



Westlake

2020 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESSENTIAL PRODUCTS, CRITICAL INNOVATIONS

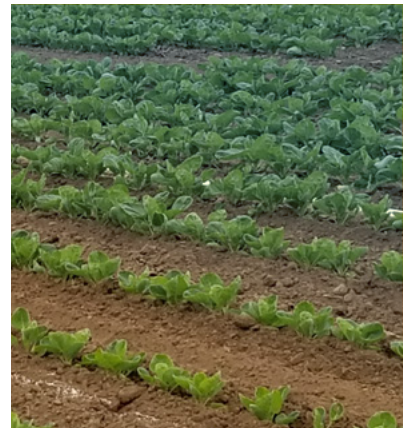


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Message From Our President and Chief Executive Officer

The year 2020 was a year like no other — the events we have experienced felt at times overwhelming, but we have persevered by working together as a team. All of us at Westlake were challenged on so many levels — by the COVID-19 pandemic, destructive hurricanes hitting the U.S. Gulf Coast, and violence in the U.S. against people on the basis of their race. These events and our overriding commitment to our business and customers caused us to dig deep to ensure we continued to deliver our essential products to people around the world.

It was equally as important to us that we did so while remaining consistent with our values and our desire to better our communities and the world at large. I am very proud of the strength, resilience and integrity shown by all our employees. Our family spirit at Westlake has never been more important than it was this past year.

As you will read in this report, our continued focus on Environmental, Sustainability and Governance (ESG) activities led us to make significant improvements in our operational and supply chain processes for the betterment of our communities, where our people live and work, and where our products serve vital and valued purposes.

Our ESG progress includes the following notable efforts:

- Expanding the scope of our Board of Directors with the expanded charter and name of the **Corporate Risk and Sustainability Committee**;
- Creating a new executive leadership role, Vice President — Sustainability, which reports directly to our CFO, with oversight and responsibility to advance our ESG efforts;
- Introducing our new product, “GreenVin” to the European market - a caustic soda with a 30 percent lower carbon footprint than conventional caustic soda;
- Investing in continuous improvement projects at manufacturing locations to reduce energy, waste, water and carbon footprints;
- Awarding scholarships to 98 college-bound students of employees in the United States and Canada (in 25 years, we have awarded more than \$8 million); and
- Donating more than 23,600 N95 masks to local hospitals and emergency rooms to protect those who were fighting COVID-19 on the frontlines, as well as financial contributions in communities where we operate.

As a leading global producer of plastics, we understand the importance of reducing the environmental impacts of our feedstocks, production and usage, and are developing exciting innovations, together with our customers, to meet their objectives while also reducing environmental impacts. In the future, we are prioritizing implementation of additional environmentally friendly innovations like our GreenVin product, by incorporating recycled and bio-derived materials while, of course, maintaining product quality.

This is our fourth annual ESG report. To gain a clearer understanding of our contributions to ESG, we have been examining our activities and our work against a growing body of global sustainability benchmarks. Our intention is to use these insights to help us better allocate resources, make more impactful decisions and take action to advance continuous improvement in ESG.

We recognize that ESG is a journey. While we are proud of our accomplishments, we are also committed to doing more each year to support and enhance the planet, our people and our communities worldwide.

Thank you for your interest in Westlake and our efforts to advance a better world.

Albert Chao
President and Chief Executive Officer

About This Report

In this 2020 ESG Report, Westlake describes its approach to sustainability. We share how we are developing products and solutions for a more sustainable future, protecting and investing in our people, managing our environmental footprint, and demonstrating our commitment to being a responsible corporate citizen in the communities where we operate.

Data relates to global operations at our manufacturing sites, pipelines and large offices for 2020, unless stated otherwise. We report on our sustainability performance on an annual basis. Sustainability Reports for 2017 – 2019 can be found on our website at www.westlake.com/sustainability. The information in this report is provided in good faith, but has not been audited, and Westlake and its subsidiaries make no representations of warranties as to the completeness or accuracy thereof.

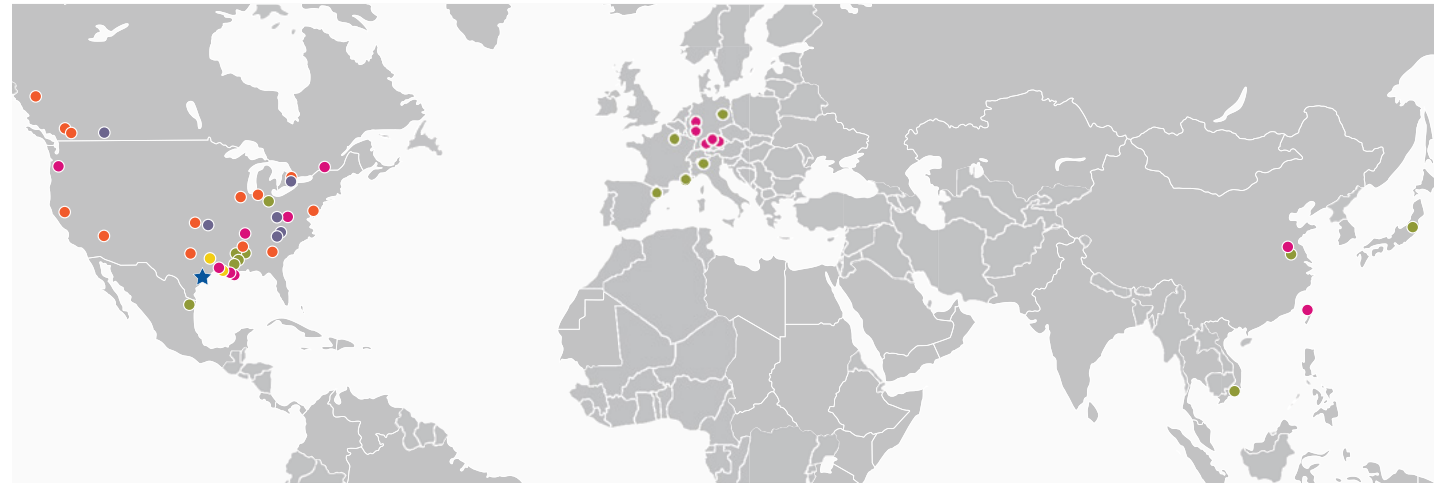
This Report contains matters that are not historical facts, but are “forward-looking statements” within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements could be adversely affected by a variety of known and unknown risks, uncertainties and other factors that are difficult to predict and

many of which are beyond management’s control. Westlake’s expectations may or may not be realized or may be based upon assumptions or judgments that prove to be incorrect. For more detailed information about the factors that could cause actual results to differ materially from the forward-looking statements contained herein, please refer to Westlake’s Annual Report on Form 10-K for the year ended December 31, 2020, which was filed with the SEC in February 2021, and Westlake’s Report on Form 10-Q for the quarters ended March 31, 2021, and June 30, 2021, which were filed with the SEC in May and August, respectively.

This report contains references to Westlake™, Westlake Chemical®, DaVinci Roofscapes®, Royal®, Royal Building Products®, Vinnolit®, Nakan™, Westlake Global Compounds™ and Enhancing Your Life Every Day®, all of which are the registered trademarks or service marks of Westlake. Nothing in this report shall be construed as granting, by implication, estoppel, or otherwise, any license or right to use any trademark, logo or service mark, registered or unregistered, displayed in this report without the owner’s prior written permission. This report is owned by and contains the copyrighted material of Westlake. This report and all of its content, including but not limited to text, design, graphics, and the selection and arrangement thereof, is owned by Westlake and protected under copyright law.

Our Business

We are a publicly traded company with operations in three global regions.



● Exteriors ● Pipe and Fittings ● Compounds ● Vinyls Chemicals ● Olefins Chemicals ★ Headquarters

NORTH AMERICA

- Abbotsford, BC
- Aberdeen, Gallman, MS
- Beauharnois, QC
- Booneville, MS
- Bristol, TN
- British Columbia, BC
- Calgary, AB
- Calvert City, KY
- Columbus, OH
- Concord, ON
- Geismar, LA
- Greensboro, GA
- ★ Houston, TX
- Janesville, WI
- Lake Charles, LA
- Langley, BC
- Lenexa, KS
- Leola, Wayne, PA
- Lodi, CA
- Longview, TX
- Longview, WA
- Madison, Prairie, MS
- Marion, VA
- Matamoros, Mexico
- McPherson, KS
- Natrium, WV
- Novi, MI
- Plaquemine, LA
- Shelby, MI
- Wichita Falls, TX
- Woodbridge, ON
- Yucca, AZ

EUROPE

- Burghausen, Germany
- Cologne, Germany
- Eilenburg, Germany
- Gendorf, Germany
- Ismaning, Germany
- Knapsack, Germany
- La Ciotat, France
- Reims, France
- Samarate, Italy
- Santa Perpètua de Mogoda, Spain

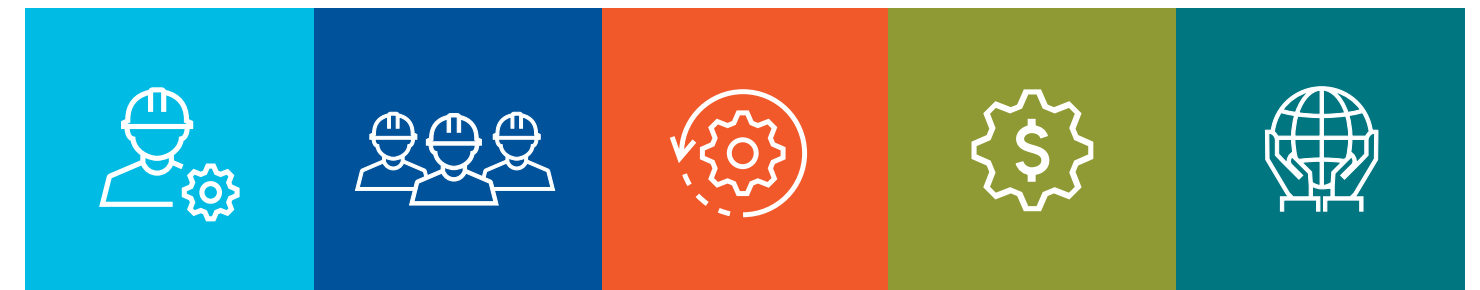
ASIA

- Changshu Jiangsu, CN
- Dong Nai Province, Vietnam
- Kaohsiung, TW
- Saitama, Japan
- Suzhou, CN

Our portfolio includes products that collectively support applications in three broad areas: Building & Construction; Consumer Lifestyle; and Nutrition & Healthcare, as described under [Products](#).



Our Core Values



Health, Safety and Environment (HSE)

The health and safety of our employees and communities and the vigilant stewardship of the environment and sustainability are of utmost importance and at the forefront of everything we do.

