

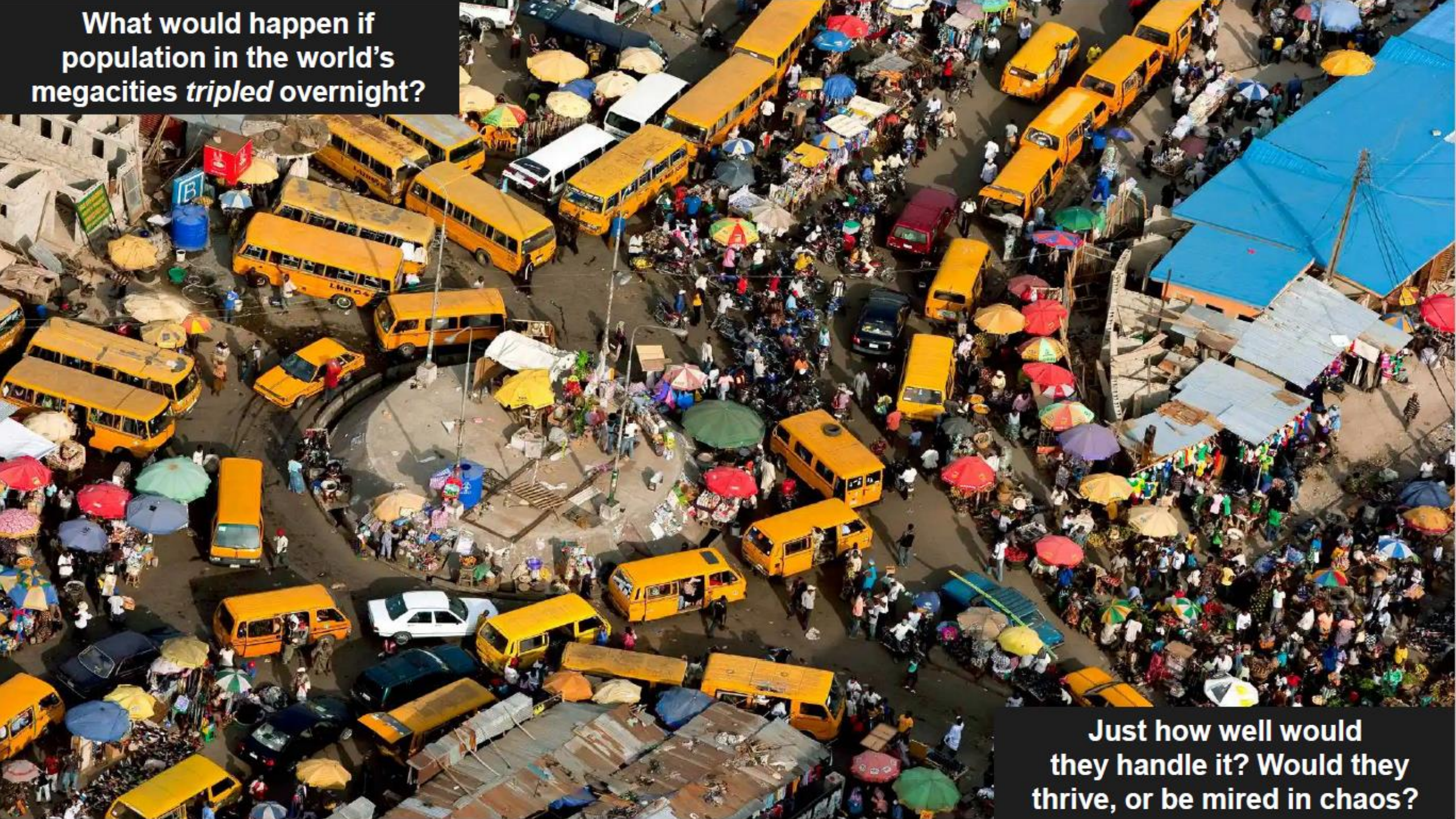
# All the elements for a better world

Sebastián Andriano  
July 2023





What would happen if population in the world's megacities *tripled* overnight?



Just how well would they handle it? Would they thrive, or be mired in chaos?

