



Westlake Corporation

Fourth Quarter 2021
Earnings Presentation

February 22, 2022



Westlake Corporation 2021 Highlights

2021 Financial Results

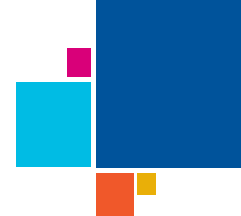
	 Sales:	 Net income:	 Earnings per share:	 EBITDA:
Q4 2021	\$3.5 Billion	\$644 Million	\$4.98	\$1.1 Billion
2021	\$11.8 Billion	\$2.0 Billion	\$15.58	\$3.7 Billion

Business Highlights

- Record fourth quarter and full-year 2021 results for sales, net income and EBITDA
- Re-segmentation of business to provide greater clarity and enhanced reporting of all businesses
- Housing and Infrastructure Products segment EBITDA of \$534 million for 2021
- Performance and Essential Materials segment EBITDA of \$3,247 million for 2021
- Announce \$3.8 billion of acquisitions transforming business mix and company profile
- Establish 2030 sustainability goal to reduce CO₂ intensity of operations by 20% with a 2016 baseline



Reconciliations of EBITDA to the applicable GAAP measures can be found on pages 14 and 15.



Re-segmentation to Provide Greater Clarity

Re-segmentation provides transparency for the Housing and Infrastructure Products segment (“HIP”) and the Performance and Essential Materials segment (“PEM”).

New Segmentation

Performance and Essential Materials

Performance Materials

- Westlake North American Vinyls
- Westlake Polyethylene
- Westlake Epoxy

Essential Materials

- Westlake North American Chlor-alkali & Derivatives
- Westlake European & Asian Chlorovinyls
- Westlake Olefins

Housing and Infrastructure Products

Housing Products

- Westlake Royal Building Products
- Westlake Pipe and Fittings – residential
- Westlake Global Compounds – residential
- Westlake Dimex

Infrastructure Products

- Westlake Pipe and Fittings – infrastructure
- Westlake Global Compounds – infrastructure

Year End
2021

Westlake Corporation

Net external sales	\$11,778
Income from operations	\$2,800
Net income	\$2,015
EBITDA	\$3,693
EBITDA margin	31%

Performance and Essential Materials Segment

Net external sales	\$8,670
Income from operations	\$2,549
EBITDA	\$3,247
EBITDA margin	37%

Housing and Infrastructure Products Segment

Net external sales	\$3,108
Income from operations	\$356
EBITDA	\$534
EBITDA margin	17%





Advancing Sustainability

Westlake Sets 2030 Carbon Dioxide Reduction Goal

Westlake has set a goal of reducing Scope 1 and Scope 2 CO₂ emissions rate¹ by 20% by 2030. To achieve this goal, Westlake will act to reduce the carbon intensity of operations by focusing on the optimal feedstocks for energy as well as manufacturing processes.



Sustainability Governance

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 Committee’s scope of responsibilities include environmental, health and safety, social responsibilities

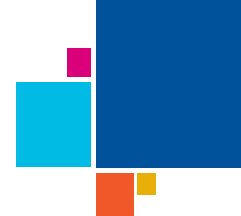
Westlake has an executive level role, Vice President — Sustainability, providing oversight and coordination to the many ESG activities being done on an enterprise basis across Westlake and is responsible for ensuring that we deliver on goals and targets that we set.



(1) Scope 1 and Scope 2 CO₂ emissions per ton of production against a 2016 baseline

Westlake Corporation Performance

Fourth Quarter and Full Year 2021



(\$ in millions)	4Q 2021	3Q 2021	4Q 2021 vs. 3Q 2021	4Q 2020	4Q 2021 vs. 4Q 2020	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020
Sales	\$3,507	\$3,055	15%	\$1,965	78%	\$11,778	\$7,504	57%
Operating Income	\$873	\$861	1%	\$178	390%	\$2,800	\$429	553%
Net Income	\$644	\$607	6%	\$113	470%	\$2,015	\$330	511%
<i>Housing and Infrastructure Products EBITDA</i>	\$162	\$137	18%	\$99	64%	\$534	\$388	38%
<i>Performance and Essential Materials EBITDA</i>	\$997	\$946	5%	\$314	218%	\$3,247	\$898	262%
<i>Corporate EBITDA</i>	(\$28)	(\$6)	-	(\$27)	-	(\$88)	(\$40)	-
EBITDA¹	\$1,131	\$1,077	5%	\$386	193%	\$3,693	\$1,246	196%