Our People

The integrity, creativity, dedication, diversity and drive of our employees allow us to excel. We support, develop and inspire our people to achieve their personal best and treat them with dignity and respect.

Quality and Continuous Improvement

Our commitment to quality products and service is so strong that both are symbolized as the two check marks that form the Westlake “W” in our logo. We seek to maintain this commitment through an intensive practice of “never-ending process of improvement.”

Competitiveness

We are committed to enhancing the lives of people in the global marketplace every day. We do this by providing innovative and useful products maintaining high standards of customer service and operational excellence with a constant focus on managing costs.

Citizenship

We recognize the importance of supporting the communities in which we work and live and make it a priority to take an active role in making these communities better.

Our Approach to Sustainability

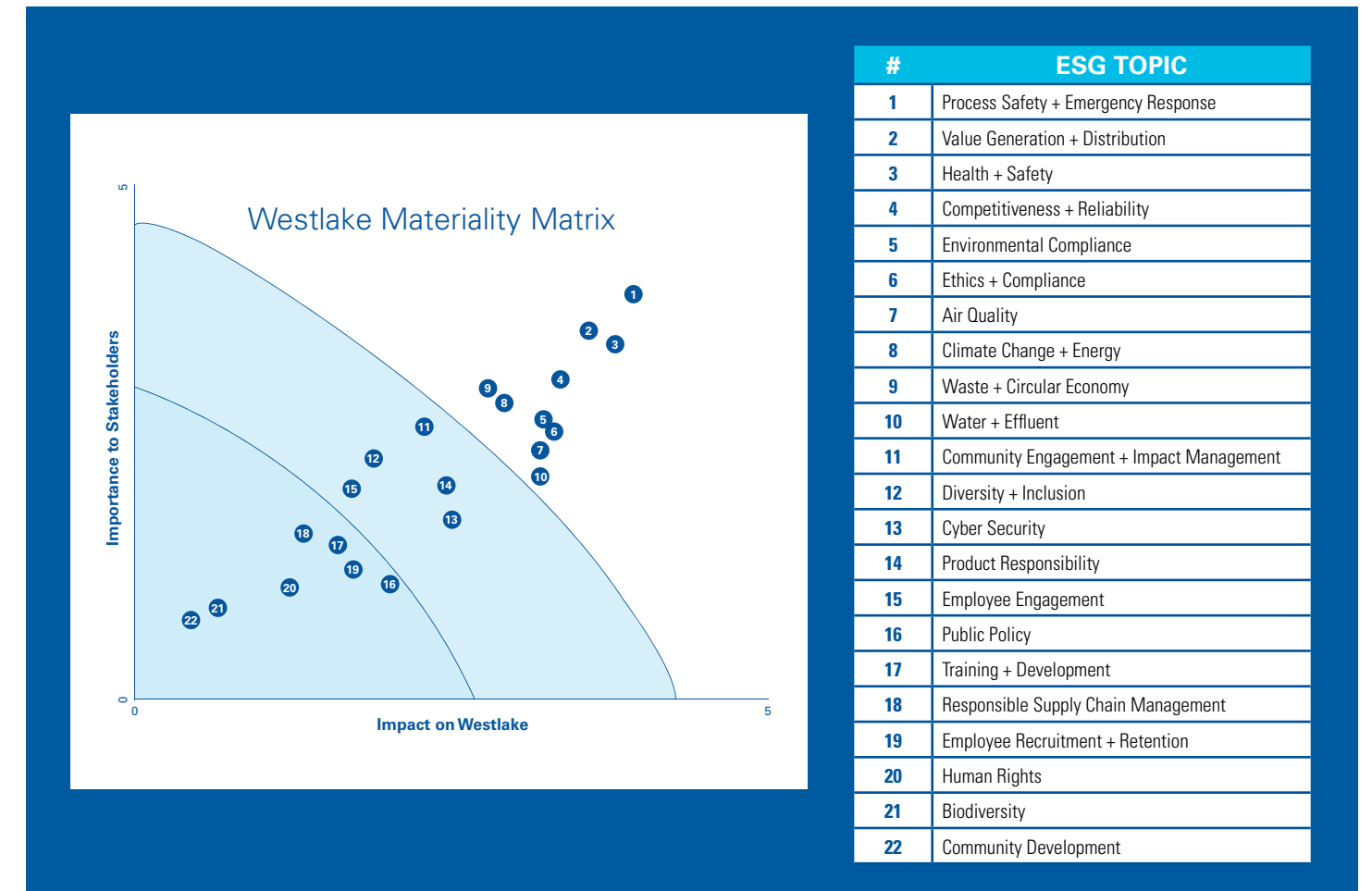
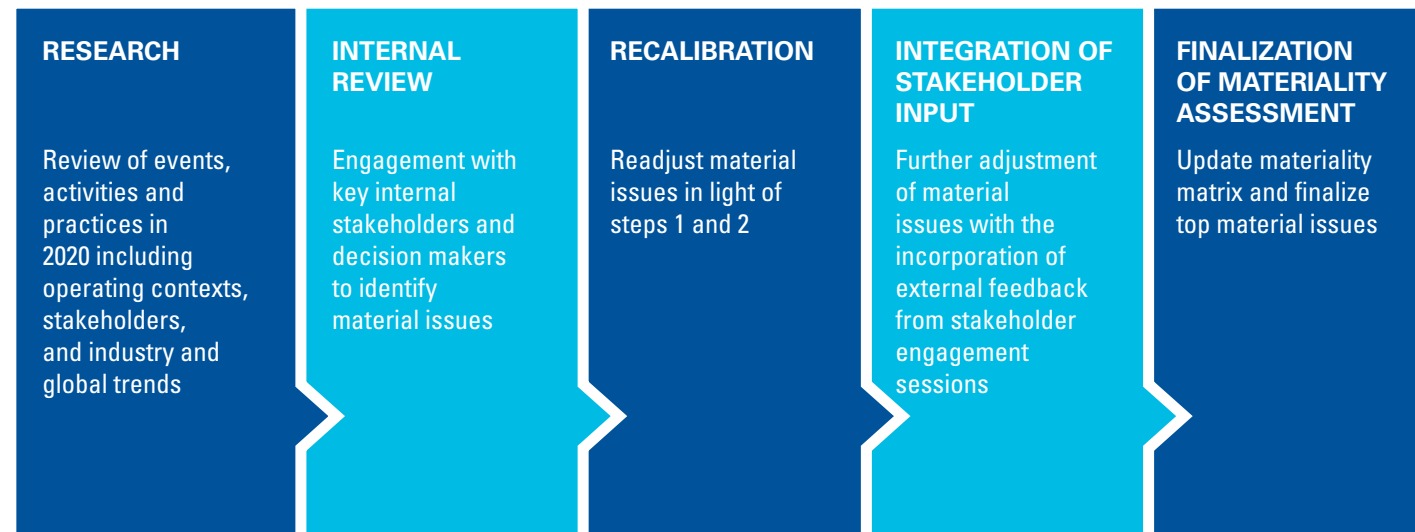
We are committed to acting in a safe, ethical, environmentally and socially responsible manner — in everything we do. For us, this means being true to our company’s longstanding values and focusing on what matters most.

Our Material Topics

Earlier in 2021, Verisk Maplecroft, a leading research firm specializing in global risk analytics, completed a robust materiality assessment for Westlake. Maplecroft’s assessment addressed the views of internal and external stakeholders, and the actual and potential impacts of a broad list of ESG topics. The process helps Westlake to understand the impact of our activities and relationships on others — and how we can best manage these impacts in a responsible manner, as well

as associated potential risks and opportunities — thus supporting our ability to create value for our internal and external stakeholders. This assessment will form the basis of our ongoing engagement with stakeholders and help shape current and future disclosures.

Materiality Assessment Process



The materiality assessment identified a list of 14 ESG topics as being particular areas of focus, for us and our stakeholders. We consider these top 14 material topics and our related efforts throughout this report under our five ESG pillars.

RESILIENCE	OPERATIONS	PRODUCTS	PEOPLE	COMMUNITY
<ul style="list-style-type: none"> Climate change + energy Cyber security Competitiveness and reliability Ethics and compliance 	<ul style="list-style-type: none"> Air quality Environmental compliance Waste and circular economy Water and Effluent 	<ul style="list-style-type: none"> Product safety + stewardship Process safety and emergency response 	<ul style="list-style-type: none"> Diversity + inclusion Health and safety 	<ul style="list-style-type: none"> Community engagement + impact management Value generation and distribution

RESILIENCE

The ways that we proactively test our propositions to advance our sustainability intent, recognizing that change is the only constant

OPERATIONS

Our continuous improvements to reduce environmental footprint across an array of activities, including water and energy management, recycling and product re-engineering

PRODUCTS

Our customer collaborations to innovate to more sustainable products and render existing products more sustainable

PEOPLE

Embracing our diverse workforce as family and empowering people in safety, environmental responsibility and engineered solutions

COMMUNITY

Engaging with the communities where we work and live by giving back, investing support, and ensuring emergency preparedness

Sustainability Governance

Westlake recognizes the importance of strong corporate governance, including effective governance of sustainability-related matters. To this end, the Board of Directors and the Board's Corporate Risk and Sustainability Committee provide oversight for ESG and senior business leaders have responsibility for managing sustainability-related issues and efforts.



CORPORATE RISK AND SUSTAINABILITY COMMITTEE OF THE BOARD

Westlake's Board of Directors had previously delegated its oversight responsibilities for sustainability to the Board's Corporate Risk Committee, reflecting the perspective that sustainability was among the many corporate risks facing the company. More recently, in February 2021, the Board amended the charter of the Board's Corporate Risk Committee, changing its name to the Corporate Risk and Sustainability Committee. The board did this to explicitly emphasize that sustainability is in the committee's scope of responsibilities. The Corporate Risk and Sustainability Committee meets at least 4 times per year to discuss a broad range of risks, opportunities and issues — everything from environmental, health and safety, social responsibilities to cybersecurity risks. Furthermore, all Directors sit on all Board committees, except for Audit, in our effort to ensure that every Board member is actively engaged and contributes to key decision making from Finance to Sustainability as part of our governance structure.

MANAGEMENT OF SUSTAINABILITY

Our Board delegates authority for management of the company, including economic, environmental and social sustainability issues, to senior business leaders. All of our business leaders are responsible for managing sustainability-related efforts through their teams and through collaborative efforts. One of these business leaders is our Director of Health, Safety and Environment, who leads the global HSE function and is responsible for delivering on our [Drive to Zero program](#) and other sustainability targets.

Notably, **in 2020, we created a new executive level role, Vice President — Sustainability**, which reports directly to our CFO. Our Vice President — Sustainability provides oversight and coordination to the many ESG activities being done on an enterprise basis across Westlake and is responsible for ensuring that we deliver on goals and targets that we set. This role involves leading by listening — in particular to our people around the world who bring forth great ideas for efficiency improvements at our plants and engaging with customers to enhance our products. Together with colleagues, teams at Westlake are addressing sustainability from R&D to manufacturing to engaging within our communities. In this way, the responsibility for sustainability continues to be embedded throughout our organization.