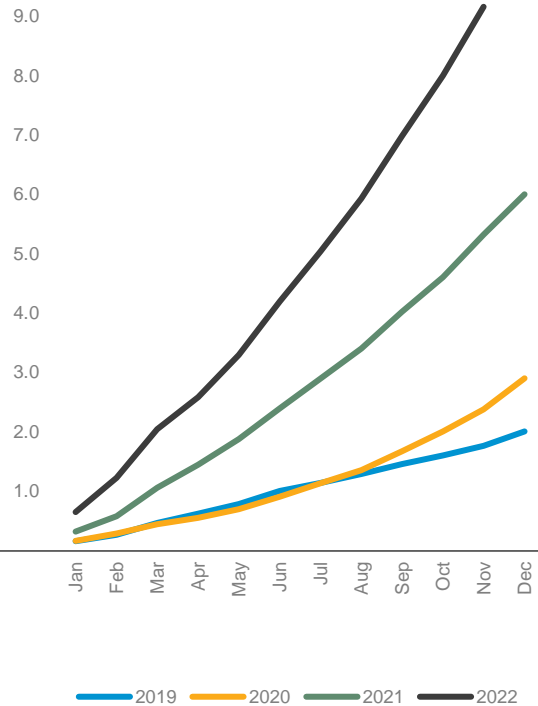


# Increasing Our Lithium Market Demand Outlook: 5x Growth by 2030

## Global EV

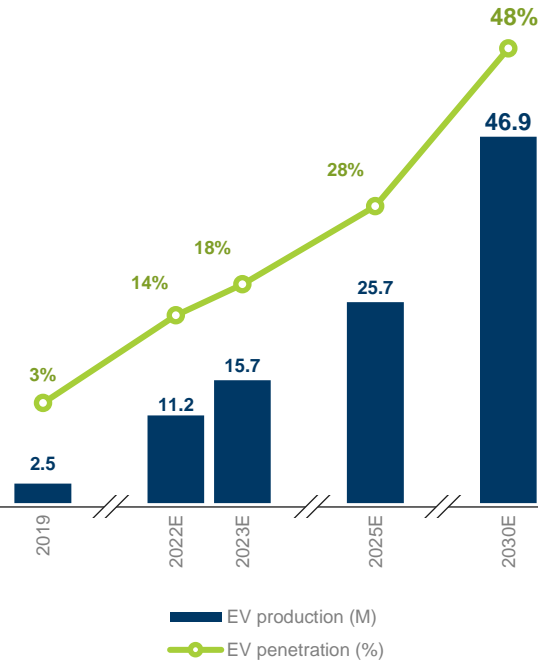
### Cumulative Sales by Year<sup>1</sup> (M units)

2022 vs. 2021:  
+72%



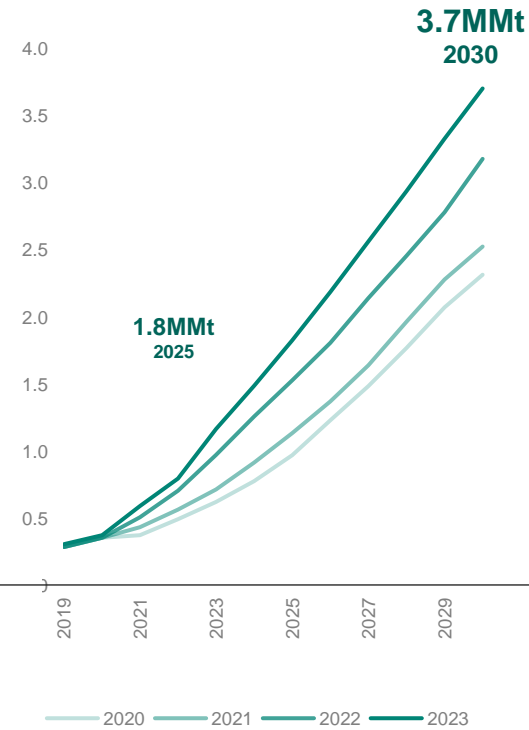
### Production / Market Penetration<sup>2</sup>

