the Parent Guarantor conducted its U.S. Specialties and Ketjen operations directly, and conducted its other operations (other than operations conducted through the Issuer) through the Non-Guarantors. Effective January 1, 2024, the Company split its U.S. Ketjen operations to a separate non-guarantor subsidiary and its results are no longer included within the summarized Parent Guarantor and Issuer financial information below for the 2024 periods presented.

The 3.45% Senior Notes are the Issuer's senior unsecured obligations and rank equally in right of payment to the senior indebtedness of the Issuer, effectively subordinated to all of the secured indebtedness of the Issuer, to the extent of the value of the assets securing that indebtedness, and structurally subordinated to all indebtedness and other liabilities of its subsidiaries. The Guarantee is the senior unsecured obligation of the Parent Guarantor and ranks equally in right of payment to the senior indebtedness of the Parent Guarantor, effectively subordinated to the secured debt of the Parent Guarantor to the extent of the value of the assets securing the indebtedness and structurally subordinated to all indebtedness and other liabilities of its subsidiaries.

For cash management purposes, the Parent Guarantor transfers cash among itself, the Issuer and the Non-Guarantors through intercompany financing arrangements, contributions or declaration of dividends between the respective parent and its subsidiaries. The transfer of cash under these activities facilitates the ability of the recipient to make specified third-party payments for principal and interest on the Issuer and/or the Parent Guarantor's outstanding debt, common stock dividends and common stock repurchases. There are no significant restrictions on the ability of the Issuer or the Parent Guarantor to obtain funds from subsidiaries by dividend or loan.

The following tables present summarized financial information for the Parent Guarantor and the Issuer on a combined basis after elimination of (i) intercompany transactions and balances among the Issuer and the Parent Guarantor and (ii) equity in earnings from and investments in any subsidiary that is a Non-Guarantor. Each entity in the combined financial information follows the same accounting policies as described herein and in our Annual Report on Form 10-K for the year ended December 31, 2023.

**Summarized Statement of Operations**

| *$ in thousands* | Nine Months Ended September 30, 2024 | Year Ended December 31, 2023 |
|---|---|---|
| Net sales[(a)] | $ 682,926 | $ 2,392,057 |
| Gross profit | (45,271) | 802,653 |
| Income before income taxes and equity in net income of unconsolidated investments[(b)] | (438,926) | 254,066 |
| Net income attributable to the Parent Guarantor and the Issuer | (349,152) | (216,033) |

(a) Includes net sales to Non-Guarantors of $371.3 million and $1.5 billion for the nine months ended September 30, 2024 and year ended December 31, 2023, respectively.
(b) Includes intergroup expenses to Non-Guarantors of $21.4 million and $70.2 million for the nine months ended September 30, 2024 and year ended December 31, 2023, respectively.

**Summarized Balance Sheet**

| *$ in thousands* | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Current assets[(a)] | $ 1,108,833 | $ 723,518 |
| Net property, plant and equipment | 1,995,919 | 2,246,404 |
| Other noncurrent assets[(b)] | 2,981,353 | 2,619,575 |
| | | |
| Current liabilities[(c)] | $ 2,254,752 | $ 2,374,074 |
| Long-term debt | 2,254,387 | 2,252,540 |
| Other noncurrent liabilities[(d)] | 7,088,283 | 7,409,175 |

(a) Includes receivables from Non-Guarantors of $196.1 million and $293.8 million at September 30, 2024 and December 31, 2023, respectively.
(b) Includes noncurrent receivables from Non-Guarantors of $2.4 billion and $2.0 billion at September 30, 2024 and December 31, 2023, respectively.
(c) Includes current payables to Non-Guarantors of $1.8 billion and $1.0 billion at September 30, 2024 and December 31, 2023, respectively.
(d) Includes noncurrent payables to Non-Guarantors of $6.7 billion and $6.9 billion at September 30, 2024 and December 31, 2023, respectively.