SUSTAINABILITY REPORTING FRAMEWORKS

ALIGNMENT WITH SDGS

Our operations and our products extend across the entire world, which means our impacts and influence extend globally too. We take very seriously our role, and our responsibility, in supporting global employees, customers and communities.

The United Nations Sustainable Development Goals (SDGs) guide our approach. Collectively, the seventeen SDGs provide a blueprint for a better and more sustainable future for all people and for the planet. We are particularly inspired by nine of the SDGs:

<p>2 ZERO HUNGER</p>	<p>End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and well-being for all at all ages</p>
<p>4 QUALITY EDUCATION</p>	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<p>6 CLEAN WATER AND SANITATION</p>	<p>Ensure availability and sustainable management of water and sanitation for all</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Ensure sustainable consumption and production patterns</p>	<p>14 LIFE BELOW WATER</p>	<p>Conserve and sustainably use the oceans, seas and marine resources for sustainable development</p>
<p>15 LIFE ON LAND</p>	<p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p>		

By delivering on these goals, we believe we can have the biggest positive impact. These are the areas where our contributions are most important for improving lives and fostering environmental stewardship.





ALIGNMENT WITH ECOVADIS, AND SASB RECOMMENDATIONS

We closely follow the ever-changing landscape of sustainability reporting, knowing that our stakeholders seek credible, meaningful information about our impacts on the world and those issues that they care most deeply about.



SASB

The Sustainability Accounting Standards Board (SASB) is an important reporting and disclosure framework. The 11 material topics identified by SASB for the Chemical industry are all covered by Westlake's material ESG topics and are included in this report. Although this report has not been formally prepared in accordance with the SASB

industry standard, our disclosures have been informed by these frameworks (see Appendix for disclosure index). Our goal is to more completely report against SASB, the Task Force of Climate-related Financial Disclosures (TCFD), and the Global Reporting Initiative (GRI) frameworks starting in 2022.

VOLUNTARY ECOVADIS ASSESSMENT

To enhance our ability to meet reporting expectations, we initially engaged EcoVadis to perform an assessment for us in the second half of 2019. EcoVadis is the world's largest provider of business sustainability ratings, with a global network of more than 75,000 rated companies.

EcoVadis' assessment of Westlake focused on 21 corporate social responsibility (CSR) issues or criteria, which are based on international CSR/sustainability standards such as the Global Compact Principles, the International Labor Organization conventions, the Global Reporting Initiative standard, the ISO 26000 standard, and the CERES principles. EcoVadis' assessment also focused on seven CSR management criteria.

We are in the process of developing action plans to improve specific management practices in line with EcoVadis' findings and recommendations. In the meantime, we are proud to report that EcoVadis awarded Westlake Corporation a Bronze rating with our subsidiary Vinnolit receiving a Gold rating and our our subsidiary Nakan's medical products business receiving a Silver rating.



Westlake Corporation



Nakan



Vinnolit

	WESTLAKE MATERIAL ESG TOPIC	SASB CHEMICALS STANDARD
1	Process safety and emergency response	Operational safety, emergency preparedness and response
2	Value generation and distribution	
3	Health and safety	Workforce health and safety
4	Competitiveness and reliability	
5	Environmental compliance	Management of the legal and regulatory environment
6	Ethics and compliance	
7	Air quality	Air quality
8	Climate change and energy	Air quality, greenhouse gas emissions
9	Waste and circular economy	Hazardous waste management, Product design for use-phase efficiency
10	Water and effluent	Water management
11	Community engagement and impact management	Community relations
12	Diversity and inclusion	
13	Cyber security	
14	Product responsibility	Safety and environmental stewardship of chemicals

Resilience

Leadership within our company and in our markets is defined by how we respond to external forces and our customers and communities' needs. Our responsiveness is rooted in preparedness and thoughtfulness, which provides the ability to adjust to new realities and new requirements.



Our Calvert City, Kentucky, plant received the OSHA STAR safety recognition in 2020.

— Since —
1986

Founded in 1986, Westlake has grown to now span locations in North America, Europe and Asia. The breadth of our operations requires us to stand shoulder to shoulder with our employees and our communities, just as we are accountable to our shareholders and other stakeholders.

Being responsive to our employees and communities means taking into account, and addressing, regional and local needs and opportunities. Circumstances continuously change, which results in new needs, opportunities and solutions. As things change, and even in anticipation of changes, we evolve and improve our business. In these ways, we are resilient.

POLICIES, ETHICS AND COMPLIANCE

Our policies, ethics and compliance efforts comprise the backbone and foundation of our resilience by ensuring that we maintain an ethical and responsible workplace. As evident in the Westlake logo, the two checkmarks comprising the “W,” connote how quality, safety and compliance is core to our culture, which is centered around ethics, safety and compliance with laws.

Our commitments to ethics and compliance are addressed and enforced through our Global Code of Conduct and Suppliers' Code of Commitment, as well as our safety practices and environmental safeguards.



01 OUR GLOBAL CODE OF CONDUCT

Our [Global Code of Conduct](#) applies to all employees, directors and officers, and governs individual behavior and ethical practices for company actions. The Global Code of Conduct covers Health, Safety and Environment; Our People, which includes a range of concerns, such as non-discrimination, data privacy and conflicts of interest; Quality and Continuous Improvement; Competitiveness; and Citizenship, which includes several areas, including fair dealing and human rights. Upon joining our company, every person must agree to comply with our core policies including our Code of Conduct and receives training on all of our ethics and anti-harassment related policies.

Westlake employees with concerns of possible violations of the code are encouraged to report, without risk of retaliation, to an immediate supervisor, another manager, the Human Resources or legal departments, or reach out to the company's online, multilingual reporting hotline, EthicsPoint, any time of the day or week.

02 OUR SUPPLIERS' CODE OF CONDUCT

Our [Suppliers' Code of Conduct](#) applies to all of our suppliers and their manufacturing facilities, including any subcontracting and packaging facilities. It explicitly sets forth our expectation of compliance with applicable laws and regulations including, but not limited to, those related to labor, immigration, health and safety, and the environment; and expectations around conducting business in an ethical and safe manner. Conflicts of interest, corruption, unfair wages and any form of forced labor or human trafficking are expressly prohibited.

The Suppliers' Code of Conduct also outlines our interest in working with suppliers that take corporate social responsibility very seriously — companies that are socially and environmentally responsible, participate in sustainability programs, and are proactive in delivering sustainable solutions. We make it clear that we want to do business with suppliers that share our interest in advancing sustainability objectives, practices and products.

Security Management

Effective security measures are another important safeguard of our business, which supports resilience. Cyber security and data security are our most vital security concerns.

Keeping our operations secure from cyber threats protects the health and safety of our workers and our neighbors, and helps us to avoid disruptions of our business processes. It is critical to keep our chemical plants running properly without interference so that we only scale back those operations in a controlled, orderly fashion.

Data security is critical for us and important to our employees, suppliers and other business partners. We utilize firewalls and other safeguards to protect the data of those who trust us as well as other proprietary methods to ensure the safety of our production facilities to avoid business disruptions.

Our employees are trained on how to identify and report attempted cyber incursions through quarterly global training. In addition, as we add more digital enhancements to our operations, such as machine learning for certain processes, we are addressing cybersecurity concerns as well.

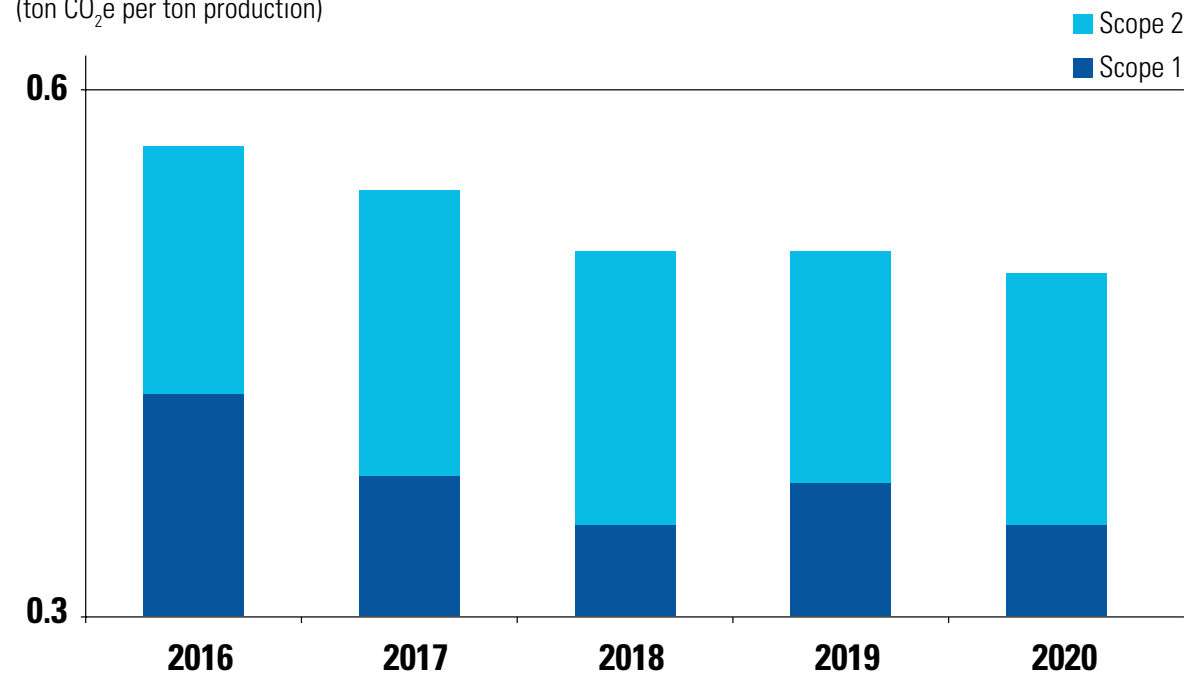
Climate Impacts

Climate change is a serious global issue. It tests our resilience, and it tests our collective commitment to support the future health of the world. As a major manufacturer, we are cognizant of the role we can play in reducing our own environmental footprint and encouraging others to do so, whether they are our suppliers, customers or end-use consumers.

When we undertake major plant improvements, key criteria are efficiency, cost, safety and sustainability. In 2020, through strategic continuous improvement efforts we saved 1,063,094 MMBTUs of

energy through maximized heat recovery projects, optimized fuel usage and reduced excess flare emissions. Additionally, these projects have additional positive environmental impacts, including improving air quality. We continue to enhance our efforts at collecting and disclosing our carbon footprint. This is the first year Westlake has included carbon emissions attributed to the building products segment in our reporting. Despite the inclusion of this new segment, we saw a decrease in total Scope 1 and Scope 2 greenhouse gas emissions by 8.73% despite an increase in production of 4.84% from 2016 to 2020. See the appendix for environmental data tables.

