

**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 March 31, 2025

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
(State or other jurisdiction of
incorporation or organization)

54-1692118
(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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 April 23, 2025: 117,660,914

ALBEMARLE CORPORATION

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited).

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

	Three Months Ended March 31,	
	2025	2024
Net sales	\$ 1,076,881	\$ 1,360,736
Cost of goods sold ^(a)	920,582	1,321,798
Gross profit	156,299	38,938
Selling, general and administrative expenses	123,502	161,376
Restructuring charges and asset write-offs	(1,063)	33,536
Research and development expenses	14,099	23,532
Operating profit (loss)	19,761	(179,506)
Interest and financing expenses	(48,977)	(37,969)
Other income, net	10,250	49,901
Loss before income taxes and equity in net income of unconsolidated investments	(18,966)	(167,574)
Income tax benefit	(3,978)	(3,721)
Loss before equity in net income of unconsolidated investments	(14,988)	(163,853)
Equity in net income of unconsolidated investments (net of tax)	64,286	180,500
Net income	49,298	16,647
Net income attributable to noncontrolling interests	(7,950)	(14,199)
Net income attributable to Albemarle Corporation	41,348	2,448
Mandatory convertible preferred stock dividends	(41,688)	(11,584)
Net loss attributable to Albemarle Corporation common shareholders	\$ (340)	\$ (9,136)
Basic loss per share attributable to common shareholders	\$ (0.00)	\$ (0.08)
Diluted loss per share attributable to common shareholders	\$ (0.00)	\$ (0.08)
Weighted-average common shares outstanding – basic	117,603	117,451
Weighted-average common shares outstanding – diluted	117,603	117,451

(a) Included purchases from related unconsolidated affiliates of \$119.8 million and \$540.7 million for the three-month periods ended March 31, 2025 and 2024, respectively.

See accompanying Notes to the Condensed Consolidated Financial Statements.

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

	Three Months Ended	
	March 31,	
	2025	2024
Net income	\$ 49,298	\$ 16,647
Other comprehensive income (loss), net of tax:		
Foreign currency translation and other	109,015	(50,220)
Cash flow hedge	(107)	(18,660)
Total other comprehensive income (loss), net of tax	108,908	(68,880)
Comprehensive income (loss)	158,206	(52,233)
Comprehensive income attributable to noncontrolling interests	(7,932)	(13,998)
Comprehensive income (loss) attributable to Albemarle Corporation	\$ 150,274	\$ (66,231)

See accompanying Notes to the Condensed Consolidated Financial Statements.

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

	March 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,518,511	\$ 1,192,230
Trade accounts receivable, less allowance for credit losses (2025 – \$5,198; 2024 – \$5,201)	670,775	742,201
Other accounts receivable	137,080	238,384
Inventories	1,656,365	1,502,531
Other current assets	124,551	166,916
Total current assets	4,107,282	3,842,262
Property, plant and equipment, at cost	12,660,018	12,523,368
Less accumulated depreciation and amortization	3,356,979	3,191,898
Net property, plant and equipment	9,303,039	9,331,470
Investments	1,124,777	1,117,739
Other assets	628,277	504,711
Goodwill	1,606,144	1,582,714
Other intangibles, net of amortization	229,739	230,753
Total assets	\$ 16,999,258	\$ 16,609,649
Liabilities And Equity		
Current liabilities:		
Accounts payable to third parties	\$ 778,658	\$ 793,455
Accounts payable to related parties	139,296	150,432
Accrued expenses	379,871	467,997
Current portion of long-term debt	410,477	398,023
Dividends payable	61,312	61,282
Income taxes payable	174,779	95,275
Total current liabilities	1,944,393	1,966,464
Long-term debt	3,128,655	3,118,142
Postretirement benefits	31,908	31,930
Pension benefits	115,846	116,192
Other noncurrent liabilities	1,125,943	819,204
Deferred income taxes	378,171	358,029
Commitments and contingencies (Note 7)		
Equity:		
Albemarle Corporation shareholders' equity:		
Common stock, \$.01 par value, authorized – 275,000, issued and outstanding – 117,651 in 2025 and 117,560 in 2024	1,177	1,176
Mandatory convertible preferred stock, Series A, no par value, \$1,000 stated value, authorized – 15,000, issued and outstanding – 2,300 in 2025 and 2024	2,235,105	2,235,105
Additional paid-in capital	2,991,389	2,985,606
Accumulated other comprehensive loss	(633,136)	(742,062)
Retained earnings	5,433,704	5,481,692
Total Albemarle Corporation shareholders' equity	10,028,239	9,961,517
Noncontrolling interests	246,103	238,171
Total equity	10,274,342	10,199,688
Total liabilities and equity	\$ 16,999,258	\$ 16,609,649

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)

(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, 2024	117,559,774	\$ 1,176	2,300,000	\$ 2,235,105	\$ 2,985,606	\$ (742,062)	\$ 5,481,692	\$ 9,961,517	\$ 238,171	\$ 10,199,688
Net income							41,348	41,348	7,950	49,298
Other comprehensive income (loss)						108,926		108,926	(18)	108,908
Common stock dividends declared, \$0.405 per common share							(47,648)	(47,648)	—	(47,648)
Mandatory convertible preferred stock cumulative dividends							(41,688)	(41,688)		(41,688)
Stock-based compensation					7,502			7,502		7,502
Exercise of stock options	21,151	—			1,186			1,186		1,186
Issuance of common stock, net	106,073	1			(1)			—		—
Withholding taxes paid on stock-based compensation award distributions	(36,430)	—			(2,904)			(2,904)		(2,904)
Balance at March 31, 2025	117,650,568	\$ 1,177	2,300,000	\$ 2,235,105	\$ 2,991,389	\$ (633,136)	\$ 5,433,704	\$ 10,028,239	\$ 246,103	\$ 10,274,342
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 income							2,448	2,448	14,199	16,647
Other comprehensive loss						(68,679)		(68,679)	(201)	(68,880)
Common stock dividends declared, \$0.40 per common share							(47,011)	(47,011)	—	(47,011)
Mandatory convertible preferred stock cumulative dividends							(11,584)	(11,584)		(11,584)
Stock-based compensation					9,057			9,057		9,057
Exercise of stock options	1,420	—			86			86		86
Issuance of common stock, net	260,750	2			11,543			11,545		11,545
Issuance of mandatory convertible preferred stock, net			2,300,000	2,235,379				2,235,379		2,235,379
Withholding taxes paid on stock-based compensation award distributions	(91,273)	(1)			(10,618)			(10,619)		(10,619)
Balance at March 31, 2024	117,527,167	\$ 1,175	2,300,000	\$ 2,235,379	\$ 2,962,585	\$ (597,205)	\$ 6,930,868	\$ 11,532,802	\$ 266,917	\$ 11,799,719

See accompanying Notes to the Condensed Consolidated Financial Statements.

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

	Three Months Ended March 31,	
	2025	2024
Cash and cash equivalents at beginning of year	\$ 1,192,230	\$ 889,900
Cash flows from operating activities:		
Net income	49,298	16,647
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation and amortization	161,754	123,751
Stock-based compensation and other	6,966	9,317
Equity in net income of unconsolidated investments (net of tax)	(64,286)	(180,500)
Dividends received from unconsolidated investments and nonmarketable securities	60,335	50,756
Pension and postretirement expense	1,696	1,273
Pension and postretirement contributions	(5,196)	(4,824)
Realized loss on investments in marketable securities	—	33,746
Unrealized loss on investments in marketable securities	5,331	6,737
Deferred income taxes	(5,669)	116,447
Working capital changes	(21,992)	(52,320)
Noncurrent liability changes and other, net	357,146	(23,076)
Net cash provided by operating activities	545,383	97,954
Cash flows from investing activities:		
Capital expenditures	(182,624)	(579,322)
Sales of marketable securities, net	3,381	84,893
Investments in equity investments and nonmarketable securities	(60)	(74)
Net cash used in investing activities	(179,303)	(494,503)
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	(9,615)	(29,019)
Proceeds from borrowings of long-term debt and credit agreements	—	29,019
Other debt repayments, net	(1,195)	(620,753)
Dividends paid to common shareholders	(47,607)	(46,908)
Dividends paid to mandatory convertible preferred shareholders	(41,688)	—
Dividends paid to noncontrolling interests	(18,169)	—
Proceeds from exercise of stock options	1,186	86
Withholding taxes paid on stock-based compensation award distributions	(2,904)	(10,619)
Other	(14)	(1,256)
Net cash (used in) provided by financing activities	(120,006)	1,557,300
Net effect of foreign exchange on cash and cash equivalents	80,207	5,162
Increase in cash and cash equivalents	326,281	1,165,913
Cash and cash equivalents at end of period	\$ 1,518,511	\$ 2,055,813

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 March 31, 2025 and December 31, 2024, our consolidated statements of income, consolidated statements of comprehensive income (loss) and consolidated statements of changes in equity for the three-month periods ended March 31, 2025 and 2024 and our condensed consolidated statements of cash flows for the three-month periods ended March 31, 2025 and 2024. 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, 2024, as filed with the U.S. Securities and Exchange Commission (“SEC”) on February 12, 2025. The December 31, 2024 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-month periods ended March 31, 2025 are not necessarily indicative of the results to be expected for the full year.

NOTE 2—Inventories:

The following table provides a breakdown of inventories at March 31, 2025 and December 31, 2024 (in thousands):

	March 31, 2025	December 31, 2024
Finished goods	\$ 1,040,218	\$ 912,662
Raw materials and work in process ^(a)	451,006	429,080
Stores, supplies and other	165,141	160,789
Total ^(b)	<u>\$ 1,656,365</u>	<u>\$ 1,502,531</u>

(a) Includes \$306.1 million and \$290.6 million at March 31, 2025 and December 31, 2024, respectively, of work in process in our Energy Storage segment.

(b) As a result of the decline in lithium market pricing, the Company recorded charges in Cost of goods sold to reduce the value of certain finished goods and spodumene to their net realizable value. The balance of these inventory valuation adjustments totaled \$6.6 million and \$104.0 million at March 31, 2025 and December 31, 2024, respectively. During the three-month periods ended March 31, 2025 and 2024, the Company utilized \$97.3 million and \$194.2 million, respectively, of the inventory valuation adjustments as the inventory was sold, which are included within Working capital changes on the condensed consolidated statement of cash flows.

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 date in Inventories, specifically finished goods and equally reduces Equity in net income of unconsolidated investments (net of tax) on the consolidated statements of income. The balance of intra-entity profits on inventory purchased from equity method investments in Inventories totaled \$68.1 million and \$66.8 million at March 31, 2025 and December 31, 2024, 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 income.

NOTE 3—Investments:

Unconsolidated Joint Ventures

The following table details the Company’s equity in net income of unconsolidated investments (net of tax) for the three-month periods ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,	
	2025	2024
Windfield	\$ 54,986	\$ 172,679
Other joint ventures	9,300	7,821
Total	<u>\$ 64,286</u>	<u>\$ 180,500</u>

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

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 \$583.6 million at March 31, 2025 and December 31, 2024. 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 periods ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,	
	2025	2024
Net sales	\$ 290,419	\$ 190,009
Gross profit	192,704	149,982
Income before income taxes	144,796	94,630
Net income	101,744	66,411

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 income, net in our consolidated statements of income. During the three-month periods ended March 31, 2025 and 2024, the Company recorded unrealized mark-to-market losses of \$5.0 million and \$9.4 million, respectively, in Other 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 Other income, net during the three-month period ended March 31, 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 \$320.4 million and \$314.0 million at March 31, 2025 and December 31, 2024, respectively, which is reported in Investments in the consolidated balance sheets.

NOTE 4—Goodwill and Other Intangibles:

The following table summarizes the changes in goodwill by reportable segment for the three-month period ended March 31, 2025 (in thousands):

	Energy Storage	Specialties	Ketjen	Total
Balance at December 31, 2024 ^(a)	\$ 1,387,591	\$ 32,577	\$ 162,546	\$ 1,582,714
Foreign currency translation adjustments	18,372	10	5,048	23,430
Balance at March 31, 2025 ^(a)	\$ 1,405,963	\$ 32,587	\$ 167,594	\$ 1,606,144

(a) Balance at March 31, 2025 and December 31, 2024 includes an accumulated impairment loss of \$6.8 million from the (“PCS”) reporting unit within the Ketjen segment. As a result, the balance of Ketjen at March 31, 2025 and December 31, 2024 fully consists of goodwill related to the Refining Solutions reporting unit.

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

As previously discussed in Part II, Item 8 - Note 1, "Summary of Significant Accounting Policies," of the Company's Annual Report on Form 10-K for the year ended December 31, 2024, if revenue or adjusted EBITDA growth are lower than forecasted, or costs are higher than anticipated, the Company may recognize a non-cash goodwill impairment loss in the Refining Solutions reporting unit within the Ketjen segment.

The following table summarizes the changes in other intangibles and related accumulated amortization for the three-month period ended March 31, 2025 (in thousands):

	Customer Lists and Relationships	Trade Names and Trademarks ^(a)	Patents and Technology	Other	Total
Gross Asset Value					
Balance at December 31, 2024	\$ 402,012	\$ 10,670	\$ 32,265	\$ 29,010	\$ 473,957
Foreign currency translation adjustments and other	7,197	214	147	937	8,495
Balance at March 31, 2025	<u>\$ 409,209</u>	<u>\$ 10,884</u>	<u>\$ 32,412</u>	<u>\$ 29,947</u>	<u>\$ 482,452</u>
Accumulated Amortization					
Balance at December 31, 2024	\$ (216,231)	\$ (1,324)	\$ (14,253)	\$ (11,396)	\$ (243,204)
Amortization	(4,615)	—	(629)	(223)	(5,467)
Foreign currency translation adjustments and other	(3,761)	—	(89)	(192)	(4,042)
Balance at March 31, 2025	<u>\$ (224,607)</u>	<u>\$ (1,324)</u>	<u>\$ (14,971)</u>	<u>\$ (11,811)</u>	<u>\$ (252,713)</u>
Net Book Value at December 31, 2024	<u>\$ 185,781</u>	<u>\$ 9,346</u>	<u>\$ 18,012</u>	<u>\$ 17,614</u>	<u>\$ 230,753</u>
Net Book Value at March 31, 2025	<u>\$ 184,602</u>	<u>\$ 9,560</u>	<u>\$ 17,441</u>	<u>\$ 18,136</u>	<u>\$ 229,739</u>

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

NOTE 5—Long-Term Debt:

Long-term debt at March 31, 2025 and December 31, 2024 consisted of the following (in thousands):

	March 31, 2025	December 31, 2024
1.125% notes due 2025	\$ 405,565	\$ 393,346
1.625% notes due 2028	537,700	521,500
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
Interest-free loan	300,000	300,000
Variable-rate foreign bank loans	18,592	27,477
Finance lease obligations	117,872	118,796
Other	22,000	22,000
Unamortized discount and debt issuance costs	(84,209)	(88,566)
Total long-term debt	<u>3,539,132</u>	<u>3,516,165</u>
Less amounts due within one year	<u>410,477</u>	<u>398,023</u>
Long-term debt, less current portion	<u>\$ 3,128,655</u>	<u>\$ 3,118,142</u>

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

NOTE 6—Other Noncurrent Liabilities:

Other noncurrent liabilities consist of the following at March 31, 2025 and December 31, 2024 (in thousands):

	March 31, 2025	December 31, 2024
Transition tax on foreign earnings ^(a)	\$ 44,647	\$ 44,647
Operating leases ^(b)	101,349	99,514
Liabilities related to uncertain tax positions	242,611	259,586
Executive deferred compensation plan obligation	34,552	38,243
Environmental liabilities ^(c)	15,926	15,783
Asset retirement obligations	96,724	94,854
Tax indemnification liability ^(d)	11,044	12,567
Deferred revenue	406,152	78,027
Capital expenditure incentive payables ^(e)	74,506	74,506
Other ^(f)	98,432	101,477
Total	\$ 1,125,943	\$ 819,204

(a) Noncurrent portion of one-time transition tax on foreign earnings.

(b) See Note 13, “Leases.”

(c) See Note 7, “Commitments and Contingencies.”