2022-2027  
CAGR: 25-30%



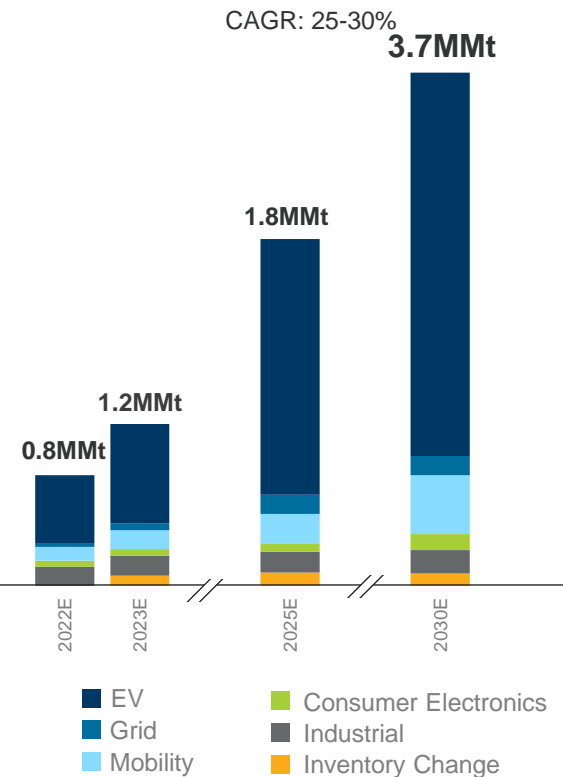
## Lithium Demand

### ALB Projections<sup>3</sup> (MMt LCE)



### by Application<sup>3</sup> (MMt LCE)

2022-2027  
CAGR: 25-30%



**2030E lithium demand of 3.7MMt LCE +15% from previous forecast due to IRA and strong EV demand**

<sup>1</sup> Marklines data as of 01/03/2023, FY 2022 vehicle sales are preliminary and do not include December data

<sup>2</sup> S&P Global Mobility, Global Production based Alternative Propulsion Forecast, November 2022 <sup>3</sup> Albemarle analysis



An aerial photograph showing a dense green forest on the left side of the frame and a modern city skyline with various skyscrapers and buildings on the right side. The text is overlaid on the forest area.

**Albemarle leads the world in transforming essential resources into critical ingredients for mobility, energy, connectivity and health.**

**We partner to pioneer new ways to move, power, connect and protect with people and planet in mind.**

**We are committed to building a more resilient world.**



# Our Core Values Are Essential To Achieving Our Purpose

## CARE

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

## CURIOSITY

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

## COLLABORATION

We work together, value each other and encourage diverse thought to drive better outcomes.

## HUMILITY

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

## ACCOUNTABILITY

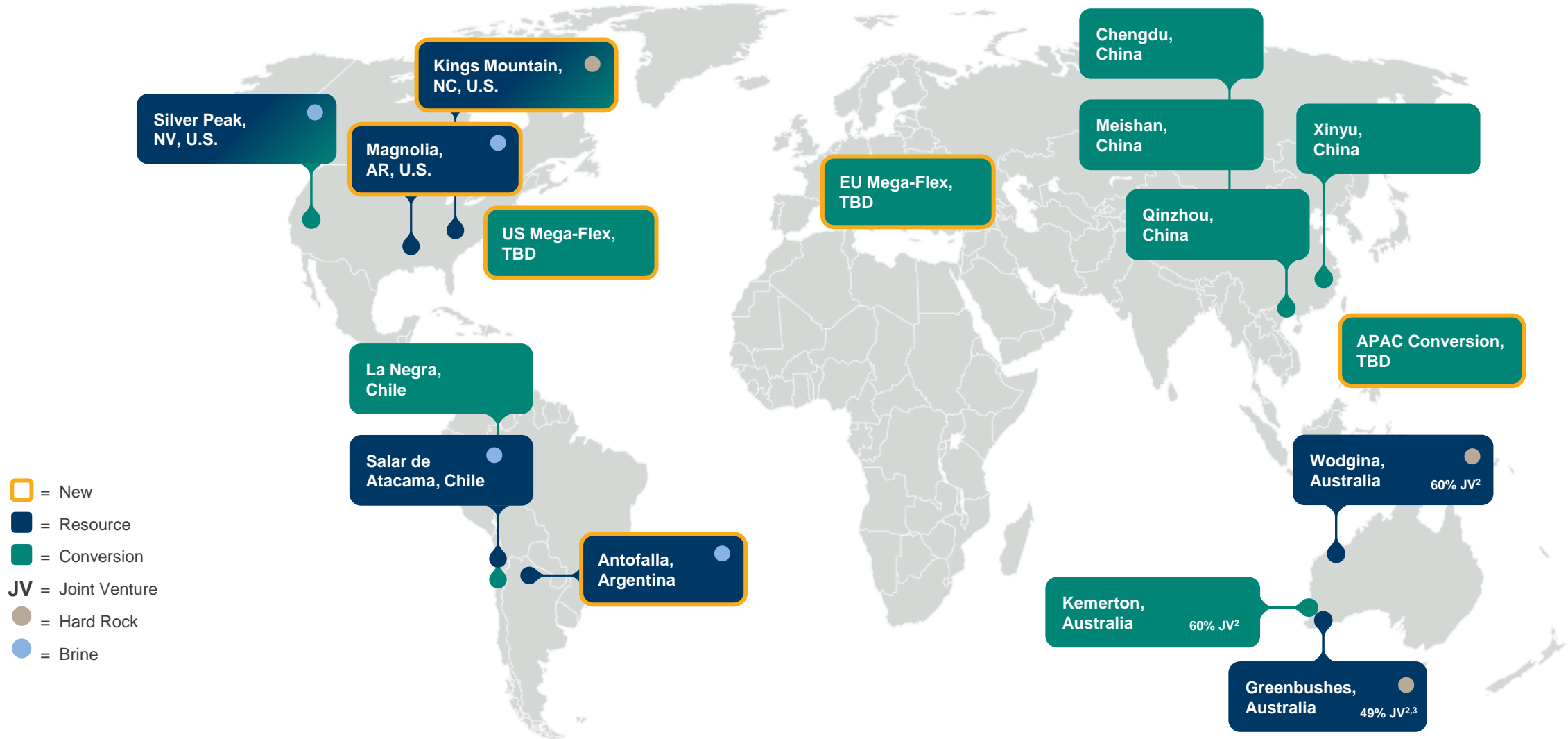
We act with courage to take ownership for what matters and responsibly deliver results.