CO₂e Emission Rate
(ton CO₂e per ton production)



Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles).

Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling.

TREE PLANTING

Additionally, at our Plaquemine, Louisiana facility, the company planted trees around the plant perimeter. This environmentally friendly effort helps to build in additional natural protection from inclement storm impacts and provides some modest carbon offsets at the site while enhancing the aesthetics surrounding the plant.

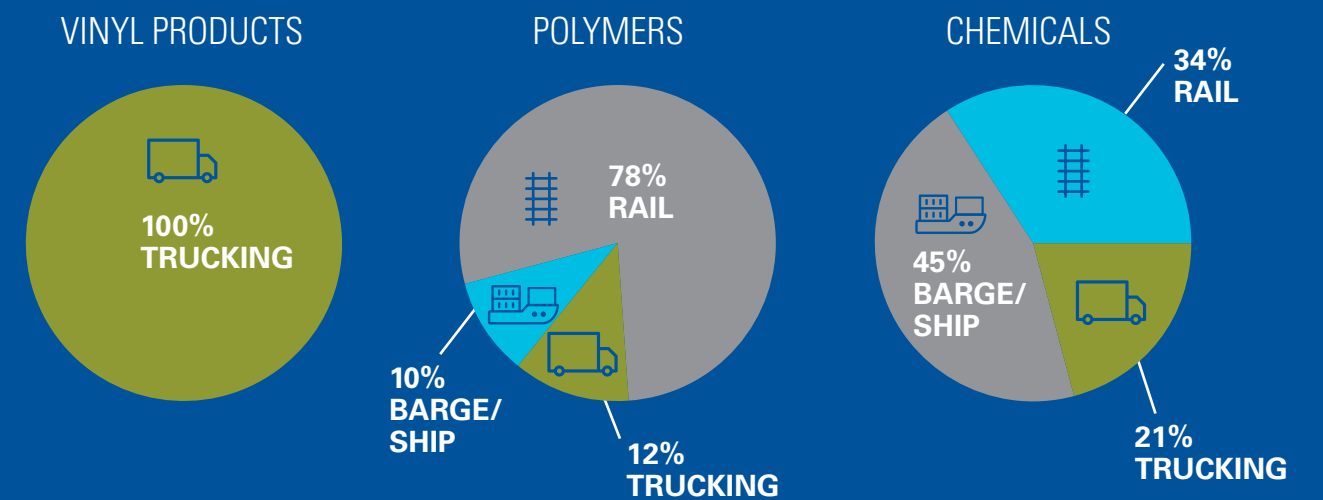
PARTNERING TO REDUCE CLIMATE IMPACTS

Climate change impacts are also integral considerations in our work with customers. Every year, and especially so nowadays, customers ask us to help them improve the sustainability of their products with our materials. We view such innovations as exciting and increasingly viable opportunities to engineer new and lasting solutions. The [Products section](#) of this report includes details of our work to advance climate-friendlier products.

Responsible Logistics

Our environmental footprint extends beyond the perimeters of our plants. In this regard, we recognize the importance of smart logistics and transportation and have been working for years to reduce their climate impact. Currently, all Westlake U.S. chemical locations have an on-site rail access with most of our product by tonnage moved by rail rather than truck. Westlake owns approximately 14,200 railcars in the U.S., to safely ship product with lower emissions. We take a multi-modal approach to moving our products using trucking, rail, and shipping.

At the same time as we focus on climate-friendly logistics, we pay unwavering attention to transporting our chemicals safely. Westlake has been consistently recognized for demonstrating exemplary safe chemical transportation. For 14 plus years now, Westlake has been the recipient of the CSX Chemical Safety Excellence Award and is one of only two companies to hold this longstanding honor. Westlake has also received the Union Pacific Chemical Transportation Safety Pinnacle Award every year since 2011.



Leading Through Continuous Operations

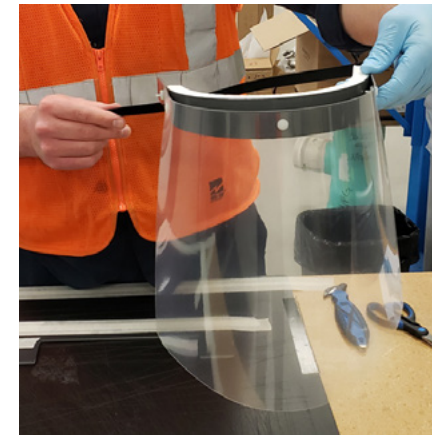
For Westlake, resilience includes doing whatever is needed to continue our essential operations uninterrupted, and to do so safely. The year 2020 presented unexpected disruptions that tested us, as it tested businesses across every industry. We needed to adapt quickly to the challenges of the COVID-19 pandemic and to the severe hurricanes that battered the Gulf Coast of the U.S.



WORKING THROUGH A GLOBAL PANDEMIC

With the onset of the COVID-19 pandemic in the first quarter of 2020, many companies around the world needed to act fast to determine how to set up employees to work from home. We did that too, for our employees whose in-person presence was not mission-critical in operations. Through preparation, planning and the cooperation of our team, Westlake quickly and successfully transitioned them to remote work allowing us to uphold our company's commitment of safety first for our employees.

At the same time, we needed most of our employees — those who work tirelessly at our plants around the world — to continue working in-person, with added health and safety protections. Our chemical plants were deemed “essential businesses” under a United States Department of Homeland Security categorization as the materials we produce are used to make protective equipment for healthcare workers, such as tubing and bags for intravenous blood and pharmaceutical delivery; used to clean and sanitize surfaces and water, as well as make the pipes to deliver clean water or discard wastewater; used to wrap food for its preservation and protection; and for many other end uses that touch everyone's life on a daily basis. Because our plants were recognized as vital operations, we continued operating to provide products that kept individuals and communities alike safe amidst the pandemic.



Although the pandemic presented many new challenges, we were prepared to respond and continue our operations responsibly. We acted quickly on so many fronts, prioritizing safety and health above all else. Our efforts included:

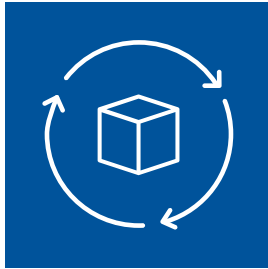
- Adopting all locally recommended health protocols in all our facilities, including mask wearing and other personal-protective equipment, frequent hand-washing, and social distancing;
- Limiting access to critical areas such as control rooms to only the personnel assigned to those departments;
- Using innovative helmet-mounted cameras to continue our health and safety assessments;
- Staggering work teams among shifts and asked each plant manager to adopt safe operating protocols for their site;
- Donating \$1 million to the Greater Houston Foundation's COVID-19 Relief Fund by Westlake and the T.T. and Wei Fong Chao Foundation; and Westlake contributed financial assistance to the *Croce Rossa Italiana* (the Italian Red Cross) to provide needed support to residents in that area, where the company operates a compounds facility north of Milan.



WORKING THROUGH SEVERE WEATHER

Every year, we prepare for potential disruptions at our plants and offices across the Gulf Coast, including Houston, Texas, and Lake Charles, Louisiana. Some years, our plants and offices are hit hard by hurricanes; 2020 was one of those years. We harden our assets and maintain proper procedures for safely shutting down chemical plants ahead of a storm and safely restoring operations in the aftermath. We were prepared, as we are every year — prepared to continue our operations, while keeping people safe. Preparedness is a key function of our business.

WE ARE PROUD TO SAY THAT, DURING 2020, WE AVOIDED UNNECESSARY SHUTDOWNS, KEPT OUR PEOPLE SAFE, AND PROTECTED OUR EMPLOYEES' JOBS.



Procurement and Supply Chain Management

Our business is complex and depends upon raw material inputs from suppliers all over the world. This requires that we maintain a global procurement oversight function with established due diligence and market knowledge related to the locations and specific operations of each of our suppliers. As noted above, all our suppliers are expected to comply with applicable laws and high standards of ethics, based upon our Suppliers' Code of Conduct.

Our responsible sourcing and procurement program includes extensive supplier screenings. We also proactively seek to identify and recruit vendors that operate with a low carbon intensity. To qualify as one of our suppliers of raw materials, a vendor must submit multiple batches of its raw materials for testing, and provide us with legally-binding statements regarding the regulatory status and purity of the raw materials. The process is very rigorous and involves several steps:

- STEP 01** Proposed raw materials are cleared for use by our product regulatory team.
- STEP 02** Plant manufacturing conducts an experimental trial to convert the materials into a Westlake product.
- STEP 03** Product goes through a battery of tests to ensure it achieves the desired physical property performance expectations as well as pass the regulatory hurdles (e.g. FDA testing, where required).
- STEP 04** Vendor is temporarily approved, until at least two more manufacturing trials are conducted to ensure the vendor can reliably meet our expectations.
- STEP 05** Vendor becomes an "approved vendor" for the given raw material.

VENDOR SCREENING

In 2021, we are adding additional supplier screenings, such as the United Nations Human Development Index (HDI). The majority of our suppliers are in what are deemed "low-risk countries" in terms of the dimensions of human development (life expectancy, education, and per capita income). Screenings such as this help us to ensure that our suppliers act responsibly on a local level.

After a vendor becomes "approved," our assessments continue. Each vendor must submit a Certificate of Analysis with every lot of product, certifying that the raw material meets an established specification set by Westlake. We also reserve the right to "spot check" incoming raw materials on a variable frequency to ensure vendors are being accurate in their analyses. Any questionable analyses may trigger a larger audit and, depending on findings, may invalidate a vendor's status as a supplier to us, until the issue(s) can be rectified to Westlake's satisfaction.

By emphasizing local sourcing for procurement, we also have meaningful opportunities to identify and recruit suppliers who are minority, women and veteran-owned business enterprises.



Operations

At Westlake, our pursuit of continuous improvement in operations, safety, efficiencies and environmental improvement knows no bounds. In gauging the efficacy of projects, we monitor and measure all costs and benefits, including sustainability benefits. We take a broad view of how projects can improve operations in multiple ways.

THE FASTEST, MOST ECONOMICAL AND PRACTICAL MEANS OF DECREASING OUR ENVIRONMENTAL IMPACT IS TO IMPROVE THE EQUIPMENT, EFFICIENCIES AND PROCESSES AT OUR PLANTS TO REDUCE FEEDSTOCK VOLUMES, LOWER WASTE, AND IMPROVE ENERGY AND WATER USE. ACROSS OUR OPERATIONS, WE HAVE CONTINUOUSLY FOCUSED ON WAYS TO REDUCE EMISSIONS, WASTE AND WATER USE, WHILE STAYING FOCUSED ON SAFETY.

