

WESTLAKE CHEMICAL CORPORATION

PRINCIPLES OF CORPORATE GOVERNANCE

Revised effective as of January 5, 2018

INTRODUCTION

The Board of Directors represents the interests of Westlake's shareholders in perpetuating a successful business. It is the responsibility of the Board of Directors to provide guidance to management and to actively monitor the effectiveness of management's policies and decisions, including the execution of its strategies, with a view towards enhancing shareholder value over the long term. These Principles of Corporate Governance reflect the Board's commitment to regularly monitoring policies and decisions at the Board, Committee and management levels, with a view to enhancing the long-term value of the Company.

BOARD MEMBERSHIP

1. **SIZE OF THE BOARD**

The Company's Amended and Restated Certificate of Incorporation provides that the Board of Directors will consist of a number of directors that will be not less than one nor more than 15. Subject to the foregoing, the Board believes that establishing and maintaining an effective working relationship among Board members and ensuring the selection of the most outstanding candidates as new Directors is more important than achieving any specified Board size. Therefore, the Board intends that any changes in the size of its membership will be made in a manner consistent with these objectives.

2. **COMPOSITION**

Because the Company is considered to be controlled by one stockholder under New York Stock Exchange rules, the Company is eligible for exemptions from provisions of these rules requiring a majority of independent directors, Nominating and Governance and Compensation Committees composed entirely of independent directors, and written charters addressing specified matters. The Company has elected to take advantage of certain of these exemptions. In the event that the Company ceases to be a controlled company within the meaning of the rules, the Company will be required to comply with these provisions after the specified transition periods.

Currently, seven members of the Board are independent. All members of the Audit Committee are independent directors. The Company has a Nominating and Governance Committee, a Compensation Committee, and a Corporate Risk Committee, the chairman of each of which is an independent director. The Company has adopted written charters for all four of such Committees. The Company intends to maintain the foregoing arrangements for the foreseeable future.

All independent members of the Board must satisfy the definition of "independent director" contained in the New York Stock Exchange Corporate Governance Rules approved by the Securities and Exchange Commission on June 30, 2003, and November 4, 2003, as codified in Section 303A of the NYSE's Listed Company Manual, as such may be amended from time to time. In addition, all members of the Audit Committee must meet the independence standards specified in Rule 10A-3 promulgated under the Securities Exchange Act of 1934, as such rule may be amended from time to time.

Furthermore, (a) each member of the Company's Audit Committee must be financially literate and (b) at least one member of the Audit Committee must have accounting or related financial management expertise and qualify as an "audit committee financial expert." For purposes of (b) above, the Board will consider any Audit Committee member

who satisfies the Securities and Exchange Commission's definition of "audit committee financial expert" to have accounting or related financial management expertise.

The Company's annual proxy statement will disclose whether the independent Directors meet the categorical standards for independence set forth above, which include the specific requirements with respect to Audit Committee members set forth above. Each of these standards will be interpreted and applied by the Board in its business judgment and in a manner consistent with applicable New York Stock Exchange and Securities and Exchange Commission guidance.

3. **MEMBERSHIP CRITERIA**

The Nominating and Governance Committee is responsible for reviewing with the Board, on at least an annual basis, the need for new members and the appropriate skills and characteristics required of potential new Board members in the context of the current make-up of the Board.

4. **SELECTION OF NEW MEMBERS**

The Board is responsible for selecting its own members and for recommending them for election by the shareholders. Any Director may propose a candidate for consideration consistent with the above-described criteria. Any shareholder may nominate a candidate in accordance with the procedures set forth in the Company's By-Laws. The Board has delegated the search process to the Nominating and Governance Committee. The Company will establish and maintain an orientation process for new Directors that includes background materials and meetings with senior management, and which may include visits to Company facilities.

5. **CONTINUING EDUCATION**

Although the Company does not mandate a specific level of continuing education for Board members, the Company is supportive of and will reimburse Directors for any usual and customary registration fees and related expenses associated with Director continuing education courses pertaining to corporate governance.

6. **MULTIPLE BOARD MEMBERSHIPS**

Directors are encouraged to limit the number of other boards on which they serve, taking into account potential board meeting attendance, participation and effectiveness of the various boards. Directors also should advise the Chairman of the Board and the Chairman of the Nominating and Governance Committee in advance of accepting an invitation to serve on another board so that the Board can continue to monitor its ongoing independence and effectiveness.

BOARD TERMS AND COMPENSATION

1. **RETIREMENT AGE**

No person who has reached 75 years of age should be elected or re-elected a Director at the annual stockholders' meeting or other time when he is to be elected or when his term is up for re-election. If this limit would apply in a particular case, and the individual in question wishes to serve or continue serving on the Board, the Nominating and Governance Committee will review the matter and can recommend to the Board that the individual be nominated as a director, and the Board in its discretion may waive the age limit and nominate the individual to serve as a director.

2. **TERM LIMITS**

The Board does not believe that it should establish term limits. As an alternative to term limits, the Nominating and Governance Committee will review at the end of each Director's term such Director's continuation on the Board and consult with each Director and confirm his or her desire to continue as a member of the Board.

3. **CHANGE OF STATUS**

The Board does not believe that Directors who retire or change the job responsibilities they held when last elected to the Board should necessarily leave the Board. However, upon such event, the Director should notify the Chairman of the Board and the chairman of the Nominating and Governance Committee and submit a written offer to resign from the Board so that the Chairman of the Board and such Committee will have the opportunity to review the continued appropriateness of Board membership of the Director.

4. **COMPENSATION**

Directors who are employees of the Company will not receive additional compensation for their service as Directors.