(d) Indemnification of certain income and non-income tax liabilities, primarily associated with the Chemetall Surface Treatment entities sold in 2017.

(e) 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 values, and the underlying assets are recorded in property, plant and equipment.

(f) No individual component exceeds 5% of total liabilities.

In the normal course of business, amounts received from customers in advance of the Company’s satisfaction of its contractual performance obligations are recorded as deferred revenue, and are recognized within Net sales as the Company satisfies the related performance obligation. During the three-month period ended March 31, 2025, the Company received \$350 million from a customer for the delivery of specified amounts of spodumene and lithium salts over the next 5 years. \$21.9 million of deferred revenue is expected to be recognized within Net sales over the next twelve months and is reported in Accrued expenses on the consolidated balance sheet. There was no deferred revenue recognized in Net sales during the three-month period ended March 31, 2025.

NOTE 7—Commitments and Contingencies:

Environmental

The following activity was recorded in environmental liabilities for the three months ended March 31, 2025 (in thousands):

Beginning balance at December 31, 2024	\$ 20,023
Expenditures	(209)
Accretion of discount	213
Foreign currency translation adjustments and other	92
Ending balance at March 31, 2025	20,119
Less amounts reported in Accrued expenses	4,193
Amounts reported in Other noncurrent liabilities	\$ 15,926

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Environmental remediation liabilities included discounted liabilities of \$16.8 million at March 31, 2025 and December 31, 2024, discounted at rates with a weighted-average of 4.0%, and with the undiscounted amount totaling \$34.4 million and \$34.5 million at March 31, 2025 and December 31, 2024, respectively.

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 \$40 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.

In April 2025, the Company concluded its non-prosecution agreement with the U.S. Department of Justice (“DOJ”) prior to the end of its term in recognition that the terms of the agreement had been satisfied. The non-prosecution agreement was implemented in September 2023 following the Company’s self-reporting of a matter that occurred in 2018.

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 \$11.0 million and \$12.6 million at March 31, 2025 and December 31, 2024, 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 March 31, 2025, the Company believes its liability under such obligations is immaterial.

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NOTE 8—Equity:

Common Stock

On February 27, 2025, the Company's board of directors declared a cash dividend of \$0.405 per share. This dividend was paid on April 1, 2025 to shareholders of record at the close of business as of March 14, 2025.

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.

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. The Company paid cash dividends in March 2025, and are expected to pay subsequent cash dividends, of \$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 March 31, 2025.

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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 March 31, 2025			Three Months Ended March 31, 2024		
	Foreign Currency Translation and Other	Cash Flow Hedge ^(a)	Total	Foreign Currency Translation and Other	Cash Flow Hedge ^(a)	Total
Balance, beginning of period	\$ (747,202)	\$ 5,140	\$ (742,062)	\$ (536,601)	\$ 8,075	\$ (528,526)
Other comprehensive income (loss) before reclassifications	108,999	(231)	108,768	(50,237)	(21,342)	(71,579)
Amounts reclassified from accumulated other comprehensive loss	16	124	140	17	2,682	2,699
Other comprehensive income (loss), net of tax	109,015	(107)	108,908	(50,220)	(18,660)	(68,880)
Other comprehensive loss attributable to noncontrolling interests	18	—	18	201	—	201
Balance, end of period	\$ (638,169)	\$ 5,033	\$ (633,136)	\$ (586,620)	\$ (10,585)	\$ (597,205)

(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 2024, the Company dedesignated the remaining foreign currency forward contracts accounted for as cash flow hedges. The related loss was reclassified to Other income, net during the three-month period ended March 31, 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 14, “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 periods ended March 31, 2025 and 2024 is provided in the following tables (in thousands):

	Three Months Ended March 31, 2025			Three Months Ended March 31, 2024		
	Foreign Currency Translation and Other	Cash Flow Hedge	Total	Foreign Currency Translation and Other	Cash Flow Hedge	Total
Other comprehensive income (loss), before tax	\$ 109,018	\$ (107)	\$ 108,911	\$ (50,217)	\$ (26,657)	\$ (76,874)
Income tax (expense) benefit	(3)	—	(3)	(3)	7,997	7,994
Other comprehensive income (loss), net of tax	\$ 109,015	\$ (107)	\$ 108,908	\$ (50,220)	\$ (18,660)	\$ (68,880)

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 Train 3 in Western Australia, and put Kemerton Train 2 into care and maintenance, as the Company determined the current lithium price environment makes it less economical to expand conversion in Australia. Kemerton Train 1 will continue to operate and activity around it is currently focused on commercialization efforts. Subsequently, in early 2025, the Company announced its additional decision to put the Chengdu, China conversion plant into care and maintenance by mid-year 2025. Production from the Chengdu site will be transferred to another processing facility in China.

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

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lowering operating costs, reducing capital intensity and enhancing the Company's financial flexibility. As part of this effort, effective November 1, 2024, the Company transitioned its operating structure to a fully integrated functional model (excluding Ketjen) from a global business unit model. As a result, the Company implemented a global workforce reduction that impacted 6-7% of total headcount during the second half of 2024.

Since inception the Company has recorded charges for this plan consisting of asset write-offs of \$725.7 million, severance and employee benefits of \$52.9 million, contract cancellation costs of \$35.5 million and other (primarily consisting of the reclassification of the related dedesignated cash flow hedge from Accumulated other comprehensive loss) of \$36.2 million. Charges related to Second Half 2024 Restructuring were primarily recorded in the Energy Storage segment, with the exception of severance and employee benefits, which were recorded globally in Corporate and all segments. The Company expects to record additional decommissioning costs related to the Second Half 2024 Restructuring in the range of \$20 million to \$25 million for the remainder of 2025, after which the Company expects the actions to be substantially completed.

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, primarily within the Energy Storage segment. In addition, the Company recorded severance costs for employees in Corporate and each of the businesses as part of these announced measures. As a result, since inception the Company has recorded charges for this plan consisting of asset write-offs of \$280.6 million, severance and employee benefits of \$18.9 million, contract cancellation costs of \$24.9 million and other (primarily consisting of the reclassification of the related dedesignated cash flow hedge from Accumulated other comprehensive loss) of \$5.4 million. 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.

Detail of Restructuring Charges and Reserves

The following table provides details of our restructuring related charges for the three-month periods ended March 31, 2025 and 2024 (in thousands):

Three Months Ended March 31, 2025					
	Asset Write-offs ^(a)	Severance and Employee Benefits ^(b)	Contract Cancellation Costs ^(c)	Other ^(d)	Total
Second Half 2024 Restructuring ^(e)	(7,248)	1,620	(1,826)	6,621	(833)
Three Months Ended March 31, 2024					
	Asset Write-offs ^(a)	Severance and Employee Benefits ^(b)	Contract Cancellation Costs ^(c)	Other ^(d)	Total
First Half 2024 Restructuring ^(e)	\$ —	\$ 16,336	\$ 17,200	\$ 2,749	\$ 36,285

- (a) In the first quarter of 2025, the Company received proceeds for certain Kemerton equipment and updated its estimates concerning the progress of construction activities and related contractual obligations, resulting in a favorable adjustment of asset write-offs. This favorable adjustment to asset write-off charges was 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. In the first quarter of 2025, the Company successfully negotiated revised contract cancellation costs with key suppliers to result in a favorable adjustment. All contract cancellation costs and favorable adjustments were recorded in Restructuring charges and asset write-offs.
- (d) Other includes costs to put Kemerton Train 2 and the Chengdu, China conversion plant into care and maintenance and similar restructuring costs, and are recorded in Restructuring charges and asset write-offs. In addition, Other also includes the reclassification of the related dedesignated cash flow hedge from Accumulated other comprehensive loss. \$0.2 million recorded in Other income, net for the three-month period ended March 31, 2025 related to the Second Half 2024 Restructuring and \$2.7 million recorded in Other income, net for the three-month period ended March 31, 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.

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The following tables summarize the changes in restructuring liabilities for the three-month period ended March 31, 2025 (in thousands):

<i>Second Half 2024 Restructuring</i>	Asset Write-offs	Severance and Employee Benefits	Contract Cancellation Costs	Other	Total
Beginning balance at December 31, 2024	\$ —	\$ 15,867	\$ 32,479	\$ 8,811	\$ 57,157
2025 charges	2,142	5,398	—	6,621	14,161
Change in estimate ^(a)	(9,390)	(3,778)	(1,826)	—	(14,994)
Cash payments	—	(6,758)	(5,090)	(3,520)	(15,368)
Asset write-off/hedge dedesignation	7,248	—	—	(6,621)	627
Foreign currency translation adjustments	—	103	—	—	103
Ending balance at March 31, 2025 ^(b)	\$ —	\$ 10,832	\$ 25,563	\$ 5,291	\$ 41,686

<i>First Half 2024 Restructuring</i>	Asset Write-offs	Severance and Employee Benefits	Contract Cancellation Costs	Other	Total
Beginning balance at December 31, 2024	\$ —	\$ —	\$ 2,767	\$ —	\$ 2,767
Cash payments	—	—	(1,738)	—	(1,738)
Ending balance at March 31, 2025 ^(b)	\$ —	\$ —	\$ 1,029	\$ —	\$ 1,029

- (a) In the first quarter of 2025, the Company received proceeds for certain Kemerton equipment and updated its estimates concerning the progress of construction activities and related contractual obligation, as well as updated estimates of severance charges in the U.S., resulting in a favorable adjustment of asset write-offs and severance and employee benefits. Additionally, the Company successfully negotiated revised contract cancellation costs with key suppliers to result in a favorable adjustment of the restructuring related charges.
- (b) Approximately \$30.3 million of the remaining balance is expected to be paid in the next twelve months and are recorded in Accrued expenses as of March 31, 2025. \$12.4 million of the liability is recorded in Other noncurrent liabilities as of March 31, 2025, and relates to certain take or pay liabilities that 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 periods ended March 31, 2025 and 2024 were as follows (in thousands):

	Three Months Ended March 31,	
	2025	2024
Pension Benefits Cost (Credit):		
Service cost	\$ 1,397	\$ 1,566
Interest cost	8,339	8,145
Expected return on assets	(8,535)	(8,830)
Amortization of prior service benefit	19	20
Total net pension benefits cost	\$ 1,220	\$ 901
Postretirement Benefits Cost:		
Service cost	\$ 5	\$ 12
Interest cost	471	360
Total net postretirement benefits cost	\$ 476	\$ 372
Total net pension and postretirement benefits cost	\$ 1,696	\$ 1,273

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

During the three-month periods ended March 31, 2025 and 2024, the Company made contributions of \$5.2 million and \$4.8 million, respectively, to its qualified and nonqualified pension plans and the U.S. postretirement benefit plan.

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NOTE 11—Income Taxes:

The effective income tax rates for the three-month period ended March 31, 2025 was 21.0% compared to 2.2% for the three-month period ended March 31, 2024. The Company's effective income tax rate fluctuates based on, among other factors, the amount and location of income. The increased effective tax rate in the three-month period ended March 31, 2025, compared to the three-month periods ended March 31, 2024, was due to higher 2025 earnings in various jurisdictions. The Company's effective income tax rate for the three-month periods ended March 31, 2025 was in line with the U.S. federal statutory income tax rate of 21% due to the net impact of the location in which income was earned, including the impact of valuation allowances for losses in the Company's 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 period ended March 31, 2024 was impacted by a variety of factors, primarily the location in which income was earned, including the valuation allowance for losses in certain entities in China, the global intangible low-taxed income inclusion, and a reduction to an uncertain tax position recorded in Chile.

NOTE 12—Earnings Per Share:

Basic and diluted loss per share for the three-month periods ended March 31, 2025 and 2024 are calculated as follows (in thousands, except per share amounts):

	Three Months Ended March 31,	
	2025	2024
Basic loss per share		
Numerator:		
Net income attributable to Albemarle Corporation	\$ 41,348	\$ 2,448
Mandatory convertible preferred stock dividends	(41,688)	(11,584)
Net loss attributable to Albemarle Corporation common shareholders	<u>\$ (340)</u>	<u>\$ (9,136)</u>
Denominator:		
Weighted-average common shares for basic loss per share	<u>117,603</u>	<u>117,451</u>
Basic loss per share	<u>\$ (0.00)</u>	<u>\$ (0.08)</u>
Diluted loss per share		
Numerator:		
Net income attributable to Albemarle Corporation	\$ 41,348	\$ 2,448
Mandatory convertible preferred stock dividends	(41,688)	(11,584)
Net loss attributable to Albemarle Corporation common shareholders	<u>\$ (340)</u>	<u>\$ (9,136)</u>
Denominator:		
Weighted-average common shares for diluted loss per share	<u>117,603</u>	<u>117,451</u>
Diluted loss per share	<u>\$ (0.00)</u>	<u>\$ (0.08)</u>

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 March 31,	
	2025	2024
Shares assuming the conversion of the mandatory convertible preferred stock	21,022	6,271
Shares under the stock compensation plans	1,161	896

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.

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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 periods ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,	
	2025	2024
Operating lease cost	\$ 8,732	\$ 9,546
Finance lease cost:		
Amortization of right of use assets	1,998	1,308
Interest on lease liabilities	1,619	1,459
Total finance lease cost	3,617	2,767
Short-term lease cost	6,166	6,018
Variable lease cost	8,416	7,797
Total lease cost	<u>\$ 26,931</u>	<u>\$ 26,128</u>

Supplemental cash flow information related to our lease contracts for the three-month periods ended March 31, 2025 and 2024 is as follows (in thousands):

	Three Months Ended March 31,	
	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 8,386	\$ 8,848
Operating cash flows from finance leases	1,615	1,018
Financing cash flows from finance leases	1,195	560
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	9,896	8,856

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Supplemental balance sheet information related to our lease contracts, including the location on balance sheet, at March 31, 2025 and December 31, 2024 is as follows (in thousands, except as noted):

	March 31, 2025	December 31, 2024
Operating leases:		
Other assets	\$ 122,244	\$ 118,839
Accrued expenses	33,357	32,626
Other noncurrent liabilities	101,349	99,514
Total operating lease liabilities	134,706	132,140
Finance leases:		
Net property, plant and equipment	115,304	117,038
Current portion of long-term debt	5,283	5,183
Long-term debt	112,589	113,613
Total finance lease liabilities	117,872	118,796
Weighted average remaining lease term (in years):		
Operating leases	12.5	12.9
Finance leases	20.2	20.4
Weighted average discount rate (%):		
Operating leases	4.55 %	4.47 %
Finance leases	5.55 %	5.55 %

Maturities of lease liabilities at March 31, 2025 were as follows (in thousands):

	Operating Leases	Finance Leases
Remainder of 2025	\$ 26,068	\$ 9,149
2026	26,603	11,338
2027	21,032	11,269
2028	15,615	11,131
2029	13,731	11,131
Thereafter	94,841	134,007
Total lease payments	197,890	188,025
Less imputed interest	63,184	70,153
Total	\$ 134,706	\$ 117,872

NOTE 14—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.

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	March 31, 2025		December 31, 2024	
	Recorded Amount	Fair Value	Recorded Amount	Fair Value
(In thousands)				
Long-term debt	\$ 3,554,963	\$ 3,358,246	\$ 3,532,713	\$ 3,332,064

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 income, net of \$0.2 million during the three-month period ended March 31, 2025 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.

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 March 31, 2025 and December 31, 2024, we had outstanding non-designated derivative financial instruments with notional values totaling \$6.5 billion and \$6.9 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 March 31, 2025, these foreign currency forward contracts hedge our exposure to various currencies including the Chinese Renminbi, Euro and Australian Dollar.

The following table summarizes the fair value of our derivative financial instruments included in the consolidated balance sheets as of March 31, 2025 and December 31, 2024 (in thousands):

	March 31, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Not designated as hedging instruments				
Other current assets	\$ 5,557	\$ —	\$ 4,347	\$ —
Accrued expenses	—	5,919	—	6,586
Other noncurrent liabilities	—	4,819	—	4,766
Total not designated as hedging instruments	\$ 5,557	\$ 10,738	\$ 4,347	\$ 11,352

The following table summarizes the net (losses) gains recognized for our derivative financial instruments during the three-month periods ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,	
	2025	2024
Designated as hedging instruments		
Loss recognized in Other comprehensive income (loss)	\$ (231)	\$ (21,342)
Loss recognized in Other income, net	\$ (124)	\$ (2,682)
Not designated as hedging instruments		
Gain recognized in Other income, net ^(a)	\$ 52,078	\$ 14,822

(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 income, net.