Environmental Management System

Fundamental to our operations and our focus on continuous improvement is our environmental management system. ISO 14001 certified environmental management systems are in place across our compounding facilities and at many of our operations in Germany. Our current plan is to certify our Aberdeen, Mississippi, chemical operations and our Houston, Texas, headquarters in 2021 and

evaluate certifying additional operations in 2022. ISO 14001 is an international framework that helps companies map out compliance with environmental laws and voluntary actions to lessen the impact of an operation, such as by reducing waste. Further, we perform impact and risk assessments as part of our key decision making, prioritizing the protection of human health and the environment.

Vinnolit ISO Certifications

We are proud of our Vinnolit division, which earned its ISO 14001 and ISO 9001 certifications for environmental protection and quality. In March 2020, Vinnolit was awarded a gold medal as recognition of its EcoVadis Corporate Social Responsibility Rating.



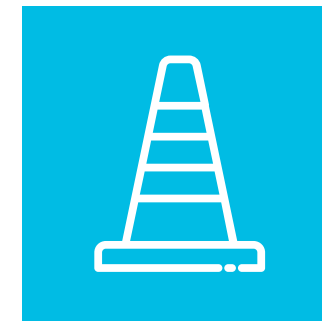
Process Safety

Safety first is critical to protecting our people, our communities and our plants. We live and work by the motto of our founder:



WE HAVE PUT SAFETY FIRST, AND IT WILL REMAIN OUR NUMBER ONE PRIORITY. NO JOB CAN BE SO IMPORTANT OR URGENT THAT PEOPLE CANNOT TAKE THE TIME TO WORK SAFELY. LIFE IS PRECIOUS AND IRREPLACEABLE."

—T.T. CHAO



safety enhancements are developed on a local level, Westlake's organization includes Health, Safety and Environment (HSE) managers for each of our three global regions. Furthermore, each plant has a process for bringing new safety insights and protocols up into and across the company. In these ways, best practices get shared and implemented from the top down to the plants, and from the plants up through to other plants and operations. Westlake's HSE and PSM processes are audited at all sites globally every three years. Audits reinforce that safety is not a goal; it is a constant requirement that we vigilantly enforce.

We hold a cultural belief, "Drive to Zero," built on the principle that we own each other's safety. We each want to return home to loved ones in the same shape as when we left for work and want the same for our co-workers. Drive to Zero is our safety commitment to each other. Safety is the number one priority in the workplace and our plants across the globe.

The Drive to Zero program is managed through key functions both company-wide and locally. Process Safety Management (PSM) requires consistent application of best practices across plants and manufacturing operations. In addition, because we know from experience that many

We are proud that three of our U.S. plants — plants in Lake Charles, Louisiana, Longview, Texas, and Calvert City, Kentucky — have attained Occupational Safety and Health Administration (OSHA) Star status under its Voluntary Participation Plan (VPP). VPP Star Status is awarded only to the best of the best. It reflects OSHA's determination that these plants have implemented safety and health management systems that improve health and safety across the board; have maintained injury and illness rates below national Bureau of Labor Statistics averages for our industry; and have gone above and beyond OSHA standards. We are actively pursuing such recognition at other Westlake plants.

Energy Use and Emissions

Our core operations require significant energy use.

We seek to continually reduce the carbon intensity of our operations by focusing on the optimal feedstocks for energy as well as our ethane processing and downstream chemical engineering processes.

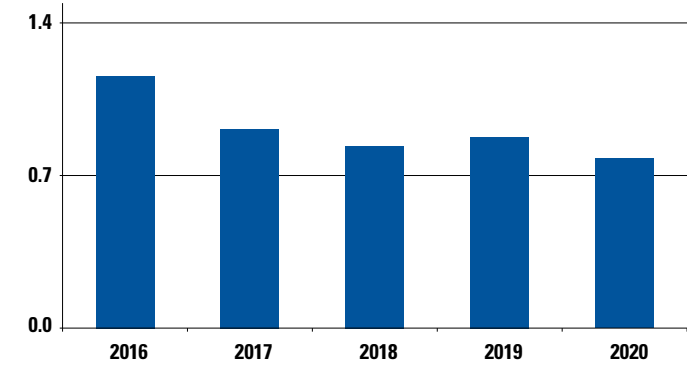
Our emissions controls are also critical to reducing our environmental footprint. Combustion of excess gases (known as flaring) is a crucial

emergency measure in our plants that is not undertaken lightly. During flaring, we always seek to reduce emissions. To this end, we are investing \$45 million in a new flare-gas recovery system at one of our plants in Lake Charles, Louisiana, and a \$25 million flare-gas recovery system at our Calvert City, Kentucky, plant. In 2020, we reduced 28,953 tons of emissions associated with flaring through a focus on such continuous improvement projects.

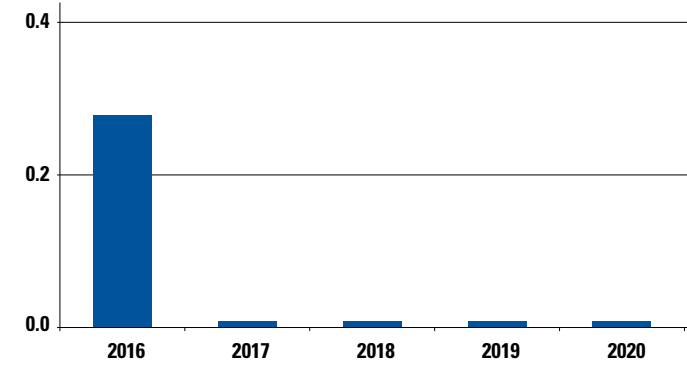
In addition, we seek to procure the most responsible energy sources for our operations. Where appropriate and available, we have entered into renewable power purchasing agreements. In some instances, the use of renewable power contributes to the sustainability of individual product offerings. This is the case with our low-carbon caustic soda, which is produced exclusively with renewable energy and is currently being sold in Europe by our German subsidiary.

Combined heat and mechanical power (known as cogeneration) and other onsite processes also offer opportunities. We are analyzing the efficiencies and environmental gains to be realized by shifting from diesel compressors to electric compressors. All of these efforts are helping us to reduce our energy use and related emissions substantially.

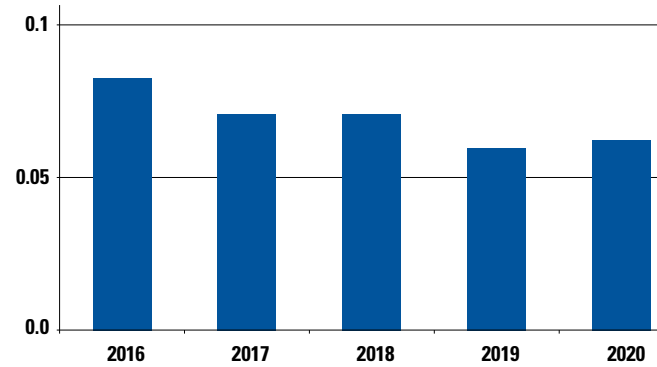
NOx Emission Rate
(pounds per ton production)



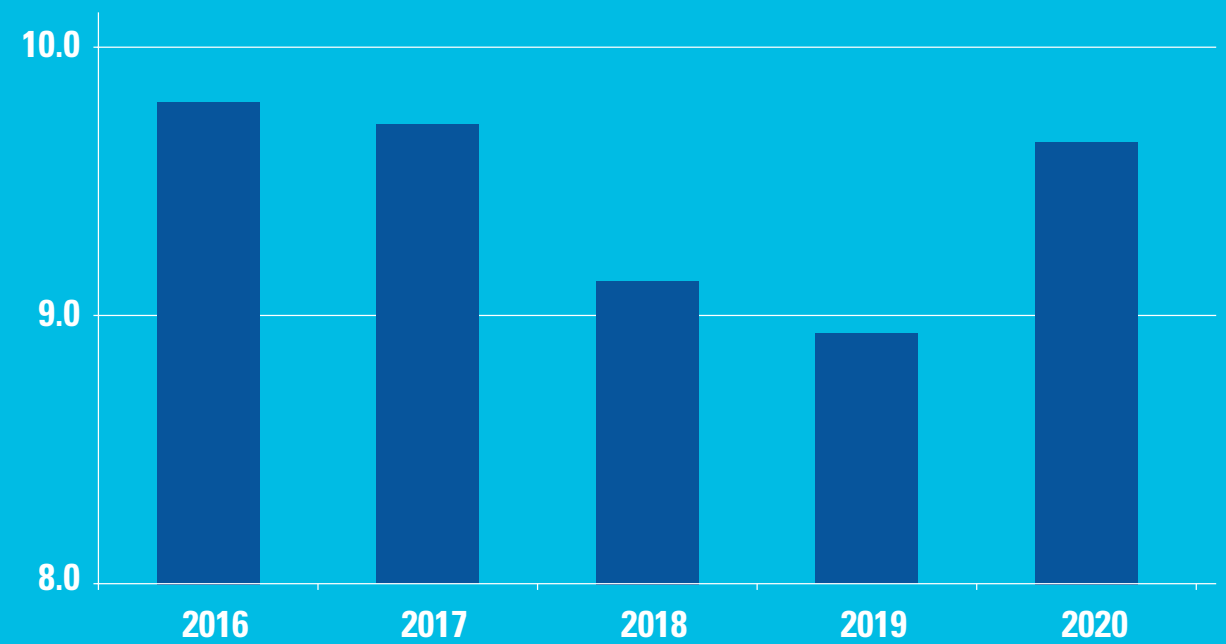
SOx Emission Rate
(pounds per ton production)



HAPS Emission Rate
(pounds per ton production)



Energy Efficiency
(MMBTU per ton production)



Whenever we perform expansions, updates or renovations on our plants, we seek to optimize any available environmental and sustainability improvement as well. For example, we have completed heat recovery projects that improve energy efficiency at plants.

Our total energy usage in 2020 was **187,905,221 MMBTUs**. We included our building products data for the first time in 2020, which includes more energy intensive processes and represented approximately 95% of our increase. Our rise in MMBTUs per ton

of production also rose in 2020 due to the impacts of significant hurricanes and other natural disasters affecting the Lake Charles, Louisiana, area, as we used energy to repair damage, clean, and start-up operations but not make products.

Zero Waste

We guard against our products going anywhere besides their intended use and seek to reduce waste by diverting unused inputs and other materials from landfills. Waste reduction is always a key consideration. At our vinyl products plants, we use trim from our operations and obtain PVC scrap from other companies to regrind into other applicable uses and reduce waste. In 2020, we implemented several new projects including increased materials recovery, automating raw material forecasting, and increased materials reuse opportunities that drove a savings of 15,768 tons diverted from landfill or incineration.

At Westlake, we understand the importance of transforming waste into inputs. Westlake has waste collection and tracking practices in place, which follow how and where waste is being disposed locally, including hazardous and nonhazardous solid waste. The company is also

working with customers to identify ways to reduce their waste footprint, especially within the automotive industry.