The Board believes that compensation of non-employee Directors should be competitive with non-employee Director compensation paid by other comparable companies and that equity or equity-based components should comprise a portion of Director compensation to encourage increased alignment with shareholders.

MEETING PROCEDURES

1. **AGENDAS**

The Chairman of the Board and the President and Chief Executive Officer will establish the agenda for each Board meeting. Any Board member may request the inclusion of a matter on any agenda.

2. **DISTRIBUTION AND REVIEW OF MATERIALS**

Background information and data that are important to the Board's and each Committee's understanding of the matters to come before it will be distributed to the Board or the Committee approximately one week prior to each regular meeting. As a matter of practice, management will endeavor to include summaries of lengthy materials in the distribution. Board members are expected to review the distributed materials before the relevant meeting.

3. **ATTENDANCE**

Directors are expected to attend all or substantially all of the Board meetings and meetings of the Committees of the Board on which they serve. The Company plans to have at least four Board meetings per year, in addition to the annual stockholders' meeting (which the Directors will attend) and any special meetings of the Board. Directors should attend meetings in person where possible. However, attendance via teleconference or videoconference may be acceptable for up to two regularly scheduled meetings of the Board or Committee per year.

It is anticipated that certain officers of the Company will regularly attend portions of the Board and Committee meetings. The President and Chief Executive Officer may, from time to time, bring other individuals into the Board or Committee meeting who can provide additional insight into the matters being discussed and/or have future potential and should be given exposure to the Board.

4. **EXECUTIVE SESSIONS**

The non-employee Directors of the Board (including any non-employee Directors who the Board has determined are not independent) will meet in regularly scheduled Executive Session without management. The Chairman of the Board will preside at all Executive Sessions. If the Chairman of the Board is absent or is an employee of the Company, the non-employee Directors will choose one of themselves to preside at these Executive Sessions.

At least once a year, the independent members of the Board will hold a separate Executive Session that includes only independent directors. The independent directors will choose one among themselves to chair these sessions.

COMMITTEE MATTERS

1. COMMITTEE STRUCTURE

The Board currently has four standing Committees: Audit, Compensation, Nominating and Governance, and Corporate Risk. From time to time there may be occasions in which the Board may want to form a new Committee or disband a current Committee, depending upon the circumstances. The charter of each such new Committee will be developed by the Committee and recommended to the full Board for approval.

2. COMMITTEE ASSIGNMENTS

The Nominating and Governance Committee is responsible, with consideration for the desires of individual Directors, for recommending to the Board the assignment of Board members to various Committees (including Committee chairs). The Nominating and Governance Committee also will recommend to the Board the Directors to fill any vacancies on the Committees. The Board may remove a member from membership on any Committee at any time, with or without cause.

3. COMMITTEE PROCEDURES

Subject to the provisions of the relevant Committee charter, the chairman of the Committee, in consultation with the appropriate members of management and input from Committee members, will develop the Committee's procedures and agenda. Generally, each Committee will issue a schedule of agenda subjects to be discussed for the ensuing year at the beginning of each year (to the degree these can be foreseen). This forward agenda will also be shared with the Board.

BOARD PERFORMANCE ASSESSMENT

The Board will conduct an annual self-evaluation to determine whether it, its Committees, and individual directors are functioning effectively. The Nominating and Governance Committee is responsible for establishing the evaluation criteria and implementing the process for the evaluation. Based on the results of the evaluation, the Nominating and Governance Committee will report annually to the Board on the performance of the Board, each Committee, and individual directors, including areas where a greater contribution to Board and/or Committee effectiveness can be made. These assessments should be of the contributions of the Board and the Committees as a whole and of individual directors and should specifically review areas in which the Board members and/or the management believe a better contribution could be made.

MANAGEMENT SUCCESSION AND DEVELOPMENT

The President and Chief Executive Officer will make an annual report to the Compensation Committee on succession planning and management development for all officers of the Company. After review by the Compensation Committee, the report will be shared with the full Board.

In addition to a long-term succession plan and report on management development, the annual succession-planning report from the President and Chief Executive Officer will include a short-term succession plan outlining a temporary delegation of authority to certain officers of the Company in case all or a portion of the Company's senior officers should unexpectedly become unable to perform their duties. The short-term succession plan will be in effect until the Board has the opportunity to consider the situation and take action. The short-term succession plan will be updated as needed and provided to the Compensation Committee and the Board.

ACCESS TO MANAGEMENT AND ADVISORS

Board members have complete access to members of management, subject to reasonable efforts to avoid disruption of the Company's management, business and operations. The Board may establish a protocol to govern such access. In addition, the Board of Directors and each Committee of the Board has access to such independent advisors as it

determines is necessary and appropriate from time to time. Subject to general legal and regulatory requirements and the specific provisions of individual Committee charters, the Company will provide such funding as the Board or Committee determines is reasonably necessary for payment of usual and customary compensation to any counsel or other advisors employed by the Board or Committee.

CORPORATE COMMUNICATIONS

Members of the Board should not, as such, act as spokespersons of the Company. If a Board member receives a request for information or to offer comments about the Company, that member should direct the request to the Chief Financial Officer, in the case of investors, and to the Senior Vice President – Administration, in the case of the media. If a Board member is requested to give a presentation or to appear on a panel where the Company is or may be a topic, that Board member should contact the President and Chief Executive Officer and the Senior Vice President – Administration for guidance in advance of the event. The same principle applies to any publication of which the Board member is the author or a co-author relating to the Company. In any event, no Board member should divulge non-public information about the Company.