In addition, for the three-month periods ended March 31, 2025 and 2024, we recorded net cash receipts of \$50.3 million and \$14.5 million, respectively, in Other, net, in our condensed consolidated statements of cash flows.

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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 15—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

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 March 31, 2025 and December 31, 2024 (in thousands):

	March 31, 2025	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)	\$ 320,388	\$ —	\$ —	\$ 320,388
Investments under executive deferred compensation plan ^(b)	\$ 34,552	\$ 34,552	\$ —	\$ —
Public equity securities ^(c)	\$ 12,889	\$ 12,889	\$ —	\$ —
Private equity securities measured at net asset value ^{(d)(e)}	\$ 4,482	\$ —	\$ —	\$ —
Derivative financial instruments ^(f)	\$ 5,557	\$ —	\$ 5,557	\$ —
Liabilities:				
Obligations under executive deferred compensation plan ^(b)	\$ 34,552	\$ 34,552	\$ —	\$ —
Derivative financial instruments ^(f)	\$ 10,738	\$ —	\$ 10,738	\$ —

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	December 31, 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)	\$ 313,991	\$ —	\$ —	\$ 313,991
Investments under executive deferred compensation plan ^(b)	\$ 38,243	\$ 38,243	\$ —	\$ —
Public equity securities ^(c)	\$ 17,910	\$ 17,910	\$ —	\$ —
Private equity securities measured at net asset value ^{(d)(e)}	\$ 4,472	\$ —	\$ —	\$ —
Derivative financial instruments ^(f)	\$ 4,347	\$ —	\$ 4,347	\$ —
Liabilities:				
Obligations under executive deferred compensation plan ^(b)	\$ 38,243	\$ 38,243	\$ —	\$ —
Derivative financial instruments ^(f)	\$ 11,352	\$ —	\$ 11,352	\$ —

- (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 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 income, net in our consolidated statements of income. See Note 3, "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 income, net in our consolidated statements of 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 14, "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, 2024	\$ 313,991
PIK dividends	9,769
Cash received for tax liability	(3,372)
Ending balance at March 31, 2025	\$ 320,388

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NOTE 16—Related Party Transactions:

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

	Three Months Ended March 31,	
	2025	2024
Sales to unconsolidated affiliates	\$ 1,536	\$ 1,958
Purchases from unconsolidated affiliates ^(a)	\$ 159,206	\$ 137,197

(a) Purchases from unconsolidated affiliates primarily relate to spodumene purchased from the Company's Windfield joint venture.

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

	March 31, 2025	December 31, 2024
Receivables from unconsolidated affiliates	\$ 947	\$ 11,950
Payables to unconsolidated affiliates ^(a)	\$ 139,296	\$ 150,432

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

NOTE 17—Segment Information:

The Company has three operating and reportable segments, which are: (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 Chairman, President and Chief Executive Officer, who is the Company's chief operating decision maker ("CODM"), 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 CODM uses adjusted EBITDA (as defined below) to assess the ongoing performance of the Company's business segments and to allocate resources by considering the variance in the actual results to the forecasts on a monthly basis. The annual operating budget and ongoing forecasting process use adjusted EBITDA as a key metric in assessing the segments performance. In addition, the CODM 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's 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 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 and asset write-offs, facility divestiture charges, certain litigation and arbitration costs and charges, non-operating pension and OPEB items and other significant non-recurring items. This calculation is consistent with the definition of adjusted EBITDA used in the leverage financial covenant calculation in the Company's credit agreement, which is a material agreement for the Company and aligns the information presented to various stakeholders.

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See below for a reconciliation of segment Net sales to adjusted EBITDA by segment showing significant segment expenses regularly reviewed by the CODM for the three-month periods ended March 31, 2025 and 2024 (in thousands):

	<u>Energy Storage</u>	<u>Specialties</u>	<u>Ketjen</u>	<u>Total Segments</u>
Three Months Ended March 31, 2025				
Net sales ^(a)	\$ 524,565	\$ 321,014	\$ 231,302	\$ 1,076,881
Cost of goods sold ^(b)	(365,521)	(231,226)	(173,477)	(770,224)
Selling, general and administrative expenses ^(b)	(44,535)	(20,379)	(22,025)	(86,939)
Other segment items ^(c)	(2,550)	(2,793)	(6,512)	(11,855)
Equity in net income of unconsolidated investments ^(d)	74,396	—	9,300	83,696
Net income attributable to noncontrolling interests	—	(7,950)	—	(7,950)
Adjusted EBITDA by segment	<u>\$ 186,355</u>	<u>\$ 58,666</u>	<u>\$ 38,588</u>	<u>\$ 283,609</u>
Three Months Ended March 31, 2024				
Net sales ^(a)	\$ 800,898	\$ 316,065	\$ 243,773	\$ 1,360,736
Cost of goods sold ^(b)	(776,582)	(225,163)	(202,417)	(1,204,162)
Selling, general and administrative expenses ^(b)	(64,414)	(24,970)	(19,926)	(109,310)
Other segment items ^(c)	(6,638)	(7,634)	(7,272)	(21,544)
Equity in net income of unconsolidated investments ^(d)	244,732	—	7,821	252,553
Net income attributable to noncontrolling interests	—	(13,117)	—	(13,117)
Adjusted EBITDA by segment	<u>\$ 197,996</u>	<u>\$ 45,181</u>	<u>\$ 21,979</u>	<u>\$ 265,156</u>

(a) Intersegment sales are not considered material.

(b) The significant expense categories and amounts align with the segment information that is regularly provided to the CODM. Excludes depreciation and amortization, and non-operating, non-recurring or unusual items as described in the reconciliation of total segment adjusted EBITDA to consolidated Net income attributable to Albemarle Corporation below.

(c) Other segment items are comprised of Research and development expenses excluding depreciation and amortization.

(d) Excludes Albemarle's 49% ownership interest in the income tax expense of the Windfield joint venture.

The Company reconciles the total segment adjusted EBITDA to the consolidated Net income attributable to Albemarle Corporation given the impact of equity in net income from unconsolidated investments, the majority of which relates to the Windfield joint venture. This reconciliation reflects the strategic and operational significance of the Company's joint ventures and aligns with our allocation of equity in net income from unconsolidated investments at the segment level, representing each segment's contribution to the Company's overall financial performance. See below for a reconciliation of total segment adjusted EBITDA to consolidated Net income attributable to Albemarle Corporation (in thousands):

	Three Months Ended March 31,	
	2025	2024
Total segment adjusted EBITDA	\$ 283,609	\$ 265,156
Corporate expenses, net	(16,465)	26,080
Depreciation and amortization	(161,754)	(123,751)
Interest and financing expenses	(48,977)	(37,969)
Income tax benefit	3,978	3,721
Proportionate share of Windfield income tax expense ^(a)	(25,326)	(73,689)
Acquisition and integration related costs ^(b)	(1,440)	(1,907)
Restructuring charges and asset write-offs ^(c)	833	(36,285)
Non-operating pension and OPEB items	(275)	325
Loss in fair value of public equity securities ^(d)	(5,022)	(43,159)
Other ^(e)	12,187	23,926
Net income attributable to Albemarle Corporation	<u>\$ 41,348</u>	<u>\$ 2,448</u>

(a) Albemarle's 49% ownership interest in the reported income tax expense of the Windfield joint venture.

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- (b) Costs related to the acquisition, integration and potential divestitures for various significant projects, recorded in Selling, general and administrative expenses (“SG&A”).
- (c) See Note 9, “Restructuring Charges and Asset Write-offs,” for further details.
- (d) Represents the net change in fair value of investments in public equity securities for the three-month period ended March 31, 2025, recorded in Other income, net. The three-month period ended March 31, 2024 included losses of \$9.4 million and \$33.7 million, recorded in Other income, net, resulting from the net change in fair value of investments in public equity securities and the sale of investments in public equity securities, respectively.
- (e) Included amounts for the three months ended March 31, 2025 recorded in:
- SG&A - \$3.2 million of gains from the sale of assets at a site not part of our production operations, partially offset by \$0.6 million of expenses related to certain historical legal matters.
 - Other income, net - \$9.8 million of income from PIK dividends of preferred equity in a Grace subsidiary and a \$1.9 million gain primarily resulting from the adjustment of indemnification related to previously disposed businesses, partially offset by \$1.9 million of charges for asset retirement obligations at a site not part of our operations.

Included amounts for the three months ended March 31, 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 - \$0.1 million of expenses related to certain historical legal matters.
- Other income, net - \$17.3 million gain primarily from the sale of assets at a site not part of our operations, \$8.7 million of income from PIK dividends of preferred equity in a Grace subsidiary and a \$2.4 million 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.

Total assets and investments in equity method investees by segment at March 31, 2025 and December 31, 2024 were as follows (in thousands):

	March 31, 2025	December 31, 2024
Assets:		
Energy Storage	\$ 11,360,332	\$ 11,285,847
Specialties	1,856,357	1,843,564
Ketjen	1,449,129	1,426,189
Total segment assets	14,665,818	14,555,600
Corporate	2,333,440	2,054,049
Total assets	<u>\$ 16,999,258</u>	<u>\$ 16,609,649</u>
Investments in equity method investees:		
Energy Storage	\$ 585,648	\$ 585,569
Ketjen	150,119	140,915
Total investments in equity method investees	<u>\$ 735,767</u>	<u>\$ 726,484</u>

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Additional segment information for the three-month periods ended March 31, 2025 and 2024 was as follows (in thousands):

	Three Months Ended March 31,	
	2025	2024
Depreciation and amortization:		
Energy Storage	\$ 120,348	\$ 87,274
Specialties	25,733	22,437
Ketjen	13,430	12,357
Total segment depreciation and amortization	159,511	122,068
Corporate	2,243	1,683
Total depreciation and amortization	\$ 161,754	\$ 123,751
Equity in net income of unconsolidated investments (net of tax):		
Energy Storage	\$ 50,845	\$ 171,534
Ketjen	9,300	7,821
Total segment equity in net income of unconsolidated investments (net of tax)	60,145	179,355
Corporate ^(a)	4,141	1,145
Total equity in net income of unconsolidated investments (net of tax)	\$ 64,286	\$ 180,500
Capital expenditures:		
Energy Storage	\$ 94,443	\$ 445,313
Specialties	62,225	89,145
Ketjen	22,371	35,183
Total segment capital expenditures	179,039	569,641
Corporate	3,585	9,681
Total capital expenditures	\$ 182,624	\$ 579,322

(a) Corporate equity in net income of unconsolidated investments (net of tax) relates to foreign exchange gains or losses from the Windfield joint venture.

NOTE 18—Supplemental Cash Flow Information:

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

	Three Months Ended March 31,	
	2025	2024
Supplemental non-cash disclosure related to investing and financing activities:		
Capital expenditures included in Accounts payable	\$ 127,369	\$ 315,895
Common stock issued for annual incentive bonus plan ^(a)	—	11,545

(a) During the three-month period ended March 31, 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.

Noncurrent liability changes and other, net within Cash flows from operating activities on the condensed consolidated statements of cash flows for the three-month period ended March 31, 2025 included the receipt of a \$350.0 million customer prepayment. See Note 6, “Other Noncurrent Liabilities,” for further details.

NOTE 19—Recently Issued or Adopted Accounting Pronouncements:

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

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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 significant 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. The Company has adopted this guidance and provided the required disclosures in this Quarterly Report on Form 10-Q. See Note 17, “Segment Information,” for further details.

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 “ambition,” “anticipate,” “believe,” “could,” “estimate,” “expect,” “goal,” “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;
- changes in trade policies and tariffs;
- 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;
- the ability to apply for and obtain government funding to support new operations;
- 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; 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 periods ended March 31, 2025 and 2024. A discussion of our consolidated financial condition and sources of additional capital is included under a separate heading, “Financial Condition and Liquidity.”

Overview

We are 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, cost discipline, broad geographic presence and customer-focused solutions will continue to be key drivers of our future earnings. 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.

First Quarter 2025

During the first quarter of 2025:

- Our board of directors declared a quarterly dividend of \$0.405 per share on February 27, 2025, which was paid on April 1, 2025 to common shareholders of record at the close of business as of March 14, 2025.
- In January 2025 the Company received \$350 million from a customer for the delivery of specified amounts of spodumene and lithium salts over the next 5 years.

- We recorded net sales of \$1.1 billion the first three months of 2025; Specialties volumes grew by 11% year-over-year; adjusted EBITDA improved year-over-year in both Specialties and Ketjen.
- Cash flows from operations during the first three months of 2025 were \$545.4 million, an increase of 457% from the prior year.

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 global 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 trade policies and tariffs, 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 and 2024, lithium index pricing dropped significantly. Amidst these dynamics, and despite recent downward lithium price pressure, we believe our long-term 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.

In order to optimize our cost structure and strengthen our financial flexibility, we have taken 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 transitioned 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 continue to report results across our 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.

The Company continues to monitor the potential impact of tariffs proposed or imposed by the U.S. and internationally. At this time we do not expect a material, direct impact to our financial statements from the tariffs announced to date. Energy Storage potential direct exposure is expected to be minimal as most of our China production is sold into China or other Asian countries, and some critical materials are fully or partially exempt from tariffs in their currently proposed form. While there may be an impact to the Specialties and Ketjen businesses, we do not expect it to be material due to our global footprint and planned mitigation actions. In addition, 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 2025 as lithium market prices are at lower levels compared to 2024. Because many of our contracts are index-referenced and variable-priced, our business is generally aligned with changes in market and index pricing. As a result, increases or further decreases in lithium market pricing could have a material impact on our results. We expect sales volume to be flat to slightly higher than prior year driven as we ramp up production from our Meishan, China production facility and decrease reliance on tolling arrangements. We could record inventory valuation charges in 2025 if lithium prices continue to deteriorate during the projected period of conversion and sale. 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 and the Chengdu, China conversion facilities into care and maintenance. Kemerton Train 1 will continue to operate and activity around it is currently focused on commercialization efforts. Production from the Chengdu site will be transferred to another processing facility in China.

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 higher in 2025 year-over-year as we recover from reduced customer demand in certain markets, including consumer and industrial electronics. In addition, we expect to maintain strong demand in other end-markets, such as pharmaceuticals, agriculture and oilfield services.

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 2025 are expected to increase year-over-year due to higher revenues. The fluidized catalytic cracking (“FCC”) market is expected to remain stable. Hydroprocessing catalysts (“HPC”) demand is project-driven, based on the refineries taking turnarounds.

On a longer-term basis, we believe increased global demand for transportation fuels, new refinery start-ups, ongoing adoption of cleaner fuels and the continuous growth in chemical derivatives from petroleum products 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 locales in which income is actually earned and remains subject to potential volatility from changing legislation in the United States. In 2024, we took 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 income. Certain percentage changes are considered not meaningful (“NM”).