The 3.45% Senior Notes are structurally subordinated to the indebtedness and other liabilities of the Non-Guarantors. The Non-Guarantors are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the 3.45% Senior Notes or the Indenture under which the 3.45% Senior Notes were issued, or to make any funds available therefor, whether by dividends, loans, distributions or other payments. Any right that the Parent Guarantor has to receive any assets of any of the Non-Guarantors upon the liquidation or reorganization of any Non-Guarantor, and the consequent rights of holders of the 3.45% Senior Notes to realize proceeds from the sale of any of a Non-Guarantor's assets, would be effectively subordinated to the claims of such Non-Guarantor's creditors, including trade creditors and holders of preferred equity interests, if any, of such Non-Guarantor. Accordingly, in the event of a bankruptcy, liquidation or reorganization of any of the Non-Guarantors, the Non-Guarantors will pay the holders of their debts, holders of preferred equity interests, if any, and their trade creditors before they will be able to distribute any of their assets to the Parent Guarantor.

The 3.45% Senior Notes are obligations of the Issuer. The Issuer's cash flow and ability to make payments on the 3.45% Senior Notes could be dependent upon the earnings it derives from the production from MARBL for the Wodgina Project. Absent income received from sales of its share of production from MARBL, the Issuer's ability to service the 3.45% Senior Notes could be dependent upon the earnings of the Parent Guarantor's subsidiaries and other joint ventures and the payment of those earnings to the Issuer in the form of equity, loans or advances and through repayment of loans or advances from the Issuer.

The Issuer's obligations in respect of MARBL are guaranteed by the Parent Guarantor. Further, under MARBL pursuant to a deed of cross security between the Issuer, the joint venture partner and the manager of the project (the "Manager"), each of the Issuer, and the joint venture partner have granted security to each other and the Manager for the obligations each of the Issuer and the joint venture partner have to each other and to the Manager. The claims of the joint venture partner, the Manager and other secured creditors of the Issuer will have priority as to the assets of the Issuer over the claims of holders of the 3.45% Senior Notes.

***Albemarle Corporation Issued Notes***

In March 2021, Albemarle New Holding GmbH (the "Subsidiary Guarantor"), a wholly-owned subsidiary of Albemarle Corporation, added a full and unconditional guarantee (the "Upstream Guarantee") to all securities of Albemarle Corporation (the "Parent Issuer") issued and outstanding as of such date and, subject to the terms of the applicable amendment or supplement, securities issuable by the Parent Issuer pursuant to the Indenture, dated as of January 20, 2005, as amended and supplemented from time to time (the "Indenture"). No other direct or indirect subsidiaries of the Parent Issuer guarantee these securities (such subsidiaries are referred to as the "Upstream Non-Guarantors"). See Long-term debt section above for a description of the securities issued by the Parent Issuer.

The current securities outstanding under the Indenture are the Parent Issuer's unsecured and unsubordinated obligations and rank equally in right of payment with all other unsecured and unsubordinated indebtedness of the Parent Issuer. All securities currently outstanding under the Indenture are effectively subordinated to the Parent Issuer's existing and future secured indebtedness to the extent of the value of the assets securing that indebtedness. With respect to any series of securities issued under the Indenture that is subject to the Upstream Guarantee (which series of securities does not include the 2022 Notes), the Upstream Guarantee is, and will be, an unsecured and unsubordinated obligation of the Subsidiary Guarantor, ranking pari passu with all other existing and future unsubordinated and unsecured indebtedness of the Subsidiary Guarantor. All securities currently outstanding under the Indenture (other than the 2022 Notes) are effectively subordinated to all existing and future indebtedness and other liabilities of the Parent's Subsidiaries other than the Subsidiary Guarantor. The 2022 Notes are effectively subordinated to all existing and future indebtedness and other liabilities of the Parent's Subsidiaries, including the Subsidiary Guarantor.

For cash management purposes, the Parent Issuer transfers cash among itself, the Subsidiary Guarantor and the Upstream Non-Guarantors through intercompany financing arrangements, contributions or declaration of dividends between the respective parent and its subsidiaries. The transfer of cash under these activities facilitates the ability of the recipient to make specified third-party payments for principal and interest on the Parent Issuer and/or the Subsidiary Guarantor's outstanding debt, common stock dividends and common stock repurchases. There are no significant restrictions on the ability of the Parent Issuer or the Subsidiary Guarantor to obtain funds from subsidiaries by dividend or loan.