## INTEGRITY

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



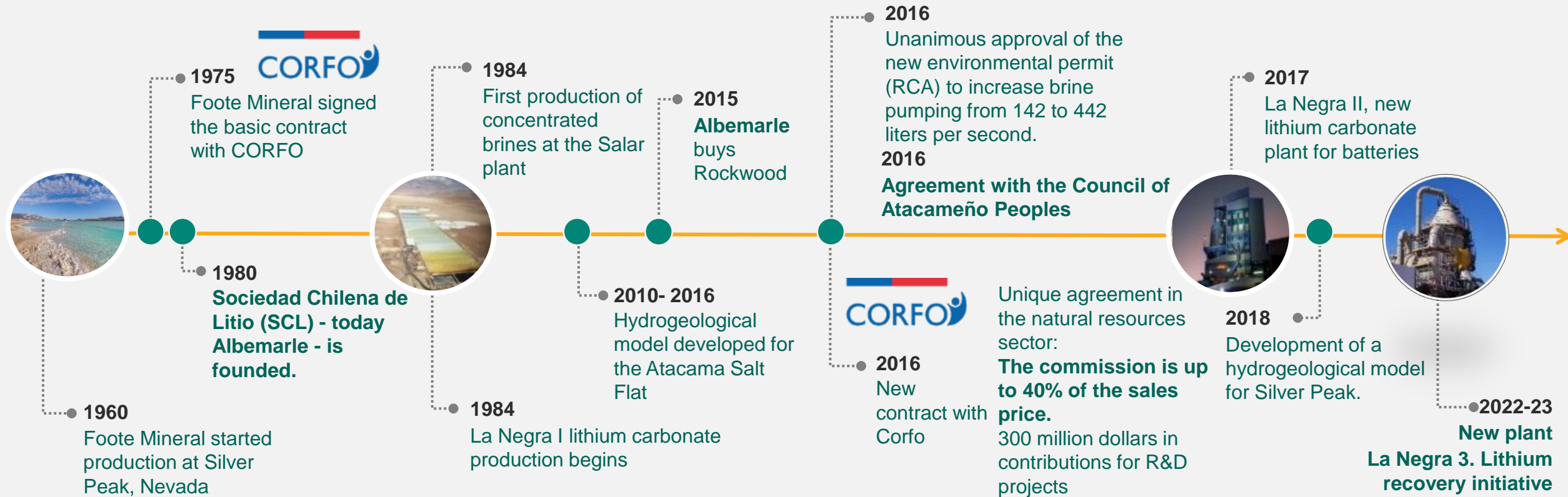
# Expanding Global Footprint – Strong Presence in Major Markets<sup>1</sup>