First Quarter 2025 Compared to First Quarter 2024

Net Sales

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Net sales	\$ 1,076,881	\$ 1,360,736	\$ (283,855)	(21)%
•	\$288.1 million decrease primarily attributable to lower lithium carbonate and hydroxide market pricing in Energy Storage			
•	\$14.3 million increase attributable to higher sales volume, primarily in Specialties			
•	\$10.1 million of unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies			

Gross Profit

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Gross profit	\$ 156,299	\$ 38,938	\$ 117,361	301 %
Gross profit margin	14.5 %	2.9 %		
<ul style="list-style-type: none"> Lower average input costs, driven by lower lithium market pricing dynamics in Energy Storage. The lower cost of goods sold of spodumene 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 Higher sales volume in Specialties Unfavorable currency exchange impacts resulting from the stronger U.S. Dollar against various currencies 				

Selling, General and Administrative (“SG&A”) Expenses

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Selling, general and administrative expenses	\$ 123,502	\$ 161,376	\$ (37,874)	(23)%
Percentage of Net sales	11.5 %	11.9 %		
<ul style="list-style-type: none"> Reduced expenses as part of cost reduction efforts, including compensation costs, outside services and travel and entertainment costs 				

Restructuring Charges and Asset Write-Offs

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Restructuring charges and asset write-offs	\$ (1,063)	\$ 33,536	\$ (34,599)	NM
<ul style="list-style-type: none"> In 2025, we recorded proceeds for certain Kemerton equipment, and updated its estimates concerning the progress of construction activities and related contractual obligations, resulting in a favorable adjustment of asset write-offs. Additionally, the Company successfully negotiated revised contract cancellation costs with key suppliers to result in a favorable adjustment of the restructuring related charges Favorable adjustments in 2025 were partially offset by additional severance and employee benefit charges, primarily in Corporate, restructuring costs to put the Chengdu, China conversion facility into care and maintenance and other restructuring charges 2024 included contract cancellation costs for our Kemerton facility, and severance and employee benefit costs at Corporate and each of the segments 				

Research and Development Expenses

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Research and development expenses	\$ 14,099	\$ 23,532	\$ (9,433)	(40)%
Percentage of Net sales	1.3 %	1.7 %		
<ul style="list-style-type: none"> Reduction primarily driven by lower research and development spending in Specialties and Energy Storage as part of cost reduction efforts 				

Interest and Financing Expenses

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Interest and financing expenses	\$ (48,977)	\$ (37,969)	\$ (11,008)	29 %
<ul style="list-style-type: none"> Lower capitalized interest in 2025 resulting from stopping construction Kemerton Trains 3 and 4 and other projects, as well as the overall reduction of capital expenditure spending Partially offset by lower debt balances in 2025 with commercial paper outstanding during the first quarter of 2024 				

Other Income, Net

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Other income, net	\$ 10,250	\$ 49,901	\$ (39,651)	(79)%
<ul style="list-style-type: none"> \$62.3 million decrease attributable to foreign exchange impacts from losses recorded in 2025. Foreign exchange impact in 2024 includes a loss of \$2.7 million due to the reclass from accumulated other comprehensive loss related to the dedesignation of cash flow hedge. 2025 included losses of \$5.0 million related to the fair market value adjustment of equity securities in public companies compared to \$43.2 million of net losses for similar fair value adjustments and sales of equity securities in 2024 \$17.3 million gain in 2024 primarily from the sale of assets at a site not part of our operation 				

Income Tax Benefit

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Income tax benefit	\$ (3,978)	\$ (3,721)	\$ (257)	7 %
Effective income tax rate	21.0 %	2.2 %		
<ul style="list-style-type: none"> Change in geographic mix of earnings, including the impact from the valuation allowance for losses in our consolidated Australian entities and certain China entities 2024 included the impact from the valuation allowance for losses in certain China entities 				

Equity in Net Income of Unconsolidated Investments

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Equity in net income of unconsolidated investments	\$ 64,286	\$ 180,500	\$ (116,214)	(64)%
<ul style="list-style-type: none"> Decreased earnings primarily due to lower pricing from the Windfield joint venture in Energy Storage. The impact of lower spodumene pricing driving the decrease in equity in net income of Windfield is offset above in Cost of goods sold as lower input costs \$4.3 million increase attributable to favorable foreign exchange impacts from the Windfield joint venture 				

Net Income Attributable to Noncontrolling Interests

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Net income attributable to noncontrolling interests	\$ (7,950)	\$ (14,199)	\$ 6,249	(44)%
<ul style="list-style-type: none"> Decrease in consolidated income related to our Jordan Bromine Company Limited (“JBC”) joint venture primarily due to lower pricing 				

Net Income Attributable to Albemarle Corporation

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Net income attributable to Albemarle Corporation	\$ 41,348	\$ 2,448	\$ 38,900	NM
Percentage of Net sales	3.8 %	0.2 %		
Net loss attributable to Albemarle Corporation common shareholders	\$ (340)	\$ (9,136)	\$ 8,796	(96)%
Basic loss per share attributable to common shareholders	\$ (0.00)	\$ (0.08)	\$ 0.08	(100)%
Diluted loss per share attributable to common shareholders	\$ (0.00)	\$ (0.08)	\$ 0.08	(100)%
<ul style="list-style-type: none"> Decrease in 2025 results due to reasons noted above Net loss attributable to Albemarle Corporation common shareholders includes reductions of \$41.7 million and \$11.6 million for mandatory convertible preferred stock dividends in 2025 and 2024, respectively 				

Other Comprehensive Income (Loss), Net of Tax

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Other comprehensive income (loss), net of tax	\$ 108,908	\$ (68,880)	\$ 177,788	NM
<ul style="list-style-type: none"> Foreign currency translation and other <ul style="list-style-type: none"> 2025 included favorable movements in the Euro of approximately \$101 million, the Japanese Yen of approximately \$5 million and the Brazilian Real of approximately \$3 million and a net favorable variance in various other currencies of less than \$1 million 2024 included unfavorable movements in the Euro of approximately \$39 million, the Japanese Yen of approximately \$7 million and a net unfavorable variance in various other currencies of approximately \$10 million, partially offset by favorable movements in the Chinese Renminbi of approximately \$6 million Cash flow hedge 				
	\$ (107)	\$ (18,660)	\$ 18,553	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 (“CODM”) assesses the ongoing performance of the Company’s business segments and allocates resources by considering the variance in the actual results to the forecasts on a monthly basis. The annual operating budget and ongoing forecasting process use adjusted EBITDA as a key metric in assessing the segments performance. In addition, the CODM 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’s 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 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 and asset write-offs, facility divestiture charges, certain litigation and arbitration costs and charges, non-operating pension and OPEB items and other significant non-recurring items. This calculation is consistent with the definition of adjusted EBITDA used in the leverage financial covenant calculation in the Company’s credit agreement, which is a material agreement for the Company. Total adjusted EBITDA is a financial measure that is not required by, or presented in accordance with, the generally accepted accounting principles in the United States (“U.S. GAAP”). Total adjusted EBITDA should not be considered as an alternative to Net 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.

	Three Months Ended March 31,				Percentage Change
	2025	%	2024	%	2025 vs 2024
(In thousands, except percentages)					
Net sales:					
Energy Storage	\$ 524,565	48.7 %	\$ 800,898	58.9 %	(35)%
Specialties	321,014	29.8 %	316,065	23.2 %	2 %
Ketjen	231,302	21.5 %	243,773	17.9 %	(5)%
Total net sales	<u>\$ 1,076,881</u>	<u>100.0 %</u>	<u>\$ 1,360,736</u>	<u>100.0 %</u>	<u>(21)%</u>
Adjusted EBITDA:					
Energy Storage	\$ 186,355	69.8 %	\$ 197,996	68.0 %	(6)%
Specialties	58,666	22.0 %	45,181	15.5 %	30 %
Ketjen	38,588	14.4 %	21,979	7.5 %	76 %
Total segment adjusted EBITDA	<u>283,609</u>	<u>106.2 %</u>	<u>265,156</u>	<u>91.0 %</u>	<u>7 %</u>
Corporate	(16,465)	(6.2)%	26,080	9.0 %	(163)%
Total adjusted EBITDA	<u>\$ 267,144</u>	<u>100.0 %</u>	<u>\$ 291,236</u>	<u>100.0 %</u>	<u>(8)%</u>

See below for a reconciliation of total segment adjusted EBITDA to consolidated Net 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 March 31,	
	2025	2024
Total segment adjusted EBITDA	\$ 283,609	\$ 265,156
Corporate expenses, net	(16,465)	26,080
Depreciation and amortization	(161,754)	(123,751)
Interest and financing expenses	(48,977)	(37,969)
Income tax benefit	3,978	3,721
Proportionate share of Windfield income tax expense ^(a)	(25,326)	(73,689)
Acquisition and integration related costs ^(b)	(1,440)	(1,907)
Restructuring charges and asset write-offs ^(c)	833	(36,285)
Non-operating pension and OPEB items	(275)	325
Loss in fair value of public equity securities ^(d)	(5,022)	(43,159)
Other ^(e)	12,187	23,926
Net income attributable to Albemarle Corporation	<u>\$ 41,348</u>	<u>\$ 2,448</u>

(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) Represents the net change in fair value of investments in public equity securities for the three-month period ended March 31, 2025, recorded in Other income, net. The three-month period ended March 31, 2024 included losses of \$9.4 million and \$33.7 million, recorded in Other income, net, resulting from the net change in fair value of investments in public equity securities and the sale of investments in public equity securities, respectively.

(e) Included amounts for the three months ended March 31, 2025 recorded in:

- SG&A - \$3.2 million of gains from the sale of assets at a site not part of our production operations, partially offset by \$0.6 million of expenses related to certain historical legal matters.
- Other income, net - \$9.8 million of income from PIK dividends of preferred equity in a Grace subsidiary and a \$1.9 million gain primarily resulting from the adjustment of indemnification related to previously disposed businesses, partially offset by \$1.9 million of charges for asset retirement obligations at a site not part of our operations.

Included amounts for the three months ended March 31, 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 - \$0.1 million of expenses related to certain historical legal matters.
- Other income, net - \$17.3 million gain primarily from the sale of assets at a site not part of our operations, \$8.7 million of income from PIK dividends of preferred equity in a Grace subsidiary and a \$2.4 million 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

Energy Storage

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Net sales	\$ 524,565	\$ 800,898	\$ (276,333)	(35)%
<ul style="list-style-type: none"> • \$273.8 million decrease attributable to unfavorable pricing impacts, primarily in battery- and tech-grade carbonate and hydroxide sold under index-referenced and variable-priced contracts • \$0.8 million increase attributable to higher sales volume driven by customer demand • \$3.3 million decrease attributable to unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies 				
Adjusted EBITDA	\$ 186,355	\$ 197,996	\$ (11,641)	(6)%
<ul style="list-style-type: none"> • Unfavorable pricing impacts in lithium carbonate and hydroxide • Decreased equity earnings from lower pricing from the Windfield joint venture in Energy Storage. The impact of lower spodumene pricing offsets lower input costs • Savings from designed restructuring and productivity improvements • Decreased commission expenses in Chile resulting from the lower pricing • \$5.0 million increase attributable to favorable currency translation resulting from the weaker U.S. Dollar against various currencies 				

Specialties

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Net sales	\$ 321,014	\$ 316,065	\$ 4,949	2 %
<ul style="list-style-type: none"> \$33.9 million increase attributable to higher sales volumes related to increased demand across all divisions \$24.6 million decrease attributable to unfavorable pricing impacts \$4.3 million decrease attributable to unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies 				
Adjusted EBITDA	\$ 58,666	\$ 45,181	\$ 13,485	30 %
<ul style="list-style-type: none"> Higher sales volume related to increased demand across all divisions Savings from designed restructuring and productivity improvements Lower input costs from raw materials Unfavorable pricing impacts \$1.2 million decrease attributable to unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies 				

Ketjen

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Net sales	\$ 231,302	\$ 243,773	\$ (12,471)	(5)%
<ul style="list-style-type: none"> \$20.4 million decrease attributable to lower sales volume, primarily due to the timing of sales \$10.3 million increase attributable to favorable pricing impacts due to the product mix \$2.4 million decrease attributable to unfavorable currency translation resulting from the stronger U.S. Dollar against various currencies 				
Adjusted EBITDA	\$ 38,588	\$ 21,979	\$ 16,609	76 %
<ul style="list-style-type: none"> Favorable product mix, primarily in the clean fuel technologies ("CFT") business Lower manufacturing input and fixed costs 				

Corporate

<i>In thousands</i>	Q1 2025	Q1 2024	\$ Change	% Change
Adjusted EBITDA	\$ (16,465)	\$ 26,080	\$ (42,545)	(163)%
<ul style="list-style-type: none"> \$57.8 million decrease attributable to unfavorable currency exchange impacts, net of a \$4.3 million increase in foreign exchange impacts from our Windfield joint venture Reduced expenses as part of cost reduction efforts, including compensation costs, outside services and travel and entertainment costs 				

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 three months of 2025, cash on hand and cash provided by operations funded \$182.6 million of capital expenditures for plant, machinery and equipment, dividends to common shareholders of \$47.6 million and dividends to mandatory convertible preferred shareholders of \$41.7 million. Our operations provided \$545.4 million of cash flows during the first three months of 2025, as compared to \$98.0 million for the first three months of 2024. The change compared to prior year was primarily due to the receipt of an Energy Storage customer prepayment of \$350 million during the first quarter of 2025, increased earnings from Specialties and Ketjen and higher dividends received from unconsolidated investments, partially offset by decreased earnings from the Energy Storage segment, driven by lower lithium market prices. Working capital changes (including the inventory net realizable value adjustment) were relatively flat year-over-year, impacted by lower lithium pricing,

timing of shipments and the collection of tax refunds in 2025. Overall, our cash and cash equivalents increased by \$326.3 million to \$1.5 billion at March 31, 2025 from \$1.2 billion at December 31, 2024.

Capital expenditures for the three-month period ended March 31, 2025 of \$182.6 million were primarily associated with plant, machinery and equipment. We expect our capital expenditures to be between \$700 million to \$800 million in 2025, reflecting the announced new level of spending to unlock cash flow over the near term and generate long-term financial flexibility. The forecasted lower capital expenditures compared to prior years reflect reduced sustaining growth and capital spend, while continuing safety and critical maintenance expenditures.

In the normal course of business, amounts received from customers in advance of the Company's satisfaction of its contractual performance obligations are recorded as deferred revenue, and are recognized within Net sales as the Company satisfies the related performance obligation. During the three-month period ended March 31, 2025, the Company received \$350 million from a customer for the delivery of specified amounts of spodumene and lithium salts over the next 5 years.

We have recently taken proactive actions to optimize our cost structure and strengthen our financial flexibility, including certain restructuring activities and reducing planned capital expenditures. As part of these actions, we transitioned to a new operating structure from two core global business units to a fully integrated functional model (excluding Ketjen), stopped construction of Kemerton Train 3 and 4, placed Kemerton Train 2 into care and maintenance, as well as deferred spending and investments in certain other capital projects. Subsequently, in early 2025, the Company announced its additional decision to put the Chengdu, China conversion plant into care and maintenance by mid-year 2025. Since inception, we have recorded charges for these actions consisting of asset write-offs of \$1.0 billion, severance and employee benefits of \$71.7 million, contract cancellation costs of \$60.4 million and other costs (primarily consisting of the reclassification of the related dedesignated cash flow hedge from Accumulated other comprehensive loss) of \$41.5 million. We expect to record additional decommissioning costs related to the Second Half 2024 Restructuring in the range of \$20 million to \$25 million for the remainder of 2025, after which the Company expects the actions to be substantially completed.

Net current assets were \$2.2 billion and \$1.9 billion at March 31, 2025 and December 31, 2024, respectively. The increase is primarily due to an increased cash balance from the receipt of an Energy Storage customer prepayment of \$350 million during the first quarter of 2025. 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 February 27, 2025, our board of directors declared a cash dividend of \$0.405, which was paid on April 1, 2025 to shareholders of record at the close of business as of March 14, 2025.

At March 31, 2025 and December 31, 2024, our cash and cash equivalents included \$1.0 billion and \$833.7 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. There were no repatriations of cash from foreign operations during the first three months of 2025 or 2024.

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 March 31, 2025. As of March 31, 2025 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) 4.75:1.0 as of the end of the first quarter of 2025, (ii) 5.75:1.0 as of the end of the second quarter of 2025, (iii) 5.50:1.0 as of the end of the third quarter of 2025, (iv) 5.00:1.0 as of the end of fourth quarter of 2025, (v) 4.75:1.0 as of the end of each of first and second quarter of 2026, and (vi) 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. 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.

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 both March 31, 2025 and December 31, 2024 there were \$74.5 million of bonds outstanding under these arrangements.

The non-current portion of our long-term debt amounted to \$3.13 billion at March 31, 2025, compared to \$3.12 billion at December 31, 2024. In addition, at March 31, 2025, we had the ability to borrow \$1.5 billion under our commercial paper program and the 2022 Credit Agreement, and \$105.7 million under other existing credit lines, subject to various financial covenants under the 2022 Credit Agreement. We have the ability and intent to refinance our borrowings under our other existing credit lines with borrowings under the 2022 Credit Agreement, as applicable. Therefore, the amounts outstanding under those credit lines, if any, are classified as long-term debt. We believe that at March 31, 2025 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 \$119.5 million at March 31, 2025. 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, 2024.