The following tables present summarized financial information for the Subsidiary Guarantor and the Parent Issuer on a combined basis after elimination of (i) intercompany transactions and balances among the Parent Issuer and the Subsidiary Guarantor and (ii) equity in earnings from and investments in any subsidiary that is an Upstream Non-Guarantor. Each entity in the combined financial information follows the same accounting policies as described herein and in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

**Summarized Statement of Operations**

| *$ in thousands* | Nine Months Ended September 30, 2024 | Year Ended December 31, 2023 |
|---|---|---|
| Net sales[(a)] | $ 501,236 | $ 1,297,308 |
| Gross profit | (24,758) | 68,743 |
| Loss before income taxes and equity in net income of unconsolidated investments[(b)] | (299,159) | (444,249) |
| Loss attributable to the Subsidiary Guarantor and the Parent Issuer | (220,205) | (697,911) |

(a) Includes net sales to Non-Guarantors of $189.6 million and $482.0 million for the nine months ended September 30, 2024 and year ended December 31, 2023, respectively.
(b) Includes intergroup income to Non-Guarantors of $117.2 million and $146.0 million for the nine months ended September 30, 2024 and year ended December 31, 2023, respectively.

**Summarized Balance Sheet**

| *$ in thousands* | | September 30, 2024 | | December 31, 2023 |
|---|---|---|---|---|
| Current assets[(a)] | $ | 1,325,256 | $ | 872,571 |
| Net property, plant and equipment | | 778,164 | | 1,090,112 |
| Other non-current assets[(b)] | | 2,097,899 | | 1,731,960 |
| | | | | |
| Current liabilities[(c)] | $ | 1,968,665 | $ | 2,024,190 |
| Long-term debt | | 3,005,165 | | 2,994,732 |
| Other noncurrent liabilities[(d)] | | 6,305,325 | | 6,828,262 |

(a) Includes receivables from Non-Guarantors of $473.0 million and $472.5 million at September 30, 2024 and December 31, 2023, respectively.
(b) Includes noncurrent receivables from Non-Guarantors of $1.5 billion and $1.1 billion at September 30, 2024 and December 31, 2023, respectively.
(c) Includes current payables to Non-Guarantors of $1.6 billion and $1.0 billion at September 30, 2024 and December 31, 2023, respectively.
(d) Includes noncurrent payables to Non-Guarantors of $5.9 billion and $6.4 billion at September 30, 2024 and December 31, 2023, respectively.

These securities are structurally subordinated to the indebtedness and other liabilities of the Upstream Non-Guarantors. The Upstream Non-Guarantors are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to these securities or the Indenture under which these securities were issued, or to make any funds available therefor, whether by dividends, loans, distributions or other payments. Any right that the Subsidiary Guarantor has to receive any assets of any of the Upstream Non-Guarantors upon the liquidation or reorganization of any Upstream Non-Guarantors, and the consequent rights of holders of these securities to realize proceeds from the sale of any of an Upstream Non-Guarantor’s assets, would be effectively subordinated to the claims of such Upstream Non-Guarantor’s creditors, including trade creditors and holders of preferred equity interests, if any, of such Upstream Non-Guarantor. Accordingly, in the event of a bankruptcy, liquidation or reorganization of any of the Upstream Non-Guarantors, the Upstream Non-Guarantors will pay the holders of their debts, holders of preferred equity interests, if any, and their trade creditors before they will be able to distribute any of their assets to the Subsidiary Guarantor.

*Summary of* Cr*itical Accounting Policies and Estimates*

There have been no significant changes in our critical accounting policies and estimates from the information we provided in our Annual Report on Form 10-K for the year ended December 31, 2023. However, we are expanding the description of our property, plant and equipment critical accounting policy and estimates as follows.