Our DaVinci Roofscapes business recycles 1 million pounds of waste per year. Westlake's environmental initiatives have enabled DaVinci to recapture almost all of its scrap waste and reprocess it, resulting in a net zero landfill scrap from our facility. Many of our waste reduction efforts are achieved in partnership with other organizations.

In 2019, we began tracking our total non-hazardous and hazardous waste metrics. While it is too early to report trends, we believe 2020 is an anomaly given the production disruptions and maintenance turnarounds due to the Gulf Coast hurricanes, see the environmental data table in the [appendix](#).



Alliance to End Plastic Waste

The Alliance to End Plastic Waste (AEPW) is another key partner in the effort to reduce plastic waste in the environment, particularly the world's oceans. AEPW is a coalition of 50 companies from the plastics and consumer goods value chain that are aligned to work to eliminate plastic waste in the environment and demonstrate projects that create and extract value from plastic waste. In addition to developing projects to help control and manage waste collection of waste, AEPW is focused on the four key areas of infrastructure; education and engagement; innovation; and clean-up. AEPW aims to innovate during the earliest stages of product design to facilitate reduction, reuse and recycling of plastics in support of sustainable models. The Alliance's global projects emphasize areas most vulnerable to the risk of plastic leakage. Westlake joined the alliance in March 2019, and has made a \$5 million commitment to advance the end of plastic waste and continues to be involved in multi-stakeholder projects.



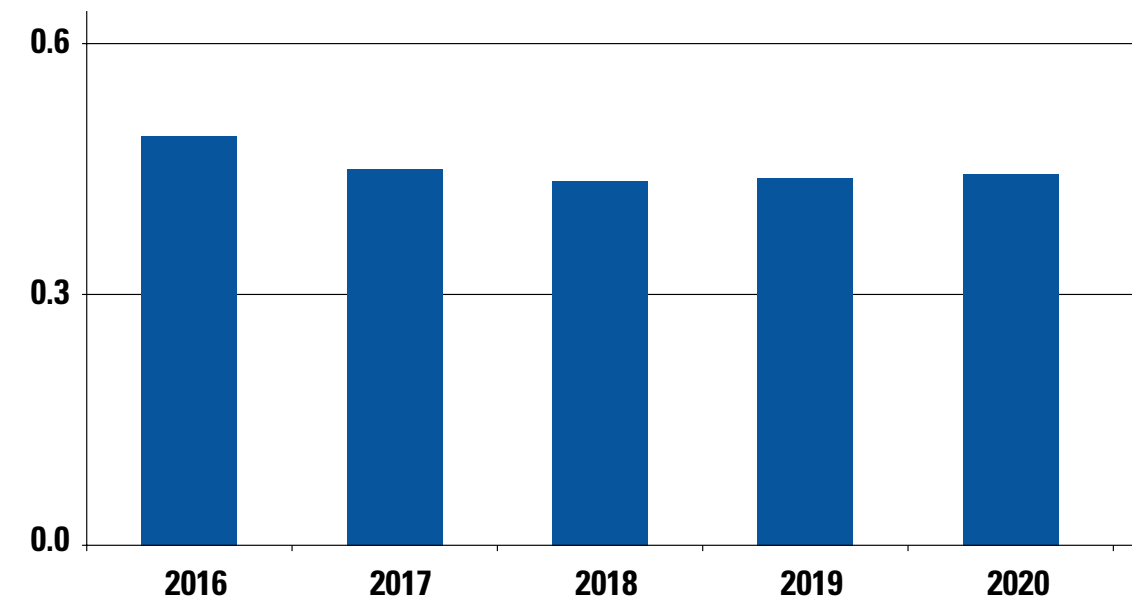
Water Stewardship

Water is an essential resource for everyone. In our business, water is used for steam generation, cooling and even incorporation into some of products. We track our net water use (water consumed or not returned to the original source, divided by our total production of products).

We continuously seek to reduce water usage in our plants throughout the world. For example, at our plant in Geismar, Louisiana, we are investing \$7 million into water recycling operations. In addition, we proactively seek to replace control valves and control steam leaks to improve efficiency and reduce water loss.

Through these efforts, we have achieved significant year-over-year reductions in water usage during the past six years. In 2020 alone, with the addition of new control valves, leak improvements, system modifications and upgrades we were able to save 31,889,182 gallons of water and coupled with broader efficiency efforts we reduced our total water usage rate by 4.38% from 2019 despite increased production and associated water intensity.

Water Use Rate
(gallons per pound production)



Products

Westlake Enhances Lives through its Products.



BUILDING & CONSTRUCTION

Our building and construction products — like our pipes and fittings, wallpaper, exteriors and roofing applications — strengthen the world's communities by supporting more durable and energy-efficient structures and beautifying the places we live, work and play. Our pipes made from PVC offer clean drinking water and are used to irrigate crops.



CONSUMER LIFESTYLES

Our products are found in a range of everyday solutions that help people live and work around the world. They are included in the dashboard in your car and the cardboard box delivered to your house.



NUTRITION AND HEALTHCARE

You'll find our products in food packaging from bread bags and cheese wrappers to meat containers and milk cartons that preserve the freshness of our food. Our products also play a key role in the medical devices that keep us healthy — from intravenous bags to dialysis machines. We contribute to the manufacturing of surgical gloves, syringes, and IV tubes that through their one-time use and high quality, help prevent the spread of disease and support the health of people around the world.

Advancing More Sustainable Products

Westlake products can be found everywhere and help enhance our lives every day by providing clean water, food-safe packaging and distribution, and promoting health. At Westlake, we believe chemicals and plastic products provide innovative solutions that improve our quality of life and contribute to a better world.

Given our feedstocks, such as the natural gas that powers our processes and the ethane used to make ethylene, remain primarily in the realm of hydrocarbons, we seek to source those with lower carbon intensity, and are examining alternatives, such as ethanol, in the research and development arena so we can be competitive now and in the future. We mostly derive our baseline products from natural gas liquids, especially ethane. We do not use naphtha, a heavier hydrocarbon, to produce ethylene. In these ways, we work to procure preferred inputs as much as possible.

Developing Solutions to Meet Customer Specifications

The COVID-19 pandemic posed the challenge to identify anti-viral, food-safe packaging solutions for customers, with the goal of uncovering how long the COVID-19 virus can survive on vinyl compound products. By conducting tests with the COVID-19 virus on material additives for automotive applications, Westlake discovered that its vinyl compound products are inherently anti-viral and did not present a meaningful vector for transmission.

Westlake is currently in the process of developing additional sustainable products that are not commercially available at this time. While the company's existing polyethylene resins help preserve food quality and avoid waste through packaging applications and polyvinyl chloride (PVC) products can already serve as a sustainable solution, considering the usage duration and recyclability of PVC products depending on application, Westlake customers have shown interest in solutions pertaining to specific sustainability goals around waste, recycled content, recyclability, water, and carbon footprint. The strategy for developing such sustainable solutions differs per product, with the most work to date occurring within building and construction materials.



PVC PIPES SUPPORT RESILIENCE OF COMMUNITIES

Aging infrastructure in many cities and towns are in need of replacement, such as extensive water and wastewater systems that could benefit from the long-standing durability and safety of PVC pipes. PVC, one of our key products, does not leech contaminants from pipe walls into water and its strength is ideal for providing reliable infrastructure long into the future. PVC pipes are the preferred material for new builds as well and water utility infrastructure, especially when replacing old metal pipes. To learn more about the life cycle assessment of PVC water and sewer pipes, see our partner third-party [verified report](#).

Sustainable Product Initiatives from Our Business Units



EACH STRATEGIC BUSINESS UNIT AIMS TO DEVELOP SUSTAINABLE PRODUCTS

Westlake's global sustainability strategy has been encouraged from the top-down, while being implemented from the bottom-up with each strategic business unit aiming to development sustainable products.

The new sustainable products will offer distinct features, which depending upon customers' needs and specifications, can include renewable feedstocks, recycled content, green power, and/or sustainable raw materials.

GREEN CAUSTIC SODA

Westlake's Vinnolit subsidiary brought to market in 2021 a first-of-its-kind low carbon caustic soda. Caustic soda is an essential ingredient for the production of many materials, ranging from detergents, construction materials, food packaging, pharmaceuticals and water treatments products. Vinnolit has been producing caustic soda in chlor-alkali electrolysis exclusively with the energy-saving and environmentally friendly membrane process since 2009. Since the central process step is electrified, power from renewable sources can be used to save CO₂ emissions by displacing fossil fuels. Vinnolit will offer third-party certified climate-friendly caustic soda utilizing renewable energy Guarantees of Origin (GOs). The

CO₂ footprint of this low-carbon caustic soda from the Gendorf and Knapsack (Hürth) sites — which was introduced to the market under the brand name "GreenVin" — is reduced by more than 30% compared to conventional Vinnolit caustic soda. The CO₂ footprint taken as a basis was calculated by sustainable AG in accordance with the ISO 14067 standard. Review and certification are carried out by our third-party auditing partner TÜV Rheinland. Due to the extensive use of caustic soda, this development presents a far-reaching opportunity for Westlake customers to enhance the sustainable qualities of their products.

POST-CONSUMER RESIN (PCR)



Westlake is developing solutions for customers to sustainably utilize PCR in producing many essential or important everyday materials, including food overwrap, medical packaging, retail bags, trash bag resin, PE milk carton coating and pallet-shrink wrap.

ONE-PELLET SOLUTION

The company is testing a one-pellet solution for its clients that will enable development of post-consumer resin (PCR) products without degrading the physical properties of the material. Westlake is currently in stage three trials of the one-pellet solution with several customers, with the trial process depending on each customers' specific application of the product.

BIO-BASED SOLUTIONS FOR BUILDING MATERIALS

In collaboration with vendors providing bio-based solutions with 25% bio-based content, Westlake has identified a bio-based plasticized PVC compound that can be incorporated into the production of electrical wire coating to improve flexibility.

ASPIRE VINYL™

Aspire Vinyl™ compounds are the market's first phthalate-free, bio-based compounds with improved performance at a price that is equal to its traditional non-sustainable counterparts. The Aspire Vinyl family of compounds contains more than 35% renewable content and is specifically designed to enable our customers to meet their sustainability, product performance, and economic goals without compromising product quality or processability.

Advancing Circular Economy Solutions

At Westlake, we proactively seek to innovate to advance a circular economy, which aims to keep resources in use for as long as possible to maximize their value. The opportunity for manufacturers like us is to develop technologies and other innovations to extend the useful life of finite resources, transforming what otherwise would be "waste" into production inputs.