Total expected 2025 contributions to our domestic and foreign qualified and nonqualified pension plans, including the Albemarle Corporation Supplemental Executive Retirement Plan, are expected to approximate \$17 million. We may choose to make additional pension contributions in excess of this amount. We have made contributions of \$4.7 million to our domestic and foreign pension plans (both qualified and nonqualified) during the three-month period ended March 31, 2025.

The liability related to uncertain tax positions, including interest and penalties, recorded in Other noncurrent liabilities totaled \$242.6 million at March 31, 2025 and \$259.6 million at December 31, 2024. Related assets for corresponding offsetting benefits recorded in Other assets totaled \$75.2 million at March 31, 2025 and \$74.8 million at December 31, 2024. We cannot estimate the amounts of any cash payments associated with these liabilities for the remainder of 2025 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 generally use cash on hand and cash provided by operating activities, divestitures and borrowings to pay our operating expenses, satisfy debt service obligations, fund any capital expenditures, make acquisitions, make pension contributions and pay dividends. 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 our capital expenditures to be between \$700 million and \$800 million in 2025, down from \$1.7 billion in 2024. Lower capital expenditures in 2025 reflects the announced new level of spending to unlock cash flow over the near term and generate long-term financial flexibility and is driven by reduced sustaining growth and capital spend, while continuing safety and critical maintenance expenditures.

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, reducing capital intensity and enhancing the Company's financial flexibility. 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 the normal course of business, amounts received from customers in advance of the Company's satisfaction of its contractual performance obligations are recorded as deferred revenue, and are recognized within Net sales as the Company satisfies the related performance obligation. In January 2025, the Company received \$350 million from a customer for the delivery of specified amounts of spodumene and lithium salts over the next 5 years.

As of December 31, 2024, we are party to a master receivables purchase agreement, under which we may sell up to approximately \$92 million of available and eligible outstanding customer accounts receivable generated by sales to certain customers. The agreement is uncommitted and can be terminated by us or the purchaser with certain notice as defined in the contract. 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 March 31, 2025, there were minimal accounts receivable sold under this master receivables purchase agreement.

In 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 2023, we announced a \$90 million critical materials award from the U.S. Department of Defense. Since inception, the Company has received \$17.6 million of these funds.

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 \$1.5 billion at March 31, 2025, of which \$1.0 billion 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 Wodgina 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 Wodgina 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 Wodgina 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, 2024.

Summarized Statement of Operations

<i>\$ in thousands</i>	Three Months Ended March 31, 2025	Year Ended December 31, 2024
Net sales ^(a)	\$ 171,087	\$ 861,876
Gross profit (loss)	41,059	(66,144)
Loss before income taxes and equity in net income of unconsolidated investments ^(b)	(71,161)	(593,433)
Net loss attributable to the Parent Guarantor and the Issuer	(66,373)	(442,751)

(a) Includes net sales to Non-Guarantors of \$91.1 million and \$460.6 million for the three months ended March 31, 2025 and year ended December 31, 2024, respectively.

(b) Includes intergroup expenses to Non-Guarantors of \$3.8 million and \$46.6 million for the three months ended March 31, 2025 and year ended December 31, 2024, respectively.

Summarized Balance Sheet

<i>\$ in thousands</i>	March 31, 2025	December 31, 2024
Current assets ^(a)	\$ 1,121,966	\$ 921,221
Net property, plant and equipment	2,050,483	2,005,613
Other noncurrent assets ^(b)	2,893,412	2,912,866
Current liabilities ^(c)	\$ 2,606,165	\$ 2,190,646
Long-term debt	2,253,634	2,253,328
Other noncurrent liabilities ^(d)	7,090,107	7,157,705

- (a) Includes receivables from Non-Guarantors of \$439.3 million and \$411.2 million at March 31, 2025 and December 31, 2024, respectively.
- (b) Includes noncurrent receivables from Non-Guarantors of \$2.3 billion and \$2.3 billion at March 31, 2025 and December 31, 2024, respectively.
- (c) Includes current payables to Non-Guarantors of \$2.3 billion and \$1.9 billion at March 31, 2025 and December 31, 2024, respectively.
- (d) Includes noncurrent payables to Non-Guarantors of \$6.8 billion and \$6.8 billion at March 31, 2025 and December 31, 2024, 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 Wodgina. 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, 2024.

Summarized Statement of Operations

<i>\$ in thousands</i>	Three Months Ended March 31, 2025	Year Ended December 31, 2024
Net sales ^(a)	\$ 128,874	\$ 639,866
Gross profit (loss)	61,714	(12,059)
Loss before income taxes and equity in net income of unconsolidated investments ^(b)	(14,079)	(400,246)
Loss attributable to the Subsidiary Guarantor and the Parent Issuer	(9,290)	(353,248)

(a) Includes net sales to Non-Guarantors of \$48.9 million and \$238.6 million for the three months ended March 31, 2025 and year ended December 31, 2024, respectively.

(b) Includes intergroup income to Non-Guarantors of \$3.8 million and \$148.3 million for the three months ended March 31, 2025 and year ended December 31, 2024, respectively.

Summarized Balance Sheet

<i>\$ in thousands</i>	March 31, 2025	December 31, 2024
Current assets ^(a)	\$ 1,300,992	\$ 1,104,082
Net property, plant and equipment	862,304	800,913
Other non-current assets ^(b)	2,229,332	2,188,306
Current liabilities ^(c)	\$ 2,980,709	\$ 2,559,256
Long-term debt	2,568,577	2,551,714
Other noncurrent liabilities ^(d)	6,242,280	6,303,456

(a) Includes receivables from Non-Guarantors of \$658.5 million and \$646.3 million at March 31, 2025 and December 31, 2024, respectively.

(b) Includes noncurrent receivables from Non-Guarantors of \$1.7 billion and \$1.6 billion at March 31, 2025 and December 31, 2024, respectively.

(c) Includes current payables to Non-Guarantors of \$2.2 billion and \$1.9 billion at March 31, 2025 and December 31, 2024, respectively.

(d) Includes noncurrent payables to Non-Guarantors of \$6.0 billion and \$6.0 billion at March 31, 2025 and December 31, 2024, 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 Critical 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, 2024.

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, 2024, except as noted below.

We had variable interest rate borrowings of \$18.6 million outstanding at March 31, 2025, bearing a weighted average interest rate of 1.09% 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 \$0.2 million as of March 31, 2025. 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 \$6.5 billion and with a fair value representing a net liability position of \$5.2 million at March 31, 2025. 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 March 31, 2025, 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 \$72.8 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 \$73.1 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 March 31, 2025, 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 first quarter ended March 31, 2025 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, 2024 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, 2024.

Item 5. Other Information.

N/A

Item 6. Exhibits.

(a) Exhibits

- *#10.1 [Form of Stock Option Award Agreement under the Albemarle Corporation 2017 Incentive Plan.](#)
- *#10.2 [Form of Performance Unit Award Agreement under the Albemarle Corporation 2017 Incentive Plan.](#)
- *#10.3 [Form of Annual Restricted Stock Unit Award Agreement under the Albemarle Corporation 2017 Incentive Plan.](#)
- *#10.4 [Form of Special Restricted Stock Unit Award Agreement under the Albemarle Corporation 2017 Incentive Plan.](#)
- *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 March 31, 2025, furnished in XBRL (eXtensible Business Reporting Language)).
- *104 Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

Management contract or compensatory plan or arrangement.

* Included with this filing.

Attached as Exhibit 101 to this report are the following documents formatted in XBRL: (i) the Consolidated Statements of Income for the three months ended March 31, 2025 and 2024, (ii) the Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2025 and 2024, (iii) the Consolidated Balance Sheets at March 31, 2025 and December 31, 2024, (iv) the Consolidated Statements of Changes in Equity for the three months ended March 31, 2025 and 2024, (v) the Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2025 and 2024 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: April 30, 2025

By:

/s/ NEAL R. SHEOREY

Neal R. Sheorey
Executive Vice President and Chief Financial Officer
(principal financial officer)

STOCK OPTION AWARD AGREEMENT

under the

ALBEMARLE CORPORATION 2017 INCENTIVE PLAN

As of **/\$GrantDate\$**, Albemarle Corporation, a Virginia corporation (the "Company"), and **/\$ParticipantName\$** ("Participant") hereby agree to the terms of this Award Agreement (this "Agreement"), which reflects the terms and conditions of this Award (as defined below) made pursuant to the Company's 2017 Incentive Plan (the "Plan"). Certain capitalized terms have the meanings set forth on Annex A hereto and any other capitalized terms used but not defined herein shall have the same meanings given to them in the Plan.

Grant

1. **Grant Date**. On **/\$GrantDate\$** (the "Grant Date"), the Company granted Participant this incentive award (this "Award") in the form of a non-qualified stock option (the "Option") to purchase up to **/\$AwardsGranted\$** Shares (the "Option Shares") at an Option Price of _____ per Share, subject to the terms and conditions of the Plan and this Agreement. The Option is not intended to be treated as an incentive stock option under Section 422 of the Code.

Vesting

2. **Normal Vesting Schedule**. The Option shall vest in full on _____ (the "Vesting Date"), subject to Participant's continued employment with the Company or an Affiliate through the Vesting Date.
 3. **Accelerated Vesting Upon a Qualifying Termination Event Prior to a Change in Control**. Notwithstanding paragraph 2, if, prior to the Vesting Date and the occurrence of a Change in Control, Participant experiences:
 - (a) a Qualifying Termination Event (other than due to Participant's death or Disability), then a pro-rata portion of the Option equal to the number of Option Shares subject to this Option multiplied by a fraction (not greater than one), the numerator of which is the number of whole months of service performed by Participant after the Grant Date and prior to the Qualifying Termination Event and the denominator of which is the number of whole months from the Grant Date to the Vest Date, shall vest as of the date of such Qualifying Termination Event and the remaining portion of this Option shall be immediately forfeited without consideration; or
 - (b) a Qualifying Termination Event due to Participant's death or Disability, then the Option shall vest in full as of the date of such Qualifying Termination Event.
 4. **Accelerated Vesting in Connection with a Change in Control**. Notwithstanding paragraph 2, if, prior to the Vesting Date, a Change in Control occurs, the provisions of this paragraph 4 shall apply in addition to the provisions of Article 17 (and related provisions) of the Plan.
-

- (a) If no Replacement Award is received by Participant in connection with the Change in Control, the Option shall vest in full as of immediately prior to the consummation of the Change in Control.
 - (b) If a Replacement Award is received by Participant in connection with the Change in Control, such Replacement Award shall be deemed to replace this Award in full satisfaction of the Company's obligations under this Award; provided, however, that, in the event that the Company's shares remain traded on the New York Stock Exchange or another established securities market following such Change in Control, this Award shall remain outstanding in accordance with this Agreement except that if Participant experiences a Qualifying Termination Event concurrent with or within two (2) years after the date of the Change in Control, then the Replacement Award shall vest in full as of the date of such Qualifying Termination Event.
 - (c) Notwithstanding the foregoing, upon a Change in Control, the Committee may determine that this Award shall be canceled and terminated for consideration in accordance with Article 17 of the Plan.
5. **Forfeiture.** This Award shall be immediately forfeited without consideration if Participant's employment with the Company or an Affiliate terminates for any reason prior to the Vesting Date unless vested as a result of a termination in accordance with paragraph 3 or 4.
6. **Cause Termination.** Notwithstanding paragraph 2, 3 or 4, if the Vesting Date or a vesting event described in paragraph 3 or 4 occurs after the date that Participant is advised by the Company that Participant's employment is being, or will be, terminated for Cause, then no portion of this Award shall vest on the Vesting Date or other vesting event and, upon the date of Participant's actual termination of employment for Cause, this Award shall be immediately forfeited without consideration.

Exercise

7. **Exercisability.**
- (a) The expiration date of the Option is the tenth anniversary of the Grant Date (the "Expiration Date"). The Option shall be forfeited without consideration on, and may not be exercised on or after, the Expiration Date.
 - (b) Upon the vesting the Option pursuant to paragraph 2, the Option shall become immediately exercisable and thereafter shall remain exercisable until the Expiration Date; provided, however, that if, after the Option becomes exercisable pursuant to this paragraph 7(b), Participant experiences (i) a Qualifying Termination Event, then the Option shall remain exercisable until the Expiration Date or (ii) a termination for any reason other than a Qualifying Termination Event, then the Option shall cease to be exercisable on the sixtieth (60th) day following such termination of employment. On the date the Option ceases to be exercisable pursuant to this paragraph 7(b), any portion of the Option that remains unexercised shall be forfeited without consideration.

- (c) Upon the vesting of any portion of the Option pursuant to paragraph 3(a), such vested portion of the Option shall first become exercisable on the Vesting Date and thereafter shall remain exercisable until the Expiration Date. On the date the Option ceases to be exercisable pursuant to this paragraph 7(c), any portion of the Option that remains unexercised shall be forfeited without consideration
- (d) Upon the vesting of any portion of the Option pursuant to paragraph 3(b) or 4, such vested portion of the Option shall be immediately exercisable and thereafter shall remain exercisable until the Expiration Date. On the date the Option ceases to be exercisable pursuant to this paragraph 7(d), any portion of the Option that remains unexercised shall be forfeited without consideration.
8. **Method of Exercising and Payment for Shares.** The Option shall be exercisable through a licensed brokerage firm at Participant's sole expense, in conjunction with established procedures and coordinated with the Company's Human Resources and Law Departments. From time to time the procedures for exercising the Option may be subject to modification by the aforesaid departments, but in no case shall the number of Option Shares or its terms for vesting be changed by the procedures for exercise or by the modification thereof. Procedures for the exercise of the Option will be provided to Participant by the Company's Human Resources Department.
9. **Death of Participant.** If Participant's employment is terminated due to Participant's death, any portion of the Option that has previously vested or that vests in accordance with paragraph 3 or 4 shall be exercisable by Participant's Beneficiary. Participant shall have the right to designate a Beneficiary in accordance with procedures established under the Plan for such purpose. If Participant fails to designate a Beneficiary, or if at the time of Participant's death there is no surviving Beneficiary, any vested portion of the Option shall be exercisable by Participant's estate.
10. **Taxes.** Tax withholding requirements attributable to the exercise of this Option, including employment taxes, Federal income taxes, and state and local income taxes with respect to the state and locality where, according to the Company's system of records, Participant resides at the time the Option is exercised will be satisfied by Participant as instructed in the established procedures for exercising this Option; provided, however, that the foregoing employment, Federal, state and local income tax withholding provision shall be subject to any special rules or provisions that may apply to Participants who are non-U.S. employees (working inside or outside of the United States) or U.S. employees working outside of the United States. It is Participant's responsibility to properly report all income and remit all Federal, state, and local taxes that may be due to the relevant taxing authorities as the result of exercising this Option. In the event Participant is an "officer" within the meaning of Section 16 of the Exchange Act, all determinations contemplated in this paragraph 10 shall be made by the Committee.

Recoupment

11. **Participant Bound by Non-Compete Agreement.** Participant acknowledges that Participant has signed prior to the date of this Agreement or will sign concurrent with this Agreement a separate **EMPLOYEE NON-SOLICITATION, NON-COMPETE AND CONFIDENTIALITY AGREEMENT** (the "Non-Compete Agreement"). Participant further acknowledges and agrees that in the event of a breach of any of the terms of the Non-Compete Agreement on Participant's part, before or after vesting and/or exercise of the Option, in addition to any and all consequences otherwise set forth in the Non-Compete Agreement, Participant shall immediately forfeit any and all rights under this Award, and to the extent any portion of the Option Shares shall have already been delivered to Participant, the Company shall have the right to recoup such Award in full.