*Property, Plant and Equipment.* We assign the useful lives of our property, plant and equipment based upon our internal engineering estimates, which are reviewed periodically. The estimated useful lives of our property, plant and equipment range from two to sixty years and depreciation is recorded on the straight-line method, with the exception of our mineral rights and reserves, which are depleted on a units-of-production method. We evaluate the recovery of our property, plant and equipment annually and when events or changes in circumstances indicate that its carrying amount may not be recoverable. Events that may trigger a test for recoverability include, but are not limited to, significant adverse changes to projected revenues, costs, or capital plans or changes to government regulations that may adversely impact our current or future operations. An impairment is determined to exist if the total projected future cash flows on an undiscounted basis are not recoverable or are less than the carrying amount of a long-lived asset group. We estimate future cash flows based on numerous assumptions, which are consistent or reasonable in relation to internal budgets and projections, and actual future cash flows may be significantly different than the estimates. Significant estimates used include, but are not limited to, market pricing (including lithium index pricing), customer demand, operating and production costs, and the timing and capital costs of expansion and sustaining projects. Significant management judgment is involved in estimating these variables and they include inherent uncertainties since they are forecasting future events.

*Recent Accounting Pronouncements*

For a description of recent accounting pronouncements, see Item 1 Financial Statements – Note 19, “Recently Issued Accounting Pronouncements” to the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no significant changes in our interest rate risk, foreign currency exchange rate exposure, marketable securities price risk or raw material price risk from the information we provided in our Annual Report on Form 10-K for the year ended December 31, 2023, except as noted below.

We had variable interest rate borrowings of $29.7 million outstanding at September 30, 2024, bearing a weighted average interest rate of 0.33% and representing 1% of our total outstanding debt. A hypothetical 100 basis point increase in the interest rate applicable to these borrowings would change our annualized interest expense by $0.3 million as of September 30, 2024. We may enter into interest rate swaps, collars or similar instruments with the objective of reducing interest rate volatility relating to our borrowing costs.

Our financial instruments, which are subject to foreign currency exchange risk, primarily consist of foreign currency forward contracts with an aggregate notional value of $7.0 billion and with a fair value representing a net liability position of $15.2 million at September 30, 2024. Fluctuations in the value of these contracts are generally offset by the value of the underlying exposures being hedged. We conducted a sensitivity analysis on the fair value of our foreign currency hedge portfolio assuming an instantaneous 10% change in select foreign currency exchange rates from their levels as of September 30, 2024, with all other variables held constant. A 10% appreciation of the U.S. Dollar against foreign currencies that we hedge would result in an increase of approximately $19.1 million in the fair value of our foreign currency forward contracts. A 10% depreciation of the U.S. Dollar against these foreign currencies would result in a decrease of approximately $19.1 million in the fair value of our foreign currency forward contracts. The sensitivity of the fair value of our foreign currency hedge portfolio represents changes in fair values estimated based on market conditions as of September 30, 2024, without reflecting the effects of underlying anticipated transactions. When those anticipated transactions are realized, actual effects of changing foreign currency exchange rates could have a material impact on our earnings and cash flows in future periods.

### Item 4. Controls and Procedures.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this report. Based on this evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

No change in our internal control over financial reporting (as such term is defined in Exchange Act Rule 13a-15(f)) occurred during the third quarter ended September 30, 2024 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings.

We are involved from time to time in legal proceedings of types regarded as common in our business, including administrative or judicial proceedings seeking remediation under environmental laws, such as Superfund, products liability, breach of contract liability and premises liability litigation. Where appropriate, we may establish financial reserves for such proceedings. We also maintain insurance to mitigate certain of such risks. Additional information with respect to this Item 1 is contained in Note 7 to the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

### Item 1A. Risk Factors.

While we attempt to identify, manage and mitigate risks and uncertainties associated with our business to the extent practical under the circumstances, some level of risk and uncertainty will always be present. The risk factors set forth in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023 describe some of the risks and uncertainties associated with our business. These risks and uncertainties have the potential to materially affect our results of operations and our financial condition. We do not believe that there have been any material changes to the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023.

**Item 5. Other Information.**

In October 2024, the Company announced that its operating structure will transition from two core global business units – Energy Storage and Specialties – to a fully integrated functional model designed to increase agility, deliver significant cost savings and maintain long-term competitiveness. This transition includes a workforce reduction of 6% to 7% of the Company's global employees, primarily in non-manufacturing roles. As a result, the Company expects to record cash charges in the range of $30 million to $50 million in the fourth quarter of 2024 for severance and related benefit costs. The restructuring is expected to be largely completed by the end of the first half of 2025; however, the Company may incur additional charges in 2025 as it continues to advance its comprehensive review of its cost and operating structure.