<sup>1</sup> Map is representative of Albemarle's global reach; not inclusive of all of the company's sites <sup>2</sup> Joint venture ownership interest as of 1/23/2023

<sup>3</sup> Joint venture ownership interest, with right to 50% of the offtake

# Albemarle: Pioneers in Lithium Production in Chile



Strategic partnership with Chile for sustainable development

2016



250

workers in Chile

2023

1100+

Workers in Chile

83%

Are from the Antofagasta Region.

28%

Belong to indigenous peoples at the Salar Plant

16%

Female participation

40% commission<sup>1</sup>

The commission paid to Corfo can reach 300% higher than anywhere else in the world.

US\$300M

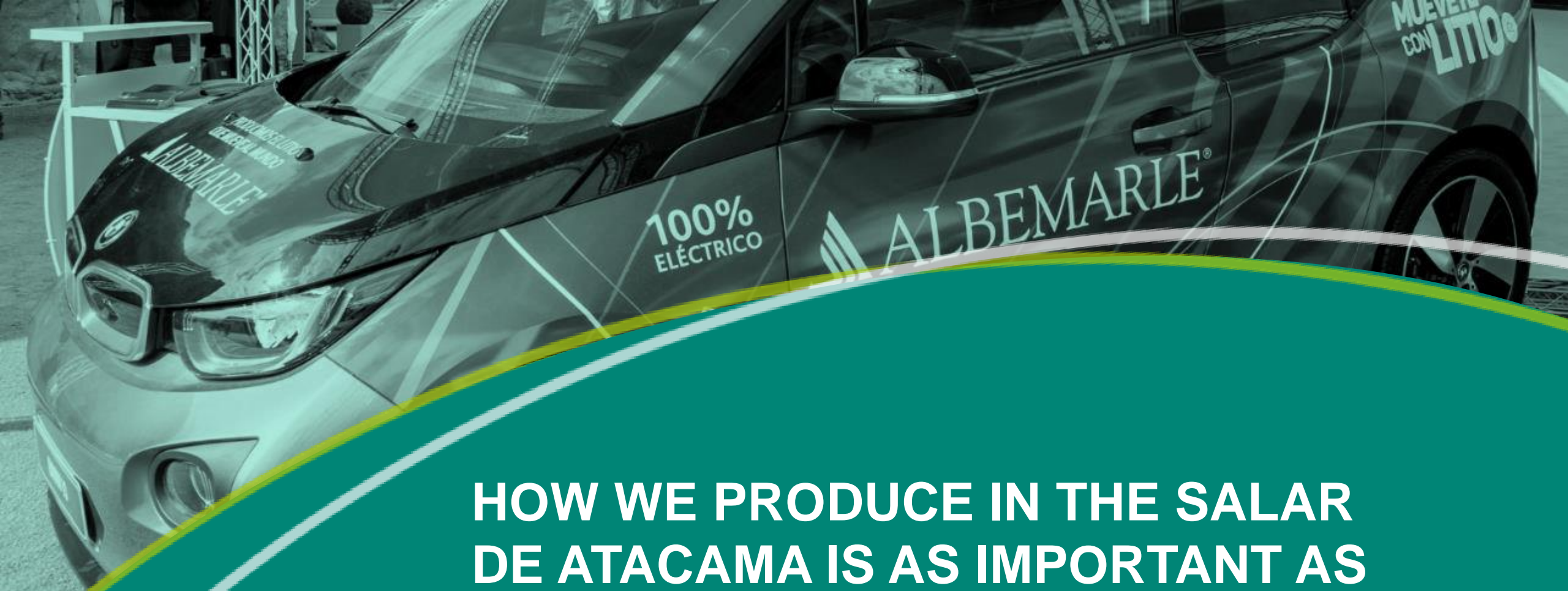
R&D contribution estimated through 2043

3.5%

Of annual Chilean sales contributed to Consejo de Pueblos Atacameño and the 18 communities it groups under a Sustainability, Cooperation and Mutual Benefit agreement.