12. **Recoupment Policy.** In addition to any other applicable provision of the Plan or as required by applicable law, this Award and any prior award granted to Participant under the Plan is subject to the terms of the separate Albemarle Corporation Recoupment Policy, as such Policy may be amended from time to time, and the terms of any similar Company policy (including, for the avoidance of doubt, any policy adopted for purposes of complying with Rule 10D-1 of the Securities Exchange Act of 1934, as amended) adopted by the Company from time to time.

Other Terms

13. **Fractional Shares.** Fractional Shares shall not be issuable hereunder, and when any provision hereof may entitle Participant to a fractional Share such fraction shall be disregarded.
14. **Non-U.S. Participants.** In the event Participant is resident in, or subject to, the laws of any country listed on Annex B (as updated by the Company from time to time in its sole discretion), the terms and conditions of this Agreement shall be deemed modified as set forth on Annex B for the applicable country. In the event of any conflict between the provisions of this Agreement and Annex B hereto, the applicable provisions of Annex B shall govern.
15. **No Right to Continued Employment.** Neither this Award nor the granting, vesting or exercise of any portion of the Option shall confer upon Participant any right with respect to continued employment by the Company or an Affiliate, nor shall it interfere in any way with the right of the Company or an Affiliate to terminate Participant's employment at any time.
16. **Conflicts.** In the event of any conflict between the provisions of the Plan as in effect on the Grant Date and the provisions of this Agreement, the provisions of the Plan shall govern. All references herein to the Plan shall mean the Plan as in effect on the Grant Date. In the event of any conflict between the provisions of this Agreement and the provisions of any separate agreement between the Company and Participant, including any severance compensation agreement or other individual agreement entered into between Participant and the Company, the provisions of this Agreement shall govern.
17. **Waiver and Amendments.** Except as otherwise set forth herein or in Article 18 of the Plan, any material waiver, alteration, amendment or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

18. **Binding Effect.** Subject to the limitations set forth herein and in the Plan, this Agreement shall be binding upon and inure to the benefit of the legatees, distributees, and personal representatives of Participant and the successors of the Company.

Miscellaneous

19. **Governing Law.** This Award shall be governed by the laws of the Commonwealth of Virginia and applicable Federal law. All disputes arising under this Award shall be adjudicated solely within the state or Federal courts located within the Commonwealth of Virginia.
20. **Electronic Delivery and Signature; Notices.** Participant acknowledges and agrees that (a) this Agreement may be delivered to Participant electronically, including via a Company email system or by reference to a location on a Company intranet or secure internet site to which Participant has access (including that of a third-party vendor involved in administering the Plan, as may be designated by the Company in its sole discretion) and (b) (i) Participant's electronic signature, including signatures collected and remitted to the Company digitally via a third-party provider or (ii) acceptance on a location on a Company intranet or secure internet site to which Participant has access (including that of a third-party vendor involved in administering the Plan, as may be designated by the Company in its sole discretion) will constitute Participant's acceptance of and agreement with all of the terms and conditions of the Option, as set forth in this Agreement and the Plan. In lieu of receiving documents in paper format, Participant hereby agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company or any Affiliate may be required to deliver (including notices, prospectuses, prospectus supplements, grant or Award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with the Option or any other prior or future Award (it being understood and agreed that the Company or its Affiliates may, in their sole discretion, elect to satisfy any delivery requirements electronically, in paper format, or a combination of both methods). Unless and until some other address or delivery method be so designated, all notices or communications by Participant to the Company relating to this Agreement shall be e-mailed to stockplan.administrator@albemarle.com.
21. **Interpretation.** The headings of the paragraphs hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation". The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires.

22. *[Remainder of page left intentionally blank]*

IN WITNESS WHEREOF, the Company and Participant have each caused this Agreement to be signed on their behalf, effective as of the date noted in the first paragraph of this Agreement.

ALBEMARLE CORPORATION

PARTICIPANT:

/\$ParticipantName\$/

[Signature page to Stock Option Award Agreement]

DEFINITIONS

1. “Disability” shall mean Participant’s permanent and total disability within the meaning of Section 22(e)(3) of the Code.
2. “Good Reason” shall mean:
 - (a) a change in Participant’s position which in Participant’s reasonable judgment does not represent a promotion of Participant’s status or position immediately prior to a Change in Control or the assignment to Participant of any duties or responsibilities, or diminution of duties or responsibilities, which in Participant’s reasonable judgment are inconsistent with Participant’s position in effect immediately prior to the Change in Control;
 - (b) a reduction by the Company in the annual rate of Participant’s base salary as in effect immediately prior to the date of a Change in Control;
 - (c) the Company’s requiring Participant’s office nearest to Participant’s principal residence to be located at a different place which is more than thirty-five (35) miles from where such office is located immediately prior to the Change in Control;
 - (d) the failure by the Company to continue in effect compensation or benefit plans in which Participant participates, which in the aggregate provide Participant

compensation and benefits substantially equivalent to those prior to a Change in Control; or
 - (e) the failure of the Company to obtain a satisfactory agreement from any applicable successor entity to assume and agree to perform under any severance compensation agreement.

In order for one of the foregoing events in clauses (a) through (e) to constitute Good Reason, (i) Participant must notify the Company in writing no later than 90 days after the relevant event stating which Good Reason event has occurred, and (ii) the Company shall not have corrected the Good Reason event within thirty (30) days after Participant’s notice.
3. “Qualifying Termination Event” shall mean the termination of Participant’s employment by reason of Participant’s death, Disability, Retirement or termination by the Company or an Affiliate other than for Cause (including upon a termination of employment due to the expiration of the term of Participant’s employment as provided under an individual employment agreement between Participant and the Company); provided that Qualifying Termination Event shall include, solely concurrent with and for the two (2) year period following a Change in Control, a voluntary resignation for Good Reason.
4. “Replacement Award” shall mean, in connection with a Change in Control, an award that replaces or substitutes for this Award and meets the following requirements: (a) it has a value at least equal to the value of this Award; (b) it relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that

is affiliated with the Company or its successor following the Change in Control (including any entity that becomes the direct or indirect parent of the Company in connection with the Change in Control); (c) it provides that if Participant experiences a Qualifying Termination Event concurrent with or within two (2) years after the date of the Change in Control, any unvested portion of the Replacement Award shall vest in full as of the date of such Qualifying Termination Event; and (d) its other terms and conditions are not less favorable to Participant than the terms and conditions of this Award (including the provisions that would apply in the event of a subsequent Change in Control). The determination of whether the requirements of a Replacement Award are satisfied shall be made by the Company immediately before the Change in Control in its sole discretion.

5. "Retirement" means Participant's termination of employment with the Company or an Affiliate after having either (a) attained age 55 and completed at least 10 years of service, (b) attained age 60 and completed at least five (5) years of service or (c) for non-U.S. participants, qualified for retirement in accordance with the applicable law of the jurisdiction in which Participant is resident or to which Participant is subject

PERFORMANCE UNIT AWARD AGREEMENT

under the

ALBEMARLE CORPORATION 2017 INCENTIVE PLAN

As of **/\$GrantDate\$**, Albemarle Corporation, a Virginia corporation (the “Company”), and **/\$ParticipantName\$** (“Participant”) hereby agree to the terms of this Award Agreement (this “Agreement”), which reflects the terms and conditions of this Award (as defined below) made pursuant to the Company’s 2017 Incentive Plan (the “Plan”). Certain capitalized terms have the meanings set forth on Annex A hereto and any other capitalized terms used but not defined herein shall have the same meanings given to them in the Plan.

Grant

1. **Grant Date.** On **/\$GrantDate\$** (the “Grant Date”), the Company granted Participant this incentive award (this “Award”) in the form of Performance Units covering a target number of Shares equal to **/\$AwardsGranted\$** (the “Target Units”), subject to the terms and conditions of the Plan and this Agreement.

Vesting

2. **Normal Vesting Schedule.** The Target Units shall be unvested and subject to forfeiture as of the Grant Date. However, a percentage of the Target Units shall become earned (if at all) based on actual achievement of the performance goals set forth on Annex A hereto (the number of Target Units so earned (if any), the “Earned Units”) for the performance period set forth therein (such performance period, the “Measurement Period”). Any such Earned Units shall vest on the date on which the Committee determines such actual achievement for the Measurement Period as set forth on Annex A (the date of such determination, the “Award Date”), subject to Participant’s continued employment with the Company or an Affiliate through the Award Date. Any portion of the Target Units that do not become Earned Units, and any remaining unvested portion of this Award, shall be immediately forfeited without consideration.

Forfeiture

3. **Forfeiture.** This Award shall be immediately forfeited without consideration if Participant’s employment with the Company or an Affiliate terminates for any reason prior to the Award Date unless vested as a result of a termination in accordance with Annex A.
 4. **Cause Termination.** If the end of the Measurement Period or a vesting event described in Annex A occurs after the date that Participant is advised by the Company that Participant’s employment is being, or will be, terminated for Cause, then no further portion of this Award shall vest on the Award Date or other vesting event and, upon the date of Participant’s actual termination of employment for Cause, any unvested portion of this Award shall be immediately forfeited without consideration.
-

Settlement of Award

5. **Settlement.** In full settlement of any Performance Unit that vests hereunder (whether a Target Unit or Earned Unit), the Company shall deliver to Participant one whole Share as soon as practicable (but in no event later than 90 days) after the end of the Measurement Period; provided, however, that in the event any Performance Unit vests due to Participant's death, such delivery shall be made as soon as practicable (but in no event later than 90 days) after Participant's death.
6. **Death of Participant.** If Participant's employment is terminated due to Participant's death, any Performance Units (whether a Target Unit or Earned Unit) that vest in accordance with Annex A or which have vested but not yet been settled in accordance with paragraph 5 shall be delivered to Participant's Beneficiary. Participant shall have the right to designate a Beneficiary in accordance with procedures established under the Plan for such purpose. If Participant fails to designate a Beneficiary, or if at the time of Participant's death there is no surviving Beneficiary, any such Shares will be delivered to Participant's estate.
7. **Taxes.** The Company will withhold the value of any applicable Federal, state and local tax or other tax withholding amounts in respect of this Award. The Company shall satisfy any such tax withholding obligation by withholding Shares to which Participant is otherwise entitled pursuant to this Award in an amount equal to the amount of such taxes to be withheld (as such withholding amount may be determined by the Company, based on a withholding rate no less than Participant's minimum statutory tax withholding rate and no greater than Participant's maximum statutory tax rate, in each case, applicable in Participant's jurisdiction (in a manner limited so as to avoid adverse accounting treatment for the Company and permitted under applicable withholding rules promulgated by the U.S. Internal Revenue Service or other applicable governmental entity in Participant's jurisdiction)). Notwithstanding the foregoing, it is Participant's responsibility to properly report all income and remit all Federal, state, and local taxes that may be due to the relevant taxing authorities in connection with this Award. In the event Participant is an "officer" within the meaning of Section 16 of the Exchange Act, all determinations contemplated in this paragraph 7 shall be made by the Committee.
8. **Section 409A.**
 - a. The Company believes that the Award may constitute "deferred compensation" within the meaning of Section 409A of the Code, and it is the intention and belief of the Company that, to the extent required to avoid taxes or penalties under Section 409A of the Code, the provisions of this Agreement comply in all respects with Section 409A of the Code, and all provisions of this Award shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes and penalties under Section 409A of the Code. If the Company determines after the Grant Date that an amendment to this Agreement is necessary to ensure the foregoing, it may, notwithstanding paragraph 16, make such amendment, effective as of the Grant Date or any later date, without the consent of Participant (provided that any such amendment shall be narrowly tailored to achieve such compliance with as limited deviation from the intent of

this Agreement as of the date hereof as is practicable). References in this Agreement to a “termination,” “termination of employment” or similar terms shall mean “separation from service” (within the meaning of Section 409A of the Code).

- b. If, at the time of Participant’s “separation from service” (within the meaning of Section 409A of the Code), (i) Participant is a “specified employee” (within the meaning of Section 409A of the Code and using the identification methodology selected by the Company from time to time) and (ii) the Company shall make a good faith determination that an amount payable pursuant to an Award constitutes deferred compensation (within the meaning of Section 409A of the Code) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A of the Code in order to avoid taxes or penalties under Section 409A of the Code, then the Company shall not pay such amount on the otherwise scheduled payment date but shall instead pay it on the first business day after such six-month period. Except as otherwise determined by the Company in its sole discretion, such amount shall be paid without interest.
- c. In the event that the period in which any Performance Unit must be settled pursuant to paragraph 5 spans two calendar years, settlement of such vested Performance Unit will be made in the second calendar year.
- d. For the avoidance of doubt, this Agreement is subject to Section 21.14 of the Plan, which is hereby incorporated by reference.

Recoupment

- 9. **Participant Bound by Non-Compete Agreement.** Participant acknowledges that Participant has signed prior to the date of this Agreement or will sign concurrent with this Agreement a separate **EMPLOYEE NON-SOLICITATION, NON-COMPETE AND CONFIDENTIALITY AGREEMENT** (the “Non-Compete Agreement”). Participant further acknowledges and agrees that in the event of a breach of any of the terms of the Non-Compete Agreement on Participant’s part, before or after vesting and/or settlement of this Award, in addition to any and all consequences otherwise set forth in the Non-Compete Agreement, Participant shall immediately forfeit any and all rights under this Award, and to the extent any portion of this Award shall have already been paid to Participant, the Company shall have the right to recoup such Award in full.
- 10. **Recoupment Policy.** In addition to any other applicable provision of the Plan or as required by applicable law, this Award and any prior award granted to Participant under the Plan is subject to the terms of the separate Albemarle Corporation Recoupment Policy, as such Policy may be amended from time to time, and the terms of any similar Company policy (including, for the avoidance of doubt, any policy adopted for purposes of complying with Rule 10D-1 of the Securities Exchange Act of 1934, as amended) adopted by the Company from time to time.

Other Terms

- 11. **Fractional Shares.** Fractional Shares shall not be issuable hereunder, and when any provision hereof may entitle Participant to a fractional Share such fraction shall be disregarded.

12. **Non-U.S. Participants.** In the event Participant is resident in, or subject to, the laws of any country listed on Annex B (as updated by the Company from time to time in its sole discretion), the terms and conditions of this Agreement shall be deemed modified as set forth on Annex B for the applicable country. In the event of any conflict between the provisions of this Agreement and Annex B hereto, the applicable provisions of Annex B shall govern.
13. **Accounts.** Performance Units granted to Participant shall be credited to an account (the "Account") established and maintained for Participant. The Account shall be the record of Performance Units granted to Participant under this Agreement, is solely for accounting purposes and shall not require a segregation of any Company assets. Each Performance Unit represents solely an unfunded and unsecured promise of the Company that entitles Participant upon vesting to receive payment in accordance with the terms in this Agreement.
14. **No Right to Continued Employment.** Neither this Award nor the granting or vesting of Performance Units shall confer upon Participant any right with respect to continued employment by the Company or an Affiliate, nor shall it interfere in any way with the right of the Company or an Affiliate to terminate Participant's employment at any time.
15. **Conflicts.** In the event of any conflict between the provisions of the Plan as in effect on the Grant Date and the provisions of this Agreement, the provisions of the Plan shall govern. All references herein to the Plan shall mean the Plan as in effect on the Grant Date. In the event of any conflict between the provisions of this Agreement and the provisions of any separate agreement between the Company and Participant, including any severance compensation agreement or other individual agreement entered into between Participant and the Company, the provisions of this Agreement shall govern.
16. **Waiver and Amendments.** Except as otherwise set forth herein or in Article 18 of the Plan, any material waiver, alteration, amendment or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.
17. **Binding Effect.** Subject to the limitations set forth herein and in the Plan, this Agreement shall be binding upon and inure to the benefit of the legatees, distributees, and personal representatives of Participant and the successors of the Company.