The information presented above contains forward-looking statements regarding the restructuring based on the Company's current expectations. For factors that could cause actual results to differ materially from those expressed above, see "Forward-Looking Statements" of Part 1, Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations in this Quarterly Report on Form 10-Q.

On October 31, 2024, Albemarle Corporation, Albemarle Europe Srl, the lenders party thereto and Bank of America, N.A., as administrative agent, entered into the second amendment (the "Second Amendment") to that certain amended and restated credit agreement dated as of October 28, 2022, as previously amended on February 9, 2024 (the "2022 Credit Agreement"). The Second Amendment modifies (a) the leverage ratio financial maintenance covenant in the 2022 Credit Agreement by temporarily increasing the maximum leverage ratio permitted by the covenant to (i) 4.75:1.0 (as of the end of first quarter of 2025), (ii) 5.75:1.0 (as of the end of second quarter of 2025), (iii) 5.50:1.0 (as of the end of third quarter of 2025), (iv) 5.00:1.0 (as of the end of fourth quarter of 2025), and (v) 4.75:1.0 (as of the end of each of first and second quarters of 2026), returning to the original 3.50:1.0 maximum leverage ratio as of the end of third quarter of 2026 and thereafter, and (b) interest coverage ratio financial maintenance covenant in the 2022 Credit Agreement by temporarily decreasing the minimum interest coverage ratio permitted by the covenant to (i) 1.00:1.0 (as of the end of fourth quarter of 2024 and each fiscal quarter thereafter through the second quarter of 2025), (ii) 2.00:1.0 (as of the end of third quarter of 2025), and (iii) 2.50:1.0 (as of the end of fourth quarter of 2025), returning to the original 3.00:1.0 minimum interest coverage ratio as of the end of first quarter of 2026 and thereafter. The Second Amendment includes certain other amendments to the 2022 Credit Agreement, including certain limitations on liens, subsidiary indebtedness, share repurchases and common dividends.

The foregoing description of the Second Amendment does not purport to be complete and is qualified in its entirety by reference to the Second Amendment, which is filed as Exhibit 10.1 to this Quarterly Report on Form 10-Q.

**Item 6. Exhibits.**

(a) Exhibits

| | |
|---|---|
| *10.1 | Second Amendment to Credit Agreement, dated as of October 31, 2024, among Albemarle Corporation, certain other subsidiaries of the Company, the Lenders Party thereto, and Bank of America, N.A., as Administrative Agent for the Lenders. |
| *31.1 | Certification of Principal Executive Officer pursuant to Rule 13a-14(a). |
| *31.2 | Certification of Principal Financial Officer pursuant to Rule 13a-14(a). |
| *32.1 | Certification of Principal Executive Officer pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350. |
| *32.2 | Certification of Principal Financial Officer pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350. |
| *101 | Interactive Data File (Quarterly Report on Form 10-Q, for the quarterly period ended September 30, 2024, furnished in XBRL (eXtensible Business Reporting Language)). |
| *104 | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101). |

* Included with this filing.

Attached as Exhibit 101 to this report are the following documents formatted in XBRL: (i) the Consolidated Statements of (Loss) Income for the three and nine months ended September 30, 2024 and 2023, (ii) the Consolidated Statements of Comprehensive (Loss) Income for the three and nine months ended September 30, 2024 and 2023, (iii) the Consolidated Balance Sheets at September 30, 2024 and December 31, 2023, (iv) the Consolidated Statements of Changes in Equity for the three and nine months ended September 30, 2024 and 2023, (v) the Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2024 and 2023 and (vi) the Notes to the Condensed Consolidated Financial Statements.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALBEMARLE CORPORATION
(Registrant)

| Date: | November 6, 2024 | By: | /s/ NEAL R. SHEOREY |
|---|---|---|---|
| | | | **Neal R. Sheorey** |
| | | | **Executive Vice President and Chief Financial Officer** |
| | | | **(principal financial officer)** |

**Exhibit 10.1**

SECOND AMENDMENT TO CREDIT AGREEMENT

THIS SECOND AMENDMENT TO CREDIT AGREEMENT, dated as of October 31, 2024 (this "Amendment"), is entered into among ALBEMARLE CORPORATION, a Virginia corporation (the "Company"), ALBEMARLE EUROPE SRL, a *société à responsabilité limitée* organized under the laws of Belgium ("Belgian Borrower" and, together with the Company and any other Subsidiary of the Company party thereto pursuant to Section 2.14 thereof, collectively, the "Borrowers"), the Lenders party hereto, and BANK OF AMERICA, N.A., as Administrative Agent for the Lenders (in such capacity, the "Administrative Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement (as defined below and as amended by this Amendment).