Our circular economy solutions and initiatives focus on reusing and recycling materials throughout their value chain. Two areas of focus that offer the most potential for creating value are described below:



FEED STREAM UTILIZATION

We optimize our feedstock streams in the various chemical processes in our production trains. For example, by utilizing natural gas liquid streams, including ethane, we create economic and environmental value, and avoid use of more carbon-intense feedstocks used by competitors in some regions. Our ethylene, a primary building block for polyethylene (PE), is produced from ethane. From PE, we produce specialty polymers for a wide range of end-use applications, such as the building blocks for many medical products, as well as low density and linear low density polyethylene films that consumers see in everyday life, from the coating on milk cartons to other food packaging.

We also partner with the Materials Recovery for the Future (MRFF), which is an industry initiative spearheaded by the American Chemistry Council. MRFF is dedicated to advancing waste separation efforts and promoting process technology advancements in the recyclability of flexible packaging. Westlake has been an active member of the initiative since 2018. In addition to our support of MRFF waste stream reuse efforts in the Pennsylvania area, Westlake is partnering with the initiative and an Oklahoma-based extrusion company to research the use of difficult-to-recycle plastics in concrete.

PLASTIC RECYCLING AND REUSE

Vinnolit, a division of Westlake with five PVC and caustic soda plants in Germany, has partnered with 10 European organizations in the EU Circular Flooring Project, which aims to enable environmentally friendly recycling of post-consumer PVC floor coverings. The EU-funded consortium is developing an innovative plastic recycling process, CreaSolv, to separate PVC resins from plasticizers in used flooring, and create granules for re-use in new floor covering products. Vinnolit is providing expertise in polymer analytics and testing for evaluating the PVC recycle and potential use applications. We look forward to bringing this flooring solution and others to market over the next decade.



Product Innovations



CUSTOMER-DRIVEN INNOVATIONS

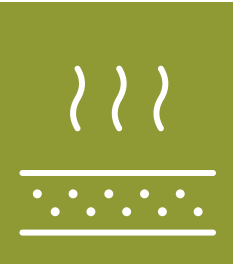
As discussed in the introduction of this chapter, Westlake's product innovations are guided and informed by specific customer needs. The development of and company's approach to new products depend upon how a customer will be using the material as well as the compounds utilized in its production. As most packaging has a shelf-life, Westlake identifies technical solutions that offer long-term value by developing products that can endure the environmental elements of the regions in which the product will be utilized, including temperature and humidity levels.

Customizable Engineered Solutions



EXTRACT PLASTICIZERS FOR REUSE:

The company has utilized a proprietary process to extract plasticizers from unusable items to be reused in a new product or compound.



REDUCE ODOR WHEN USING RECYCLED MATERIALS:

A large hurdle for the application of PCR is odor from residual contaminants, limiting the sustainable compound's use in certain client products.



INCORPORATE MORE BIODEGRADABLE ADDITIVES:

Westlake is researching the application of biodegradable additives in collaboration with suppliers.

VINYL INSTITUTE/ VINYL SUSTAINABILITY COUNCIL (VSC) AND +VANTAGE VINYL™ REVERIFICATION

Westlake received the +Vantage Vinyl™ verification, which is an industry-wide sustainability initiative sponsored by the Vinyl Sustainability Council (VSC) of the Vinyl Institute (VI) and supported by the vinyl product association. +Vantage Vinyl applies across the entire value chain, with the goal of advancing the U.S. vinyl industry's contribution to sustainable development in line with the UN's SDGs. We are honored to have qualified to participate in this initiative, which validates our sustainability journey.

PARTNERING WITH FLEXIBLE PACKAGING ASSOCIATION

Westlake is a member of the Flexible Packaging Association, the leading advocate for the growing U.S. flexible packaging industry. The association is comprised of manufacturers and suppliers of flexible packaging.

Flexible packaging is a sustainable packaging solution that requires less water and energy to manufacture and transport and generates smaller amounts of greenhouse gases. Westlake is a member of about 200 organizations that provide a voice for the chemical, manufacturing, and refining industries. We review these memberships annually to assess their business value and alignment with our policies and priorities. The Director of Government Relations has oversight over memberships in Westlake's global trade associations.

While we may not always agree with the positions taken by associations that we are members of, these memberships provide us a forum to voice our concerns, perspectives and positions on proposed legislation and regulations.

The following is a partial list of the industry associations in which we are engaged:

The Vinyl Institute (U.S., Canada)	European Council of Vinyl Manufacturers (ECVM)	Plastics Industry Association
Alliance to End Plastic Waste	Euro Chlor	Uni-Bell PVC Pipe Association
American Fuel & Petrochemical Manufacturers	PlasticsEurope	US Chamber of Commerce
		The Chlorine Institute



People

Our Employees Are Our Extended Family



At its heart, Westlake is a family business. We have been a public company for 27 years, but we still think of our employees as members of our extended family. Above all else, we support and value our people. We deliberately put their health and safety first and foremost among our priorities. No job is so urgent that our people cannot work safely.

Our family-focused perspective also means we respect each and every one of our employees. We value the integrity, creativity, dedication and diversity of ideas that they bring to work every day. Our efforts to deliver quality and sustainable products to global customers stem from this respect for our people, for our communities, and for the planet that supports us all.

Our Drive to Zero

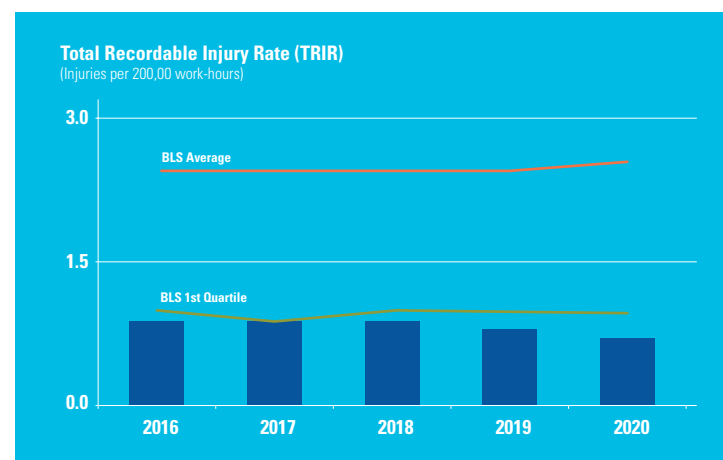
Westlake is committed to ensuring our operations and people are kept safe in all plants. Our focus on safety starts at the top, with our Board of Directors. At every Board meeting, safety is a key performance indicator (KPI) that is reported on and discussed.

Due to Westlake's heavy emphasis on manufacturing, our Health, Safety and Environment (HSE) team is of paramount importance to the company and guides our employee training and daily business operations. HSE plays a pivotal role in overseeing all related policy protections, risk identification and other aspects of our business — to keep our people healthy and safe. This is non-negotiable.

Health and safety efforts are an important part of daily life at our plants. As a company, Westlake is always striving to identify, monitor and address risks. We have set procedures in place that protect employee health when handling materials that pose a health threat. Shipments of both raw materials and finished products are continuously flowing through our facilities, and we are dedicated to ensuring the handling of materials meets safety and regulatory requirements.

Our safety efforts translate into an overall injury rate that is below the industry average. Our safety record consistently ranks Westlake in the top quartile or 25% of performance for our industry categories.

We held our Days Away, Restricted and Transfer (DART) rate flat and reduced our Total Recordable Injury rate by 13% YoY from 2019 to 2020. This low injury rate was achieved through Westlake's commitment to safety procedures and mitigation of operational concerns.



TAKING EXTRA CARE OF OUR EMPLOYEES DURING COVID-19

In response to COVID-19, we adopted many additional safeguards to keep employees safe at work, including social distancing in control rooms and regular use of Personal Protective Equipment (PPE). We took the opportunity to create new protocols that we plan to retain post-pandemic, such as safety audits of plant operations guided by one employee with a helmet camera rather than a group of colleagues walking together in tight spaces.

There was another important way that we protected our people in response to COVID-19. We kept their jobs safe. For part of 2020, we saw a short-term decline in demand for our products and rather than lay anyone off during this downturn period, we assigned them to temporary roles. When demand returned, we confidently picked up operations, enabling our extended family of employees to transition back to their regular jobs.



Empowering Youth and Women Through Education

Westlake believes strongly in the importance of education. 2021 was the 25th consecutive year that Westlake awarded scholarships to students of employees in North America, where our largest employee base is concentrated. Ninety-eight college-bound students of employees in the United States and Canada are receiving scholarships to support their higher education beginning in the fall of 2021.

We specifically recognize the importance of education in science, technology, engineering, art and math (STEAM). The success of our business, like that of other manufacturing businesses, depends heavily upon people with technical expertise in the STEAM fields. Unfortunately, women have historically been underrepresented in the manufacturing sector. We are acutely aware of this and, therefore, actively looking to increase the number of women we employ at our plants. As part of this effort, Westlake supports STEAM programs in our communities and provides related support to people who identify as women in the STEAM fields, in order to support their personal and professional growth.



Diversity, Equity and Inclusion (DEI)

Westlake recognizes that a diverse workforce is critical to our business success and providing solutions for our customers. We encourage all employees to bring their integrity, creativity, dedication and diverse perspectives to the table to result in better decisions and more creative solutions. We come from many different backgrounds and have had many different life experiences. This diversity is what makes us strong. We honor each other by maintaining a community where all feel accepted, respected and safe. There is no place for racism or intolerance at Westlake — or in the world.

As an AAPI-owned business, we feel a special commitment to ensuring that Westlake proactively offers opportunities for Black, Indigenous and People of Color (BIPOC), members of the LGBTQIA+, disability and veteran communities to join our company and to succeed as members of our team. As of the end of 2020, 18.6% of our North American employees self-identified as BIPOC. Although we do not collect demographic data in our European and Asian operations, we know that we are a diverse, multinational company.

10-STEP DIVERSITY ACTION PLAN

To further the company's goals towards diversity, equity and inclusion, Westlake has created a 10-step diversity action plan, which is designed to help us to become an even more inclusive place to work. In 2020, Westlake began to outline this plan.

Every day, we strive to provide a more inclusive environment for all members of our Westlake family at our plants across the world. We are highlighting our new 10-step plan, so that all of our employees see that we take DEI very seriously and are doing what is needed and appropriate.

- | | |
|---|--|
| <p>01 Set goals by location for gender and minority employees by position level and provide action plans</p> | <p>06 Create company-wide programs based on best practice review and location action plans</p> |
| <p>02 Update executives regarding board discussion, direction and commitments</p> | <p>07 Quarterly talent management meetings informed by monthly reports on workforce diversity</p> |
| <p>03 Enact diversity goals for executives</p> | <p>08 Gather peer best practices</p> |
| <p>04 Track and report hiring results</p> | <p>09 Determine approach to diversity outside the U.S.</p> |
| <p>05 Determine method to measure collective results</p> | <p>10 Address compensation levels and practices from diversity perspective</p> |

Training and Professional Development

Westlake's employee training and professional development program is expansive, with an emphasis on safety, compliance with company policies, and professional growth. Our training is offered in multiple languages to support our employees across the globe, and much of it is web-based so that, taking into account COVID-related adjustments in our business, remote employees can access it safely from their homes.