Miscellaneous

18. **Governing Law.** This Award shall be governed by the laws of the Commonwealth of Virginia and applicable Federal law. All disputes arising under this Award shall be adjudicated solely within the state or Federal courts located within the Commonwealth of Virginia.
19. **Electronic Delivery and Signature; Notices.** Participant acknowledges and agrees that (a) this Agreement may be delivered to Participant electronically, including via a

Company email system or by reference to a location on a Company intranet or secure internet site to which Participant has access (including that of a third-party vendor involved in administering the Plan, as may be designated by the Company in its sole discretion) and (b) (i) Participant's electronic signature, including signatures collected and remitted to the Company digitally via a third-party provider or (ii) acceptance on a location on a Company intranet or secure internet site to which Participant has access (including that of a third-party vendor involved in administering the Plan, as may be designated by the Company in its sole discretion) will constitute Participant's acceptance of and agreement with all of the terms and conditions of the Performance Units, as set forth in this Agreement and the Plan. In lieu of receiving documents in paper format, Participant hereby agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company or any Affiliate may be required to deliver (including notices, prospectuses, prospectus supplements, grant or Award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with the Performance Units or any other prior or future Award (it being understood and agreed that the Company or its Affiliates may, in their sole discretion, elect to satisfy any delivery requirements electronically, in paper format, or a combination of both methods). Unless and until some other address or delivery method be so designated, all notices or communications by Participant to the Company relating to this Agreement shall be e-mailed to stockplan.administrator@albemarle.com.

20. **Interpretation.** The headings of the paragraphs hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation". The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the Company and Participant have each caused this Agreement to be signed on their behalf, effective as of the date noted in the first paragraph of this Agreement.

ALBEMARLE CORPORATION

PARTICIPANT:

/\$ParticipantName\$/

ANNEX A

1. **Measurement Period and Performance Matrix**: [x]
2. **Payment of Earned Units**: [x]
3. **Accelerated Vesting Upon a Qualifying Termination Event Prior to a Change in Control**: [x]
4. **Accelerated Vesting in Connection with a Change in Control**: [x]
5. **Definitions**: [x]

RESTRICTED STOCK UNIT AWARD AGREEMENT

under the

ALBEMARLE CORPORATION 2017 INCENTIVE PLAN

As of **/\$GrantDate\$**, Albemarle Corporation, a Virginia corporation (the "Company"), and **/\$ParticipantName\$** ("Participant") hereby agree to the terms of this Award Agreement (this "Agreement"), which reflects the terms and conditions of this Award (as defined below) made pursuant to the Company's 2017 Incentive Plan (the "Plan"). Certain capitalized terms have the meanings set forth on Annex A hereto and any other capitalized terms used but not defined herein shall have the same meanings given to them in the Plan.

Grant

1. **Grant Date.** On **/\$GrantDate\$** (the "Grant Date"), the Company granted Participant this incentive award (this "Award") in the form of **/\$AwardsGranted\$** restricted stock units ("Restricted Stock Units"), subject to the terms and conditions of the Plan and this Agreement.

Vesting

2. **Normal Vesting Schedule.** The Restricted Stock Units shall be unvested and subject to forfeiture as of the Grant Date but shall vest in full on _____ (the "Vesting Date"), subject to Participant's continued employment with the Company or an Affiliate through the Vesting Date.
 3. **Accelerated Vesting Upon a Qualifying Termination Event Prior to a Change in Control.** Notwithstanding paragraph 2, if, prior to the Vesting Date and the occurrence of a Change in Control, Participant experiences:
 - a. a Qualifying Termination Event (other than due to Participant's death or Disability), then a pro-rata portion of this Award equal to the Restricted Stock Units subject to this Award multiplied by a fraction (not greater than one), the numerator of which is the number of whole months of service performed by Participant after the Grant Date and prior to the Qualifying Termination Event, and the denominator of which is the number of whole months from the Grant Date to the Vest Date, shall vest as of the date of such Qualifying Termination Event and the remaining portion of this Award shall be immediately forfeited without consideration; or
 - b. a Qualifying Termination Event solely due to Participant's death or Disability, then any unvested portion of the Restricted Stock Units shall become immediately vested upon the date of such Qualifying Termination Event.
 4. **Accelerated Vesting in Connection with a Change in Control.** Notwithstanding paragraph 2, if, prior to the Vesting Date, a Change in Control occurs, the provisions of this paragraph 4 shall apply in addition to the provisions of Article 17 (and related provisions) of the Plan.
-

- a. If no Replacement Award is received by Participant in connection with the Change in Control, the unvested portion of this Award shall become vested as of immediately prior to the consummation of the Change in Control.
- b. If a Replacement Award is received by Participant in connection with the Change in Control, such Replacement Award shall be deemed to replace this Award in full satisfaction of the Company's obligations under this Award; provided, however, that, in the event that the Company's shares remain traded on the New York Stock Exchange or another established securities market following such Change in Control, this Award shall remain outstanding in accordance with this Agreement except that if Participant experiences a Qualifying Termination Event concurrent with or within two (2) years after the date of the Change in Control, then the Replacement Award shall vest in full as of the date of such Qualifying Termination Event.
- c. Notwithstanding the foregoing, upon a Change in Control, the Committee may determine that this Award shall be canceled and terminated for consideration in accordance with Article 17 of the Plan and subject to paragraph 10.

Forfeiture

5. **Forfeiture.** Any unvested portion of this Award shall be immediately forfeited without consideration if Participant's employment with the Company or an Affiliate terminates for any reason unless vested as a result of a termination in accordance with paragraph 3 or 4.
6. **Cause Termination.** Notwithstanding paragraph 2, 3 or 4, if the Vesting Date or a vesting event described in paragraph 3 or 4 occurs after the date that Participant is advised by the Company that Participant's employment is being, or will be, terminated for Cause, then no further portion of this Award shall vest on the Vesting Date or other vesting event and, upon the date of Participant's actual termination of employment for Cause, any unvested portion of this Award shall be immediately forfeited without consideration.

Settlement of Award

7. **Settlement.** As soon as practicable (but in no event later than 30 days) after any Restricted Stock Unit has vested, the Company shall deliver to Participant one whole Share in full settlement of such vested Restricted Stock Unit; provided, however, that in the event of vesting under paragraph 4(a), such delivery shall instead occur on the earlier of (i) Participant's "separation from service" (within the meaning of Section 409A of the Code) for any reason and (ii) the Vesting Date.
8. **Death of Participant.** If Participant's employment is terminated due to Participant's death, any Restricted Stock Units that vest in accordance with paragraph 3 or 4 or which have vested but not yet been settled in accordance with paragraph 7 shall be delivered to Participant's Beneficiary. Participant shall have the right to designate a Beneficiary in accordance with procedures established under the Plan for such purpose. If Participant fails to designate a Beneficiary, or if at the time of Participant's death there is no surviving Beneficiary, any such Shares will be delivered to Participant's estate.

9. **Taxes.** The Company will withhold the value of any applicable Federal, state and local tax or other tax withholding amounts in respect of this Award. The Company shall satisfy any such tax withholding obligation by withholding Shares to which Participant is otherwise entitled pursuant to this Award in an amount equal to the amount of such taxes to be withheld (as such withholding amount may be determined by the Company, based on a withholding rate no less than Participant's minimum statutory tax withholding rate and no greater than Participant's maximum statutory tax rate, in each case, applicable in Participant's jurisdiction (in a manner limited so as to avoid adverse accounting treatment for the Company and permitted under applicable withholding rules promulgated by the U.S. Internal Revenue Service or other applicable governmental entity in Participant's jurisdiction)). Notwithstanding the foregoing, it is Participant's responsibility to properly report all income and remit all Federal, state, and local taxes that may be due to the relevant taxing authorities in connection with this Award. In the event Participant is an "officer" within the meaning of Section 16 of the Exchange Act, all determinations contemplated in this paragraph 9 shall be made by the Committee.
10. **Section 409A.**
- a. The Company believes that the Award may constitute "deferred compensation" within the meaning of Section 409A of the Code, and it is the intention and belief of the Company that, to the extent required to avoid taxes or penalties under Section 409A of the Code, the provisions of this Agreement comply in all respects with Section 409A of the Code, and all provisions of this Award shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes and penalties under Section 409A of the Code. If the Company determines after the Grant Date that an amendment to this Agreement is necessary to ensure the foregoing, it may, notwithstanding paragraph 17, make such amendment, effective as of the Grant Date or any later date, without the consent of Participant (provided that any such amendment shall be narrowly tailored to achieve such compliance with as limited deviation from the intent of this Agreement as of the date hereof as is practicable). References in this Agreement to a "termination," "termination of employment" or similar terms shall mean "separation from service" (within the meaning of Section 409A of the Code).
 - b. If, at the time of Participant's "separation from service" (within the meaning of Section 409A of the Code), (i) Participant is a "specified employee" (within the meaning of Section 409A of the Code and using the identification methodology selected by the Company from time to time) and (ii) the Company shall make a good faith determination that an amount payable pursuant to an Award constitutes deferred compensation (within the meaning of Section 409A of the Code) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A of the Code in order to avoid taxes or penalties under Section 409A of the Code, then the Company shall not pay such amount on the otherwise scheduled payment date but shall instead pay it on the first business day after such six-month period. Except as otherwise determined by the Company in its sole discretion, such amount shall be paid without interest.
 - c. For the avoidance of doubt, this Agreement is subject to Section 21.14 of the Plan, which is hereby incorporated by reference.

Recoupment

11. **Participant Bound by Non-Compete Agreement.** Participant acknowledges that Participant has signed prior to the date of this Agreement or will sign concurrent with this Agreement a separate **EMPLOYEE NON-SOLICITATION, NON-COMPETE AND CONFIDENTIALITY AGREEMENT** (the "Non-Compete Agreement"). Participant further acknowledges and agrees that in the event of a breach of any of the terms of the Non-Compete Agreement on Participant's part, before or after vesting and/or settlement of this Award, in addition to any and all consequences otherwise set forth in the Non-Compete Agreement, Participant shall immediately forfeit any and all rights under this Award, and to the extent any portion of this Award shall have already been paid to Participant, the Company shall have the right to recoup such Award in full.
12. **Recoupment Policy.** In addition to any other applicable provision of the Plan or as required by applicable law, this Award and any prior award granted to Participant under the Plan is subject to the terms of the separate Albemarle Corporation Recoupment Policy, as such Policy may be amended from time to time, and the terms of any similar Company policy (including, for the avoidance of doubt, any policy adopted for purposes of complying with Rule 10D-1 of the Securities Exchange Act of 1934, as amended) adopted by the Company from time to time.

Other Terms

13. **Fractional Shares.** Fractional Shares shall not be issuable hereunder, and when any provision hereof may entitle Participant to a fractional Share such fraction shall be disregarded.
14. **Non-U.S. Participants.** In the event Participant is resident in, or subject to, the laws of any country listed on Annex B (as updated by the Company from time to time in its sole discretion), the terms and conditions of this Agreement shall be deemed modified as set forth on Annex B for the applicable country. In the event of any conflict between the provisions of this Agreement and Annex B hereto, the applicable provisions of Annex B shall govern.
15. **Accounts.** Restricted Stock Units granted to Participant shall be credited to an account (the "Account") established and maintained for Participant. The Account shall be the record of Restricted Stock Units granted to Participant under this Agreement, is solely for accounting purposes and shall not require a segregation of any Company assets. Each Restricted Stock Unit represents solely an unfunded and unsecured promise of the Company that entitles Participant upon vesting to receive payment in accordance with the terms in this Agreement.
16. **No Right to Continued Employment.** Neither this Award nor the granting or vesting of Restricted Stock Units shall confer upon Participant any right with respect to continued employment by the Company or an Affiliate, nor shall it interfere in any way with the right of the Company or an Affiliate to terminate Participant's employment at any time.
17. **Conflicts.** In the event of any conflict between the provisions of the Plan as in effect on the Grant Date and the provisions of this Agreement, the provisions of the Plan shall govern. All references herein to the Plan shall mean the Plan as in effect on the Grant Date. In the event of any conflict between the provisions of this Agreement and the provisions of any separate agreement between the Company and Participant, including any severance compensation agreement or other individual agreement entered into between Participant and the Company, the provisions of this Agreement shall govern.

18. **Waiver and Amendments.** Except as otherwise set forth herein or in Article 18 of the Plan, any material waiver, alteration, amendment or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.
19. **Binding Effect.** Subject to the limitations set forth herein and in the Plan, this Agreement shall be binding upon and inure to the benefit of the legatees, distributees, and personal representatives of Participant and the successors of the Company.

Miscellaneous

20. **Governing Law.** This Award shall be governed by the laws of the Commonwealth of Virginia and applicable Federal law. All disputes arising under this Award shall be adjudicated solely within the state or Federal courts located within the Commonwealth of Virginia.
21. **Electronic Delivery and Signature; Notices.** Participant acknowledges and agrees that (a) this Agreement may be delivered to Participant electronically, including via a Company email system or by reference to a location on a Company intranet or secure internet site to which Participant has access (including that of a third-party vendor involved in administering the Plan, as may be designated by the Company in its sole discretion) and (b) (i) Participant's electronic signature, including signatures collected and remitted to the Company digitally via a third-party provider or (ii) acceptance on a location on a Company intranet or secure internet site to which Participant has access (including that of a third-party vendor involved in administering the Plan, as may be designated by the Company in its sole discretion) will constitute Participant's acceptance of and agreement with all of the terms and conditions of the Restricted Stock Units, as set forth in this Agreement and the Plan. In lieu of receiving documents in paper format, Participant hereby agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company or any Affiliate may be required to deliver (including notices, prospectuses, prospectus supplements, grant or Award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with the Restricted Stock Units or any other prior or future Award (it being understood and agreed that the Company or its Affiliates may, in their sole discretion, elect to satisfy any delivery requirements electronically, in paper format, or a combination of both methods). Unless and until some other address or delivery method be so designated, all notices or communications by Participant to the Company relating to this Agreement shall be e-mailed to stockplan.administrator@albemarle.com.
22. **Interpretation.** The headings of the paragraphs hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation". The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to

any particular provision of this Agreement. Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the Company and Participant have each caused this Agreement to be signed on their behalf, effective as of the date noted in the first paragraph of this Agreement.

ALBEMARLE CORPORATION

PARTICIPANT:

/\$ParticipantName\$/

[Signature page to Restricted Stock Unit Award Agreement]

DEFINITIONS

1. “Disability” shall mean Participant’s permanent and total disability within the meaning of Section 22(e)(3) of the Code.
2. “Good Reason” shall mean:
 - (a) a change in Participant’s position which in Participant’s reasonable judgment does not represent a promotion of Participant’s status or position immediately prior to a Change in Control or the assignment to Participant of any duties or responsibilities, or diminution of duties or responsibilities, which in Participant’s reasonable judgment are inconsistent with Participant’s position in effect immediately prior to the Change in Control;
 - (b) a reduction by the Company in the annual rate of Participant’s base salary as in effect immediately prior to the date of a Change in Control;
 - (c) the Company’s requiring Participant’s office nearest to Participant’s principal residence to be located at a different place which is more than thirty-five (35) miles from where such office is located immediately prior to the Change in Control;
 - (d) the failure by the Company to continue in effect compensation or benefit plans in which Participant participates, which in the aggregate provide Participant compensation and benefits substantially equivalent to those prior to a Change in Control; or
 - (e) the failure of the Company to obtain a satisfactory agreement from any applicable successor entity to assume and agree to perform under any severance compensation agreement.

In order for one of the foregoing events in clauses (a) through (e) to constitute Good Reason, (i) Participant must notify the Company in writing no later than 90 days after the relevant event stating which Good Reason event has occurred, and (ii) the Company shall not have corrected the Good Reason event within thirty (30) days after Participant’s notice.
3. “Qualifying Termination Event” shall mean the termination of Participant’s employment by reason of Participant’s death, Disability, Retirement or termination by the Company or an Affiliate other than for Cause (including upon a termination of employment due to the expiration of the term of Participant’s employment as provided under an individual employment agreement between Participant and the Company); provided that Qualifying Termination Event shall include, solely concurrent with and for the two (2) year period following a Change in Control, a voluntary resignation for Good Reason.
4. “Replacement Award” shall mean, in connection with a Change in Control, an award that replaces or substitutes for this Award and meets the following requirements: (a) it has a value at least equal to the value of this Award; (b) it relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control (including any entity that becomes the direct or indirect parent of the Company in connection with the Change in Control); (c) it provides that if Participant experiences a Qualifying

Termination Event concurrent with or within two (2) years after the date of the Change in Control, any unvested portion of the Replacement Award shall become immediately vested at the time of such Qualifying Termination Event; and (d) its other terms and conditions are not less favorable to Participant than the terms and conditions of this Award (including the provisions that would apply in the event of a subsequent Change in Control). The determination of whether the requirements of a Replacement Award are satisfied shall be made by the Company immediately before the Change in Control in its sole discretion.