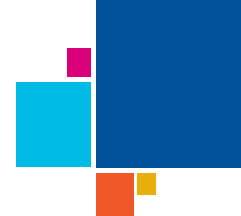
A Record Year for Westlake

- + Continuing global economic expansion resulted in strong markets for our products and businesses, contributing to solid margins
- + Westlake's leading market positions and integration captures the value chain margins across our businesses
- + Through innovation, Westlake provides differentiated specialty products and solutions
 - Record annual net sales of \$11.8 billion, a 57% increase vs. 2020 net sales
 - Record annual net income of \$2.0 billion, a 511% increase vs. 2020 net income
 - Record annual EBITDA of \$3.7 billion, a 196% increase vs. 2020 EBITDA



(1) Reconciliations of EBITDA, Housing and Infrastructure Products EBITDA, Performance and Essential Materials EBITDA and Corporate EBITDA to the applicable GAAP measures can be found on pages 14 and 15

Housing and Infrastructure Products (“HIP”) Segment Performance



(\$ in millions)	4Q 2021	3Q 2021	4Q 2021 vs. 3Q 2021	4Q 2020	4Q 2021 vs. 4Q 2020	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020
Housing Products Sales	\$843	\$536	57%	\$390	116%	\$2,334	\$1,497	56%
Infrastructure Products Sales	\$204	\$197	4%	\$142	44%	\$774	\$542	43%
Total HIP Sales	\$1,047	\$733	43%	\$532	97%	\$3,108	\$2,039	52%
Operating Income	\$86	\$103	(17%)	\$65	32%	\$356	\$256	39%
EBITDA	\$162	\$137	18%	\$99	64%	\$534	\$388	38%

- + With demographics driving household formation, paired with underbuilding of homes since the 2007- 2009 recession, led to a significant deficit in available homes. Undersupply of housing drives strong building, repair and remodeling and infrastructure fundamentals
- + Anchored by robust demand in U.S., repair and remodeling activity and the highest level of residential construction starts in over a decade, Westlake’s HIP business benefited from these macro trends

HIP Segment
4Q 2021 vs. 3Q 2021

Average Sales Price	Volume
+10.9%	+31.7%

HIP Segment
4Q 2021 vs. 4Q 2020

Average Sales Price	Volume
+46.7%	+50.0%



(1) Reconciliations of EBITDA to the applicable GAAP measure can be found on page 15



Housing and Infrastructure Products Overview

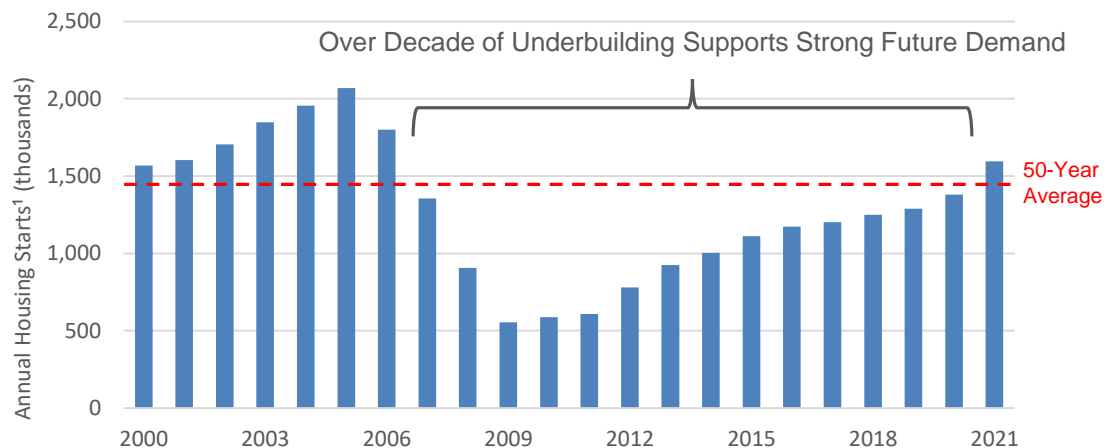


Segment Commentary

- Leading market positions with well-established high value brands to serve the residential repair and remodeling and new construction markets
- With a strong correlation between housing starts and building products, Westlake is well situated to benefit from this continuing trend
- Westlake Dimex serves demand for sustainable consumer products

Industry Outlook

- Favorable demographics with increasing percentage of the U.S. population to be in household formation years
- Residential construction drives associated demand for infrastructure products
- Underbuilding of home and associated lack of supply drives repair and remodeling spending to meet housing deficit



(1) Not seasonally adjusted monthly total residential starts (source: U.S. Census Bureau)