In terms of safety training, we provide technical training on the use of all plant equipment and other aspects of plant operations to ensure that our employees know how to keep themselves and others safe. We also have a number of certifications we support our employees achieving, such as Six Sigma.

IN 2020, 142,693 HOURS WERE SPENT ON TECHNICAL TRAINING, FOCUSING ON OPERATIONS, MAINTENANCE AND TECHNICAL ASPECTS OF EACH OF OUR PLANTS.

These training hours spanned across a variety of categories, including operational and safety training, to ensure employees know how to safely and properly operate equipment within our plants.

IN 2020, 38,698 HOURS WERE SPENT ON TRAINING OUR CORPORATE LEVEL MANAGEMENT, PROFESSIONALS AND ADMINISTRATIVE STAFF ON JOB SPECIFIC TOPICS AS WELL AS SEXUAL HARASSMENT, OUR GLOBAL CODE OF CONDUCT, AND ANTITRUST LAW REQUIREMENTS.

Last but not least, Westlake offers business and professional development training to our employees. These trainings help boost both computer skills as well as soft skills, including communication, teamwork and time management. In conjunction with technical training, we believe that the non-technical training helps to create well-rounded employees.

Supporting Employees at All Stages of Their Careers

Through our employee resource groups (called Affinity Groups), we provide our people with valuable opportunities to build community and to support one another. Two very active Affinity Groups are our Women of Westlake Leadership Group in Houston, Texas, and our Young Engineers Group in Lake Charles, Louisiana (for employees under age 30). These groups foster professional development and recognize the accomplishments of their peers, while also offering an open forum for discussion and support.

engaged and qualified to keep pace of expected retirements of the more experienced segments of our workforce.

At the same time, Westlake is very proud of our long-tenured workers — those who have been part of our extended family for years. Under our Service Awards Program, we celebrate them and recognize their years of service. We show our appreciation for their contributions to our team, customers and business every five years.

Because the bulk of our global workforce is above 30 years of age, we are keenly focused on providing development opportunities to support our younger employees. We want to ensure that our younger talent is fully

Community

We support our communities — where we live, work and play — through investments of our time and financial resources, and by being prepared for possible situations that could impact our communities. Our objective is to maintain the feeling of our family organization by uplifting and supporting our local communities.

Community Engagement and Support

GIVING BACK TO OUR COMMUNITIES HAS BEEN A PASSION OF WESTLAKE'S SINCE THE BEGINNING. WHEN DISASTER STRIKES, WESTLAKE IS AMONG THE FIRST TO ANSWER THE CALL OF THOSE IN NEED, PARTICULARLY WHEN IT COMES FROM OUR EMPLOYEES.

In 2020, when Hurricanes Laura and Delta ripped the Gulf Coast and impacted the Lake Charles, Louisiana, area within a short period of time, Westlake made personal phone calls to each of our employees to ensure they were safe and had access to shelter, food and water. We also provided interest-free loans to employees who suffered hurricane damages to their homes, generators, food, water, portable air conditioning units and roof tarps. In addition, Westlake employees, leaders, directors and customers from around the world donated to a GoFundMe fundraiser created to financially assist employees impacted on the ground.

Westlake and the Ting Tsung and Wei Fong Chao Foundation also supported the United Way's local emergency relief fund. The family atmosphere of Westlake shined through, and the company did everything in its power to ensure that all employees and their families were safe, warm, fed, accounted for and where we could, we also supported employees as they moved to rebuild and repair.

Our support takes many forms, depending upon what is needed most — from philanthropy dollars to donations of goods, and employee volunteering and charitable contributions.

Philanthropy

EDUCATION INVESTMENT AT MCNEESE STATE UNIVERSITY

Westlake supports the advancement of education for students at McNeese State University in Lake Charles. In 2020, Westlake donated \$15,000 to the College of Science, Engineering and Mathematics to go towards the engineering student study center. Westlake also donated 2,500 cloth face masks to the college for students and faculty to use to protect themselves against COVID-19.

ADDITIONAL SUPPORT DURING COVID-19

Especially in the past year, amidst the COVID-19 pandemic, we felt a drive to do all that we could to address the needs of our communities. We donated more than 23,600 N95 masks to local hospitals and emergency rooms. Our plants that had N95 masks donated them to their local hospitals and emergency rooms to protect those who were fighting COVID-19 on the frontlines. And, knowing that members of our leadership team are actively involved with hospitals in the Texas Medical Center, such as M.D. Anderson and Methodist Hospital, we leveraged those relationships to gather masks for a direct donation to healthcare workers that were in short supply. Westlake also helped procure additional masks and PPE supplies, and donated them to local hospitals and emergency rooms in need.



In addition to PPE donations, Westlake also provided financial contributions to communities in need around the world:

\$1 MILLION
to the Greater Houston
COVID-19 Recovery Fund

\$85,000
to the Red Cross in Northern Italy,
where we have a vinyl compound
operation north of Milan

\$500,000
to the United Way in Southwest
Louisiana's Hurricane Laura
Disaster Fund

EMPLOYEE VOLUNTEERING AND CHARITABLE CONTRIBUTIONS

Since 2016, Westlake employees across the globe volunteer their time to making a positive difference in their communities during Global Service Month each April. Alongside their family and friends, Westlake 3,000 employees volunteered a total of 10,000 hours during 2019 (due to the Covid-19 pandemic, this activity was suspended in 2020).



In addition, each year, Westlake's North American employees participate in local campaigns to support the United Way's mission of building stronger communities. In 2020, employees in Houston made donations totaling over \$310,000. The employee contributions to the United Way Southwest Louisiana exceeded \$950,000, making it the largest employee drive in the region. Employees in Kentucky, Louisiana, Mississippi, Texas and West Virginia donated \$1.4 million to the United Way or equivalent agencies in 2020.

HEALTHY ECOSYSTEMS

Westlake values the environment and communities in which we operate and, therefore, actively seeks to preserve and enhance fragile ecosystems in our regions. These efforts include the safeguards that we follow in the course of operating our business — safeguards including temporary plant shutdowns ahead of inclement weather and safer chemicals management.



One of our key partners is Operation Clean Sweep®, which is an international program designed to prevent resin, pellet, flake and powder loss, and keep pellets, flakes and powder out the marine environment. Westlake's North American and European operations have worked actively with Operation Clean Sweep since 2013. Together, we are working to achieve "zero pellet loss" outside of containment by avoiding spills, containing spills and/or cleaning up spills quickly if they occur.

As a result of our participation in Operation Clean Sweep and plastic handling best practices shared across our operations, Westlake reported 0 pounds of plastic powder, pellet or flake losses according to the Operation Clean Sweep Blue metric reporting requirement in 2020. This was accomplished while producing nearly 8 billion pounds of plastic materials and recovering for recycle in excess of 67 million pounds. Our plants have robust separation and recovery systems to prevent plastics from leaving our sites. These systems allow us to up-cycle these recovered products into markets where they become parts of useful products and not enter our waterways and landfills.

Preventing spills inside our plants is the first step in minimizing powder, pellet or flake loss. Employees are trained on proper housekeeping procedures as well as provide feedback on process design changes that minimize losses. Our transportation partners are also an important part of this process and are trained in spilled prevention techniques and best practices such as loading/unloading.



Lake Charles, Louisiana Wetlands Planting



At Westlake, our employees bear witness to how we support healthy ecosystems, such as these images taken by Bill Goulet, principal environmental engineer.



Stemming from a remediation project that began in 2015, over 175 acres of wetlands have been protected with the addition of approximately 120,000 native erosion-control smooth cordgrass plantings that were sustainably harvested and transplanted by hand in Bayou d'Inde in Lake Charles, Louisiana. Some 1.8 billion pounds of soil were added to reach a sediment elevation where plants would survive. These wetlands protect fragile coastlines from extreme weather events and are now home to several animal species, such as the burrowing owl, painted bunting, wood ducks and the brown pelican. We are proud to be engaged in projects that protect our communities and make them better than we found them.

Appendix

ENVIRONMENTAL DATA

	2020	2019	2018	2017	2016
Scope 1 GHG Emissions (tons)	6,870,050	7,737,260	7,333,186	7,383,909	7,910,023
Scope 2 GHG Emissions (tons)	2,745,670	2,753,766	3,383,889	3,159,373	2,625,204
Total Scope 1 & 2 (tons)	9,615,720	10,491,026	10,717,075	10,543,282	10,535,227
Total Energy (MMBTUs)	187,905,211	183,167,929	190,086,882	188,658,707	181,449,780
Total SO_x (tons)	59	47	60	57	2,603
Total NO_x (tons)	7,860	9,252	8,982	9,170	11,012
Total HAPs (tons)	624	607	753	709	772
Total Water (MM gal)	17,277	18,068	18,228	17,503	18,220
Non-Hazardous Waste (tons)	47,410	139,844			
Hazardous Waste (tons)	40,206	88,743			
Total Waste (tons)	87,616	228,587			

SASB DISCLOSURES

TOPIC	ACCOUNTING METRIC	PAGE NUMBER	CODE
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Page 16 & 42	RT-CH-110a.1
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Not reported	RT-CH-110a.2
Air Quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Page 24, TBC VOCs	RT-CH-120a.1
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Page 25 & 42 TBC % grid, % self-generated, & % renewable	RT-CH-130a.1
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Page 42, TBC total water withdrawn, % water in regions with high water stress	RT-CH-140a.1
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	TBC # of incidents of non-compliance related to water	RT-CH-140a.2
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Page 27 & 40, TBC other water management risks & mitigation	RT-CH-140a.3
Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled	Page 42, TBC % recycled	RT-CH-150a.1
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	Page 38-41	RT-CH-210a.1
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Page 34, TBC fatality rate for direct and contract employees	RT-CH-320a.1
	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Page 23, TBC additional effort	RT-CH-320a.2
Product Design for Use-phase Efficiency	Revenue from products designed for use-phase resource efficiency	Not reported	RT-CH-410a.1
Safety & Environmental Stewardship of Chemicals	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	% GHS Category 1 & 2 Substances TBC and % undergone hazard assessment	RT-CH-410b.1
	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	TBC strategy to manage chemicals of concern and develop preferable/safer alternatives	RT-CH-410b.2
Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	0%	RT-CH-410c.1
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Page 33, TBC if plan to disclose specific positions	RT-CH-530a.1
Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Page 23, TBC PSIC Count, PSTIR rate, and PSISR rate	RT-CH-540a.1
	Number of transport incidents	Page 17, TBC # of transport incidents	RT-CH-540a.2
Activity Metrics	Production by reportable segment	Not reported	RT-CH-000A





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