5. "Retirement" means Participant's termination of employment with the Company or an Affiliate after having either (a) attained age 55 and completed at least 10 years of service, (b) attained age 60 and completed at least five (5) years of service or (c) for non-U.S. participants, qualified for retirement in accordance with the applicable law of the jurisdiction in which Participant is resident or to which Participant is subject.

RESTRICTED STOCK UNIT AWARD AGREEMENT

under the

ALBEMARLE CORPORATION 2017 INCENTIVE PLAN

As of **/\$GrantDate\$**, Albemarle Corporation, a Virginia corporation (the "Company"), and **/\$ParticipantName\$** ("Participant") hereby agree to the terms of this Award Agreement (this "Agreement"), which reflects the terms and conditions of this Award (as defined below) made pursuant to the Company's 2017 Incentive Plan (the "Plan"). Certain capitalized terms have the meanings set forth on Annex A hereto and any other capitalized terms used but not defined herein shall have the same meanings given to them in the Plan.

Grant

1. **Grant Date.** On **/\$GrantDate\$** (the "Grant Date"), the Company granted Participant this incentive award (this "Award") in the form of **/\$AwardsGranted\$** restricted stock units ("Restricted Stock Units"), subject to the terms and conditions of the Plan and this Agreement.

Vesting

2. **Normal Vesting Schedule.** The Restricted Stock Units shall be unvested and subject to forfeiture as of the Grant Date but shall vest on _____ (the "Vesting Date"), subject to Participant's continued employment with the Company or an Affiliate through the Vesting Date.
 3. **Accelerated Vesting Upon a Qualifying Termination Event Prior to a Change in Control.** Notwithstanding paragraph 2, if, prior to the Vesting Date and the occurrence of a Change in Control, Participant experiences:
 - a. a Qualifying Termination Event (other than due to Participant's death or Disability), then a number of the unvested Restricted Stock Units subject to this Award as of the date of such Qualifying Termination shall become vested as of such date, so that the sum of (i) the number of unvested Restricted Stock Units that shall become so vested, plus (ii) the number of Restricted Stock Units subject to this Award that vested prior to such Qualifying Termination, equal the total number of Restricted Stock Units subject to this Award multiplied by a fraction (not greater than one), the numerator of which is the number of whole months of service performed by Participant after the Grant Date and prior to the Qualifying Termination Event, and the denominator of which is the number of whole months from the Grant Date to the [final] Vest Date, and the remaining unvested portion of this Award shall be immediately forfeited without consideration; or
 - b. a Qualifying Termination Event solely due to Participant's death or Disability, then any unvested portion of the Restricted Stock Units shall become immediately vested upon the date of such Qualifying Termination Event.
-

4. **Accelerated Vesting in Connection with a Change in Control.** Notwithstanding paragraph 2, if, prior to the Vesting Date, a Change in Control occurs, the provisions of this paragraph 4 shall apply in addition to the provisions of Article 17 (and related provisions) of the Plan.
- a. If no Replacement Award is received by Participant in connection with the Change in Control, the unvested portion of this Award shall become vested as of immediately prior to the consummation of the Change in Control.
 - b. If a Replacement Award is received by Participant in connection with the Change in Control, such Replacement Award shall be deemed to replace this Award in full satisfaction of the Company's obligations under this Award; provided, however, that, in the event that the Company's shares remain traded on the New York Stock Exchange or another established securities market following such Change in Control, this Award shall remain outstanding in accordance with this Agreement except that if Participant experiences a Qualifying Termination Event concurrent with or within two (2) years after the date of the Change in Control, then the Replacement Award shall vest in full as of the date of such Qualifying Termination Event.
 - c. Notwithstanding the foregoing, upon a Change in Control, the Committee may determine that this Award shall be canceled and terminated for consideration in accordance with Article 17 of the Plan and subject to paragraph 10.

Forfeiture

5. **Forfeiture.** Any unvested portion of this Award shall be immediately forfeited without consideration if Participant's employment with the Company or an Affiliate terminates for any reason unless vested as a result of a termination in accordance with paragraph 3 or 4.
6. **Cause Termination.** Notwithstanding paragraph 2, 3 or 4, if the Vesting Date or a vesting event described in paragraph 3 or 4 occurs after the date that Participant is advised by the Company that Participant's employment is being, or will be, terminated for Cause, then no further portion of this Award shall vest on the Vesting Date or other vesting event and, upon the date of Participant's actual termination of employment for Cause, any unvested portion of this Award shall be immediately forfeited without consideration.

Settlement of Award

7. **Settlement.** As soon as practicable (but in no event later than 30 days) after any Restricted Stock Unit has vested, the Company shall deliver to Participant one whole Share in full settlement of such vested Restricted Stock Unit; provided, however, that in the event of vesting under paragraph 4(a), such delivery shall instead occur on the earlier of (i) Participant's "separation from service" (within the meaning of Section 409A of the Code) for any reason and (ii) the Vesting Date.
8. **Death of Participant.** If Participant's employment is terminated due to Participant's death, any Restricted Stock Units that vest in accordance with paragraph 3 or 4 or which have vested but not yet been settled in accordance with paragraph 7 shall be delivered to Participant's Beneficiary. Participant shall have the right to designate a Beneficiary in accordance with procedures established under the Plan for such purpose. If Participant

fails to designate a Beneficiary, or if at the time of Participant's death there is no surviving Beneficiary, any such Shares will be delivered to Participant's estate.

9. **Taxes.** The Company will withhold the value of any applicable Federal, state and local tax or other tax withholding amounts in respect of this Award. The Company shall satisfy any such tax withholding obligation by withholding Shares to which Participant is otherwise entitled pursuant to this Award in an amount equal to the amount of such taxes to be withheld (as such withholding amount may be determined by the Company, based on a withholding rate no less than Participant's minimum statutory tax withholding rate and no greater than Participant's maximum statutory tax rate, in each case, applicable in Participant's jurisdiction (in a manner limited so as to avoid adverse accounting treatment for the Company and permitted under applicable withholding rules promulgated by the U.S. Internal Revenue Service or other applicable governmental entity in Participant's jurisdiction)). Notwithstanding the foregoing, it is Participant's responsibility to properly report all income and remit all Federal, state, and local taxes that may be due to the relevant taxing authorities in connection with this Award. In the event Participant is an "officer" within the meaning of Section 16 of the Exchange Act, all determinations contemplated in this paragraph 9 shall be made by the Committee.
10. **Section 409A.**
- a. The Company believes that the Award may constitute "deferred compensation" within the meaning of Section 409A of the Code, and it is the intention and belief of the Company that, to the extent required to avoid taxes or penalties under Section 409A of the Code, the provisions of this Agreement comply in all respects with Section 409A of the Code, and all provisions of this Award shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes and penalties under Section 409A of the Code. If the Company determines after the Grant Date that an amendment to this Agreement is necessary to ensure the foregoing, it may, notwithstanding paragraph 17, make such amendment, effective as of the Grant Date or any later date, without the consent of Participant (provided that any such amendment shall be narrowly tailored to achieve such compliance with as limited deviation from the intent of this Agreement as of the date hereof as is practicable). References in this Agreement to a "termination," "termination of employment" or similar terms shall mean "separation from service" (within the meaning of Section 409A of the Code).
 - b. If, at the time of Participant's "separation from service" (within the meaning of Section 409A of the Code), (i) Participant is a "specified employee" (within the meaning of Section 409A of the Code and using the identification methodology selected by the Company from time to time) and (ii) the Company shall make a good faith determination that an amount payable pursuant to an Award constitutes deferred compensation (within the meaning of Section 409A of the Code) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A of the Code in order to avoid taxes or penalties under Section 409A of the Code, then the Company shall not pay such amount on the otherwise scheduled payment date but shall instead pay it on the first business day after such six-month period. Except as otherwise determined by the Company in its sole discretion, such amount shall be paid without interest.

- c. For the avoidance of doubt, this Agreement is subject to Section 21.14 of the Plan, which is hereby incorporated by reference.

Recoupment

11. **Participant Bound by Non-Compete Agreement.** Participant acknowledges that Participant has signed prior to the date of this Agreement or will sign concurrent with this Agreement a separate **EMPLOYEE NON-SOLICITATION, NON-COMPETE AND CONFIDENTIALITY AGREEMENT** (the “Non-Compete Agreement”). Participant further acknowledges and agrees that in the event of a breach of any of the terms of the Non-Compete Agreement on Participant’s part, before or after vesting and/or settlement of this Award, in addition to any and all consequences otherwise set forth in the Non-Compete Agreement, Participant shall immediately forfeit any and all rights under this Award, and to the extent any portion of this Award shall have already been paid to Participant, the Company shall have the right to recoup such Award in full.
12. **Recoupment Policy.** In addition to any other applicable provision of the Plan or as required by applicable law, this Award and any prior award granted to Participant under the Plan is subject to the terms of the separate Albemarle Corporation Recoupment Policy, as such Policy may be amended from time to time, and the terms of any similar Company policy (including, for the avoidance of doubt, any policy adopted for purposes of complying with Rule 10D-1 of the Securities Exchange Act of 1934, as amended) adopted by the Company from time to time.

Other Terms

13. **Fractional Shares.** Fractional Shares shall not be issuable hereunder, and when any provision hereof may entitle Participant to a fractional Share such fraction shall be disregarded.
14. **Non-U.S. Participants.** In the event Participant is resident in, or subject to, the laws of any country listed on Annex B (as updated by the Company from time to time in its sole discretion), the terms and conditions of this Agreement shall be deemed modified as set forth on Annex B for the applicable country. In the event of any conflict between the provisions of this Agreement and Annex B hereto, the applicable provisions of Annex B shall govern.
15. **Accounts.** Restricted Stock Units granted to Participant shall be credited to an account (the “Account”) established and maintained for Participant. The Account shall be the record of Restricted Stock Units granted to Participant under this Agreement, is solely for accounting purposes and shall not require a segregation of any Company assets. Each Restricted Stock Unit represents solely an unfunded and unsecured promise of the Company that entitles Participant upon vesting to receive payment in accordance with the terms in this Agreement.

16. **No Right to Continued Employment.** Neither this Award nor the granting or vesting of Restricted Stock Units shall confer upon Participant any right with respect to continued employment by the Company or an Affiliate, nor shall it interfere in any way with the right of the Company or an Affiliate to terminate Participant's employment at any time.
17. **Conflicts.** In the event of any conflict between the provisions of the Plan as in effect on the Grant Date and the provisions of this Agreement, the provisions of the Plan shall govern. All references herein to the Plan shall mean the Plan as in effect on the Grant Date. In the event of any conflict between the provisions of this Agreement and the provisions of any separate agreement between the Company and Participant, including any severance compensation agreement or other individual agreement entered into between Participant and the Company, the provisions of this Agreement shall govern.
18. **Waiver and Amendments.** Except as otherwise set forth herein or in Article 18 of the Plan, any material waiver, alteration, amendment or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.
19. **Binding Effect.** Subject to the limitations set forth herein and in the Plan, this Agreement shall be binding upon and inure to the benefit of the legatees, distributees, and personal representatives of Participant and the successors of the Company.

Miscellaneous

20. **Governing Law.** This Award shall be governed by the laws of the Commonwealth of Virginia and applicable Federal law. All disputes arising under this Award shall be adjudicated solely within the state or Federal courts located within the Commonwealth of Virginia.
21. **Electronic Delivery and Signature; Notices.** Participant acknowledges and agrees that (a) this Agreement may be delivered to Participant electronically, including via a Company email system or by reference to a location on a Company intranet or secure internet site to which Participant has access (including that of a third-party vendor involved in administering the Plan, as may be designated by the Company in its sole discretion) and (b) (i) Participant's electronic signature, including signatures collected and remitted to the Company digitally via a third-party provider or (ii) acceptance on a location on a Company intranet or secure internet site to which Participant has access (including that of a third-party vendor involved in administering the Plan, as may be designated by the Company in its sole discretion) will constitute Participant's acceptance of and agreement with all of the terms and conditions of the Restricted Stock Units, as set forth in this Agreement and the Plan. In lieu of receiving documents in paper format, Participant hereby agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company or any Affiliate may be required to deliver (including notices, prospectuses, prospectus supplements, grant or Award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with the Restricted Stock Units or any other prior or future Award (it being understood and agreed that the Company or its Affiliates may, in their sole discretion, elect to satisfy any delivery requirements electronically, in paper format, or a combination of both methods). Unless and until some other address or delivery method be so designated, all notices or communications by Participant to the

Company relating to this Agreement shall be e-mailed to stockplan.administrator@albemarle.com.

22. **Interpretation**. The headings of the paragraphs hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”. The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the Company and Participant have each caused this Agreement to be signed on their behalf, effective as of the date noted in the first paragraph of this Agreement.

ALBEMARLE CORPORATION

PARTICIPANT:

/\$ParticipantName\$/

[Signature page to Restricted Stock Unit Award Agreement]

DEFINITIONS

1. “Disability” shall mean Participant’s permanent and total disability within the meaning of Section 22(e)(3) of the Code.
2. “Good Reason” shall mean:
 - (a) a change in Participant’s position which in Participant’s reasonable judgment does not represent a promotion of Participant’s status or position immediately prior to a Change in Control or the assignment to Participant of any duties or responsibilities, or diminution of duties or responsibilities, which in Participant’s reasonable judgment are inconsistent with Participant’s position in effect immediately prior to the Change in Control;
 - (b) a reduction by the Company in the annual rate of Participant’s base salary as in effect immediately prior to the date of a Change in Control;
 - (c) the Company’s requiring Participant’s office nearest to Participant’s principal residence to be located at a different place which is more than thirty-five (35) miles from where such office is located immediately prior to the Change in Control;
 - (d) the failure by the Company to continue in effect compensation or benefit plans in which Participant participates, which in the aggregate provide Participant compensation and benefits substantially equivalent to those prior to a Change in Control; or
 - (e) the failure of the Company to obtain a satisfactory agreement from any applicable successor entity to assume and agree to perform under any severance compensation agreement.

In order for one of the foregoing events in clauses (a) through (e) to constitute Good Reason, (i) Participant must notify the Company in writing no later than 90 days after the relevant event stating which Good Reason event has occurred, and (ii) the Company shall not have corrected the Good Reason event within thirty (30) days after Participant’s notice.
3. “Qualifying Termination Event” shall mean the termination of Participant’s employment by reason of Participant’s death, Disability or termination by the Company or an Affiliate other than for Cause (including upon a termination of employment due to the expiration of the term of Participant’s employment as provided under an individual employment agreement between Participant and the Company); provided that Qualifying Termination Event shall include, solely concurrent with and for the two (2) year period following a Change in Control, a voluntary resignation for Good Reason.
4. “Replacement Award” shall mean, in connection with a Change in Control, an award that replaces or substitutes for this Award and meets the following requirements: (a) it has a value at least equal to the value of this Award; (b) it relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control (including any entity that becomes the direct or indirect parent of the Company in connection with

the Change in Control); (c) it provides that if Participant experiences a Qualifying Termination Event concurrent with or within two (2) years after the date of the Change in Control, any unvested portion of the Replacement Award shall become immediately vested at the time of such Qualifying Termination Event; and (d) its other terms and conditions are not less favorable to Participant than the terms and conditions of this Award (including the provisions that would apply in the event of a subsequent Change in Control). The determination of whether the requirements of a Replacement Award are satisfied shall be made by the Company immediately before the Change in Control in its sole discretion.

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 March 31, 2025;
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: April 30, 2025

/s/ J. KENT MASTERS

J. Kent Masters

Chairman, President and Chief Executive Officer

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 March 31, 2025;
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: April 30, 2025

/s/ NEAL R. SHEOREY

Neal R. Sheorey

Executive Vice President and Chief Financial Officer

**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 March 31, 2025 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

April 30, 2025

**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 March 31, 2025 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

April 30, 2025