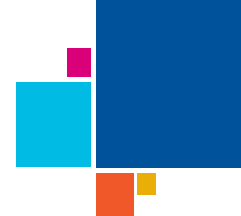


Westlake's Leading Portfolio of Housing Products

Building a Leading Brand

- Westlake's leading portfolio of brands provide broad range of products to serve residential customers
- Westlake Royal Building Products provides residential siding, trim and molding, stone, roofing and window through a number of industry-leading brands to offer a full compliment of interior and exterior resources for the home
- Westlake Dimex offers a variety of consumer products including top quality brands No-Dig Landscape Edging® MotionTex® Fitness Equipment Mats, and GrillTex® Under the Grill Protective Deck and Patio Mats





Performance and Essential Materials (“PEM”) Segment Performance

(\$ in millions)	4Q 2021	3Q 2021	4Q 2021 vs. 3Q 2021	4Q 2020	4Q 2021 vs. 4Q 2020	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020
Performance Materials Sales	\$1,664	\$1,588	5%	\$953	75%	\$5,997	\$3,428	75%
Essential Materials Sales	\$796	\$734	8%	\$480	66%	\$2,673	\$2,037	31%
Total PEM Sales	\$2,460	\$2,322	6%	\$1,433	72%	\$8,670	\$5,465	59%
Operating Income	\$821	\$769	7%	\$143	474%	\$2,549	\$231	1,003%
EBITDA	\$997	\$946	5%	\$314	218%	\$3,247	\$898	262%

- + Residential construction drove strong demand and pricing for PVC in downstream markets
- + The global economic expansion drove demand in consumer and industrial packaging as well as manufacturing activity throughout 2021 and Westlake experienced strong demand for caustic soda and polyethylene resulting in healthy margins
- + Polyethylene realized strong demand dynamics and robust strength in pricing while experiencing supply constraints throughout the year

PEM Segment
4Q 2021 vs. 3Q 2021

Average Sales Price	Volume
+7.3%	-1.3%

PEM Segment
4Q 2021 vs. 4Q 2020

Average Sales Price	Volume
+61.9%	+9.8%



(1) Reconciliations of EBITDA to the applicable GAAP measure can be found on page 15



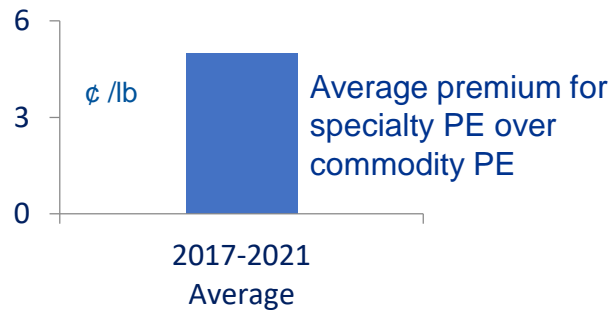
Performance and Essential Materials Outlook

Segment Commentary

- As a highly integrated, global leader in chlorovinyls, Westlake is well-positioned to benefit from higher margins over the cycle throughout the value chain
- PVC supply/demand fundamentals remain strong with the growth in demand higher than the limited supply increases
- Westlake benefits from globally competitive feedstocks and power costs
- To meet the needs of customers, Westlake creates formulated products that support the medical, food packaging and other specialty needs markets
- Epoxies expand Westlake's essential materials business into attractive global high-growth, innovative, and sustainably oriented end-use markets
- Westlake produces Specialty PE to meet customer needs to drive value



Westlake Produces Specialty PE to Create Value for Customers



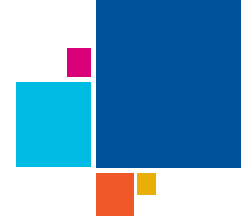
Industry Outlook

- Global growth in PVC demand is forecasted to continue into the future, driven by robust end use markets, particularly the North American housing market
- Strength in consumer, industrial and packaging end-markets remains very positive
- Outlook for caustic soda demand growth outpaces industry capacity additions over the next several years



(1) Chart reflects a mix of both specialized and differentiated products for LDPE and LLDPE

A Sustainable Future - Developing Green Products and Reducing CO₂ Emission Intensity 20% by 2030¹



Developing Green Products

Westlake offers certified climate-friendly products, **GreenVin[®] Caustic Soda**, and **GreenVin[®] PVC**, which utilize renewable energy and have a lower CO₂ footprint compared to conventional caustic soda and PVC.

Westlake offers **PVC Oriented Pipe (“PVCO”)**, which is PVC pipe that uses less material while delivering the enhanced strength and capabilities of traditional PVC pipes.

Epoxy business allows us light-weighting products to create low impact solutions.



Westlake Dimex is one of the largest processors of post-industrial recycled plastic material with a variety of consumer products.

Westlake and Nexii announced alliance to support sustainable building

We are continuing to develop products that are in line with our sustainability goals.