<sup>1</sup>CORFO commission rate above \$10,000/t LCE weighted average third party sales price

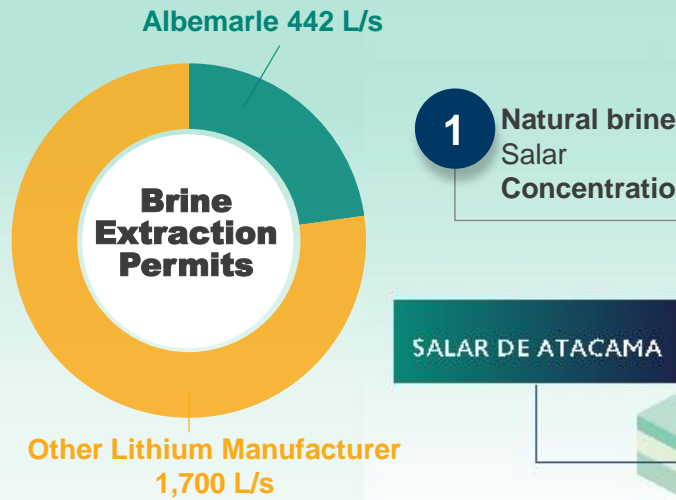




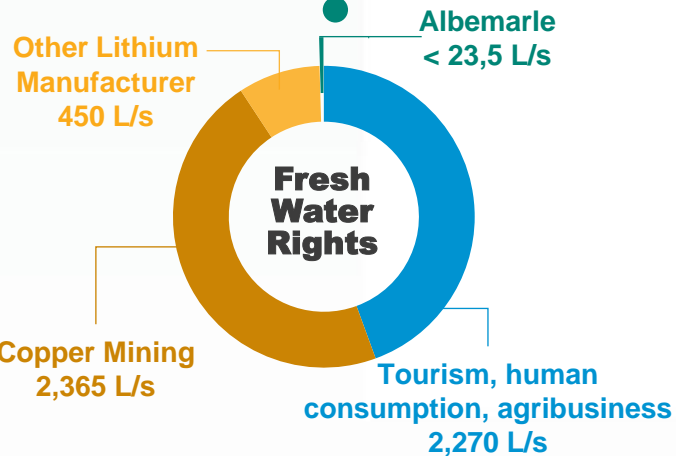
**HOW WE PRODUCE IN THE SALAR DE ATACAMA IS AS IMPORTANT AS HOW MUCH WE PRODUCE**