RECITALS

WHEREAS, the Borrowers, the Lenders and the Administrative Agent are parties to that certain Amended and Restated Credit Agreement, dated as of October 28, 2022 (as amended or modified, the "Credit Agreement");

WHEREAS, the Company has requested certain amendments to the Credit Agreement; and

WHEREAS, the parties hereto have agreed to amend the Credit Agreement as provided herein.

NOW, THEREFORE, in consideration of the agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Amendments to Credit Agreement: Effective upon satisfaction of the conditions precedent set forth in Section 2 below:

(a) Section 1.01 of the Credit Agreement is hereby amended to add the following new definitions in the appropriate alphabetical order to read as follows:

"Covenant Relief Period" means the period commencing on the Second Amendment Effective Date and ending on the date that the Company delivers a Compliance Certificate pursuant to Section 7.02(b) for the fiscal quarter ending on or about June 30, 2026.

"Permitted Common Dividend Payments" means dividends paid in cash by the Company to the holders of its common stock in an amount not to exceed $1.62 per annum per share in respect of the calendar year ending December 31, 2024 plus an additional $0.02 per annum per share in respect of each calendar year thereafter.

"Second Amendment Effective Date" means October 31, 2024.

(b) Section 8.01(dd) of the Credit Agreement is hereby amended to read as follows:

(dd) Liens other than those referred to in subparagraphs (a) through (cc) above, provided, however, that the aggregate principal amount of obligations secured by such Liens plus the aggregate principal amount of unsecured Indebtedness of Subsidiaries of the Company outstanding pursuant to Section 8.07(g) does not exceed 20% of Consolidated Net Tangible

Assets as appearing in the latest balance sheet delivered pursuant to Section 7.01, provided, further the sum of the aggregate principal amount of all obligations incurred during the Covenant Relief Period that are secured by Liens pursuant to this Section 8.01(dd) plus the aggregate principal amount of all unsecured Indebtedness of Subsidiaries of the Company incurred during the Covenant Relief Period pursuant to Section 8.07(g) shall not exceed $200,000,000.

(c) Section 8.06 of the Credit Agreement is hereby amended to read as follows:

**8.06 Financial Covenants.**

(a) Consolidated Leverage Ratio. Permit the Consolidated Leverage Ratio as of the end of any four fiscal quarter period ending as of the end of any fiscal quarter of the Company to be greater than the maximum ratio set forth in the table below corresponding to such date:

| **Calendar Year** | **March 31** | **June 30** | **September 30** | **December 31** |
|---|---|---|---|---|
| **2024** | 3.50 to 1.0 | 5.00 to 1.0 | 5.50 to 1.0 | 4.00 to 1.0 |
| **2025** | 4.75 to 1.0 | 5.75 to 1.0 | 5.50 to 1.0 | 5.00 to 1.0 |
| **2026** | 4.75 to 1.0 | 4.75 to 1.0 | 3.50 to 1.0 | 3.50 to 1.0 |
| **2027** | 3.50 to 1.0 | 3.50 to 1.0 | 3.50 to 1.0 | n/a |

; provided, that, upon consummation of an Acquisition after June 30, 2026 with consideration that includes cash proceeds from the issuance of Funded Debt in excess of $500,000,000, the otherwise applicable maximum Consolidated Leverage Ratio, at the election of the Company (with prior written notice to the Administrative Agent), shall increase by 0.50:1.00 for four consecutive fiscal quarters beginning with the fiscal quarter in which such Acquisition occurs (the "Adjustment Period"). After any such Acquisition that results in an Adjustment Period, there must be at least two fiscal quarters subsequent to the end of the Adjustment Period before the Company shall be permitted to elect another Adjustment Period. The Company shall be permitted to request no more than two Adjustment Periods during the term of this Agreement; provided, however, in connection with each extension of the Maturity Date pursuant to Section 2.15, the Company shall have the right to request an additional Adjustment Period.