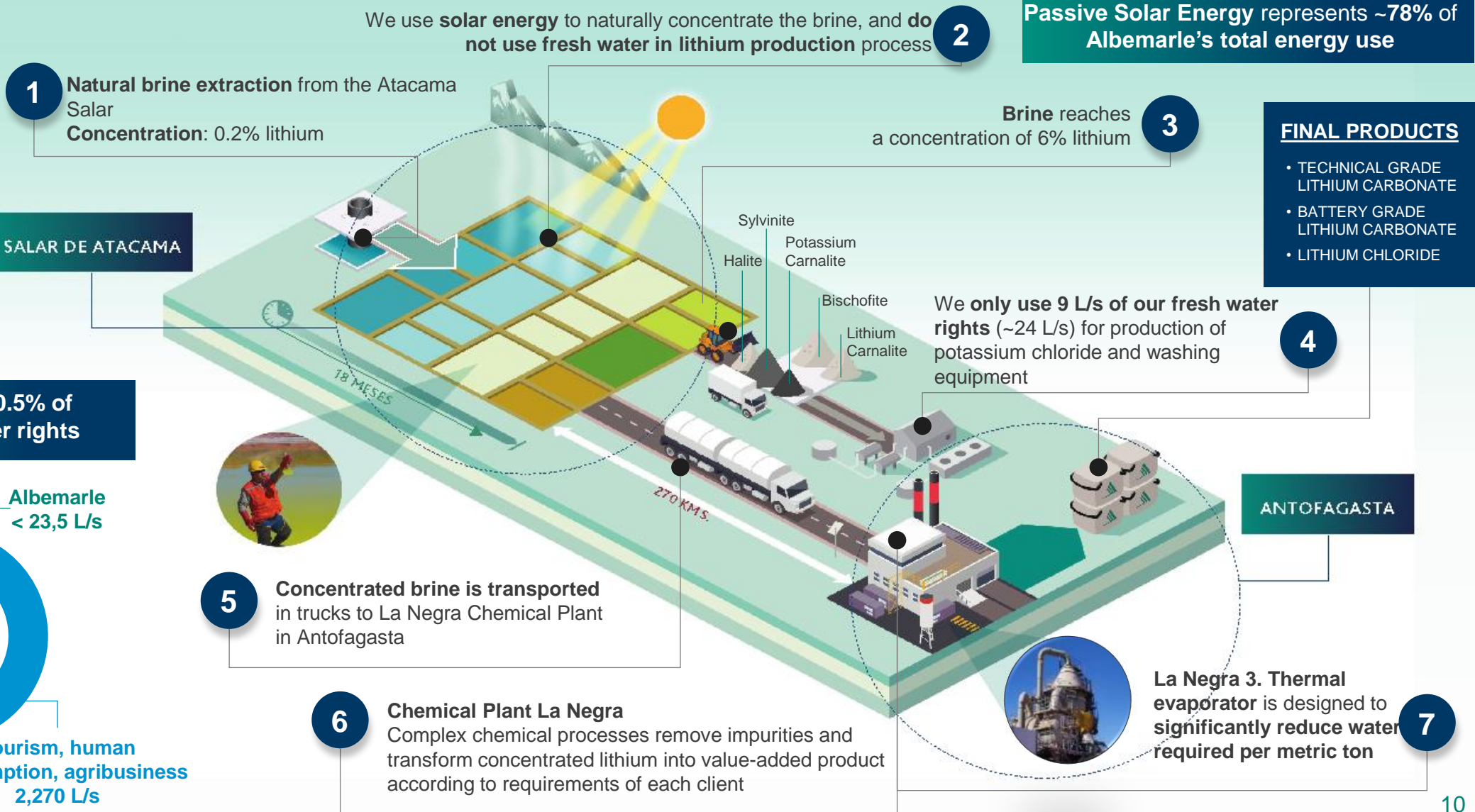
# Production Process



Albemarle has only **0.5%** of the total fresh water rights



Source: DGA (Chilean Water Authority)





# Continuous innovation

- **La Negra III Chemical Conversion Plant**, Antofagasta. Improvement of the solar yield: **capacity to double lithium production in Chile.**
- It will reduce by more than **30%** the freshwater required to produce 1 metric ton of LCE by recycling the wastewater stream.
- **Lithium Recovery Efficiency Initiative.** Investment of USD \$150 million. Operational in 2023.
- Technological process developed for Albemarle by a German company and is the first of its kind in the world in a lithium production plant from brine.
- To recover more lithium from salts such as carnallite and bischofite.



Doubling production capacity without doubling the water footprint



# First lithium mine in the world to be IRMA certified

- **IRMA** is the leading and most demanding certification standard for responsible mining. Objective and independent third-party verification of industrial-scale mining operations. Multi-stakeholder collaborative process.

## Albemarle's Salar de Atacama Plant

- First lithium mine in Chile to complete an IRMA self-assessment
- First mine in Chile to complete an IRMA self-assessment. First lithium company to achieve IRMA 50 standard.



## Collaborative multi-stakeholder process



Partnering with IRMA to Ensure the Sustainability of our Lithium Production



# What does this mean for Procurement?

The Global Procurement strategy playbook that has driven our success at...

...is NOT the same strategy playbook that will help us deliver outsized results at...

**\$3b**

2022 LRP spend



**\$9b**

2027 LRP spend

P-card spend

**PO VOLUME** **HEADCOUNT**

*New contracts*

**New suppliers** *Sustainability*  
**Developed** *Targets*

**productivity/hr** **DECISIONS**



# Measuring our Value Beyond Savings: Expanding our Impact on ALB and the World

## Key Dimensions to Defining and Measuring Meaningful Procurement Value at ALB





# No-Regret Resource Considerations to Unlock Potential & Deliver on Strategy

1

Embrace digital



Embrace digital to redirect talent to **HVA**; prioritize strategic, future-back initiatives

2

Simplify all things



Simplify all things; **cut out complexity** in processes, digital design / enablement, and partnering

3

No key stakeholder trade-offs



Do not trade-off on customer experience



# Sustainable lithium for the World

 ALBEMARLE®