(b) Consolidated Interest Coverage Ratio. Permit the Consolidated Interest Coverage Ratio as of the end of any four fiscal quarter period ending as of the end of any fiscal quarter of the Company to be less than the minimum ratio set forth in the table below corresponding to such date:

| **Calendar Year** | **March 31** | **June 30** | **September 30** | **December 31** |
|---|---|---|---|---|
| **2024** | n/a | n/a | n/a | 1.00 to 1.0 |

| 2025 | 1.00 to 1.0 | 1.00 to 1.0 | 2.00 to 1.0 | 2.50 to 1.0 |
|---|---|---|---|---|
| **thereafter** | 3.00 to 1.0 | 3.00 to 1.0 | 3.00 to 1.0 | 3.00 to 1.0 |

(d) Section 8.07(g) of the Credit Agreement is hereby amended to read as follows:

(g) other Indebtedness, provided that the aggregate outstanding principal amount of such Indebtedness shall not exceed the difference between (i) 20% of Consolidated Net Tangible Assets as appearing in the latest balance sheet delivered pursuant to Section 7.01 minus (ii) the aggregate outstanding principal amount of Indebtedness of the Company secured by Liens permitted by Section 8.01(dd), provided, further, the sum of the aggregate principal amount of all unsecured Indebtedness of Subsidiaries of the Company incurred during the Covenant Relief Period pursuant to this Section 8.07(g) plus the aggregate principal amount of all obligations incurred during the Covenant Relief Period that are secured by Liens pursuant to Section 8.01(dd) shall not exceed $200,000,000;

(e) A new Section 8.10 is hereby added to the Credit Agreement to read as follows:

**8.10 Limitation on Dividends and Share Repurchases.**

During the Covenant Relief Period, permit the Company to:

(a) make any dividend or other distribution in cash in respect of shares of its common stock, other than Permitted Common Dividend Payments; or

(b) repurchase any shares of any class of capital stock of the Company.

2. Effectiveness; Conditions Precedent. This Amendment shall be and become effective as of the date when all of the conditions set forth in this Section 2 shall have been satisfied.

(a) Execution of Counterparts of Amendment. The Administrative Agent shall have received counterparts of this Amendment, which collectively shall have been duly executed on behalf of each of the Borrowers, the Administrative Agent and the Required Lenders.

(b) Consent Fees. The Company shall have paid all separately agreed consent fees to each Lender executing this Amendment.

3. Expenses. The Borrowers agree to reimburse the Administrative Agent for all reasonable and documented out-of-pocket costs and expenses of the Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including without limitation the reasonable and documented fees and expenses of Moore & Van Allen PLLC.

4. Ratification. Each Borrower acknowledges and consents to the terms set forth herein and agrees that this Amendment does not impair, reduce or limit any of its obligations under the Loan Documents, as amended hereby. This Amendment is a Loan Document.

5. Authority/Enforceability. Each Borrower represents and warrants as follows:

(a) It has taken all necessary action to authorize the execution, delivery and performance of this Amendment.

(b) This Amendment has been duly executed and delivered by such Borrower and constitutes its legal, valid and binding obligations, enforceable in accordance with its terms, except as such enforceability may be subject to (i) applicable Debtor Relief Laws, (ii) fraudulent transfer or conveyance laws, and (iii) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(c) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or Governmental Authority or third party is required in connection with the execution, delivery or performance by such Borrower of this Amendment, except for those the failure to obtain, occur or make would not reasonably be expected to have a Material Adverse Effect.

(d) The execution and delivery of this Amendment does not (i) violate, contravene or conflict with any provision of its Organization Documents or (ii) violate, contravene or conflict with any Laws applicable to it, except in the case of clause (ii), to the extent that it would not reasonably be expected to have a Material Adverse Effect.

6. Representations and Warranties of the Borrowers. Each Borrower represents and warrants to the Lenders that after giving effect to this Amendment (a) the representations and warranties set forth in Article VI of the Credit Agreement are true and correct in all material respects as of the date hereof unless they specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, and (b) no Default exists.

7. Counterparts/Telecopy. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. Delivery of executed counterparts of this Amendment by telecopy or other secure electronic format (.pdf) shall be effective as an original.

8. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

9. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

10. Headings. The headings of the sections hereof are provided for convenience only and shall not in any way affect the meaning or construction of any provision of this Amendment.

11. Severability. If any provision of this Amendment is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Amendment shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

[*signature pages follow*]

Each of the parties hereto has caused a counterpart of this Amendment to be duly executed and delivered as of the date first above written.

BORROWERS: ALBEMARLE CORPORATION,
a Virginia corporation

By: /s/ Matthew R. Essen
Name: Matthew R. Essen
Title: Vice President and Treasurer

ALBEMARLE EUROPE SRL,
a *société à responsabilité limitée* organized under the laws of Belgium

By: /s/ Theo Moons
Name: Theo Moons
Title: Managing Director

ADMINISTRATIVE
AGENT: BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ DeWayne D. Rosse
Name: DeWayne D. Rosse
Title: Assistant Vice President

LENDERS: BANK OF AMERICA, N.A.,

as a Lender, Swing Line Lender and L/C Issuer

By: /s/ Bettina Buss___________
Name: Bettina Buss
Title: DIR/ EC - GIG

JPMORGAN CHASE BANK, N.A.,
as a Lender and L/C Issuer

By: /s/ Kody J. Nerios
Name: Kody J. Nerios
Title: Authorized Officer



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HSBC BANK USA, NATIONAL ASSOCIATION,
as a Lender and L/C Issuer

By: /s/ Peggy Yip
Name: Peggy Yip
Title: Managing Director

MIZUHO BANK, LTD.,
as a Lender and L/C Issuer

By: /s/ Donna DeMagistris
Name: Donna DeMagistris
Title: Managing Director

BANCO SANTANDER, S.A., NEW YORK BRANCH,
as a Lender

By: /s/ Andres Barbosa
Name: Andres Barbosa
Title: Managing Director

By: /s/ Arturo Prieto
Name: Arturo Prieto
Title: Managing Director

GOLDMAN SACHS BANK USA,
as a Lender

By: /s/ Priyankush Goswami_______
Name: Priyankush Goswami
Title: Authorized Signatory

MUFG BANK, LTD., as a Lender

By: /s/ Meng Zhang
Name: Meng Zhang
Title: Director

SUMITOMO MITSUI BANKING CORPORATION,
as a Lender

By: /s/ Mary Harold
Name: Mary Harold
Title: Managing Director

TRUIST BANK,
as a Lender

By: /s/ Iryna Kolos
Name: Iryna Kolos
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Sawyer Johnson
Name: Sawyer Johnson
Title: Vice President

BANK OF CHINA, NEW YORK BRANCH,
as a Lender

By: /s/ Raymond Qiao
Name: Raymond Qiao
Title: Executive Vice President

THE NORTHERN TRUST COMPANY,
as a Lender

By: /s/ Andrew D. Holtz
Name: Andrew D. Holtz
Title: Senior Vice President

**EXHIBIT 31.1**

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**

I, J. Kent Masters, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Albemarle Corporation for the period ended September 30, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2024

/s/ J. KENT MASTERS

J. Kent Masters
Chairman, President and Chief Executive Officer

**EXHIBIT 31.2**

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER**

I, Neal R. Sheorey, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Albemarle Corporation for the period ended September 30, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2024

/s/ NEAL R. SHEOREY

Neal R. Sheorey
Executive Vice President and Chief Financial Officer

**EXHIBIT 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Albemarle Corporation (the “Company”) for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, J. Kent Masters, principal executive officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ J. KENT MASTERS

J. Kent Masters
Chairman, President and Chief Executive Officer
November 6, 2024

**EXHIBIT 32.2**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Albemarle Corporation (the “Company”) for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Neal R. Sheorey, principal financial officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ NEAL R. SHEOREY

Neal R. Sheorey

Executive Vice President and Chief Financial Officer
November 6, 2024