Participating in Multi-Industry Associations for Environmental Protection

Westlake is a proud partner with the following organizations to drive sustainable action to eliminate plastic waste, capture more flexible food packaging waste for recycling and support vinyls’ sustainable impact in the world, along with many other initiatives.



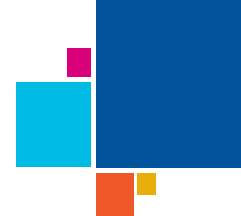
(1) Baseline of 2016





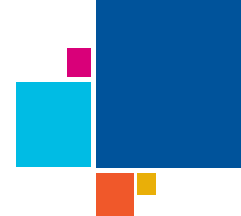
Financial Reconciliations





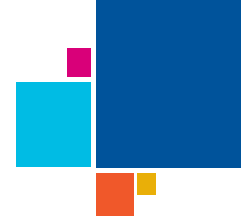
Consolidated Statements of Operations

	Three months ended September 30,	Three months ended December 31,		Twelve months ended December 31,	
	2021	2021	2020	2021	2020
(In millions of dollars, except per share data)					
Housing and Infrastructure Products Sales	\$ 733	\$ 1,047	\$ 532	\$ 3,108	\$ 2,039
Performance and Essential Materials Sales	2,322	2,460	1,433	8,670	5,465
Net sales	3,055	3,507	1,965	11,778	7,504
Cost of sales	2,037	2,411	1,642	8,283	6,481
Gross profit	1,018	1,096	323	3,495	1,023
Selling, general and administrative expenses	122	168	117	551	449
Amortization of intangibles	29	40	28	123	109
Restructuring, transaction and integration-related costs	6	15	-	21	36
Income from operations	861	873	178	2,800	429
Interest expense	(61)	(46)	(34)	(176)	(142)
Other income, net	13	18	12	53	44
Income before income taxes	813	845	156	2,677	331
Provision for (benefit from) income taxes	193	184	33	607	(42)
Net income	620	661	123	2,070	373
Net income attributable to noncontrolling interests	13	17	10	55	43
Net income attributable to Westlake Corporation	\$ 607	\$ 644	\$ 113	\$ 2,015	\$ 330
Earnings per common share attributable to Westlake Corporation:					
Basic	\$ 4.71	\$ 5.01	\$ 0.87	\$ 15.66	\$ 2.57
Diluted	\$ 4.69	\$ 4.98	\$ 0.87	\$ 15.58	\$ 2.56



Reconciliation of EBITDA to Net Income, Income from Operations and Net Cash Provided by Operating Activities

	Three months ended September 30,	Three months ended December 31,		Twelve months ended December 31,	
	2021	2021	2020	2021	2020
(In millions of dollars)					
Net cash provided by operating activities	\$ 755	\$ 757	\$ 431	\$ 2,394	\$ 1,297
Changes in operating assets and liabilities and other	(109)	(123)	(316)	(301)	(778)
Deferred income taxes	(26)	27	8	(23)	(146)
Net income	620	661	123	2,070	373
Less:					
Other income, net	13	18	12	53	44
Interest expense	(61)	(46)	(34)	(176)	(142)
Benefit from (provision for) income taxes	(193)	(184)	(33)	(607)	42
Income from operations	861	873	178	2,800	429
Add:					
Depreciation and amortization	203	240	196	840	773
Other income, net	13	18	12	53	44
EBITDA	\$ 1,077	\$ 1,131	\$ 386	\$ 3,693	\$ 1,246



Reconciliation of HIP, PEM and Corporate EBITDA to Applicable Operating Income (Loss)

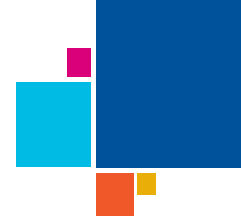
	Three months ended			Twelve months ended December 31,	
	September 30, 2021	Three months ended December 31, 2021	2020	2021	2020
	(In millions of dollars)				
Housing and Infrastructure Products EBITDA	\$ 137	\$ 162	\$ 99	\$ 534	\$ 388
Less:					
Depreciation and Amortization	34	70	33	168	128
Other Income (Expenses)	-	6	1	10	4
Housing and Infrastructure Products Operating Income (Loss)	<u>103</u>	<u>86</u>	<u>65</u>	<u>356</u>	<u>256</u>
Performance and Essential Materials EBITDA	946	997	314	3,247	898
Less:					
Depreciation and Amortization	168	168	161	665	637
Other Income (Expenses)	9	8	10	33	30
Performance and Essential Materials Operating Income (Loss)	<u>769</u>	<u>821</u>	<u>143</u>	<u>2,549</u>	<u>231</u>
Corporate EBITDA	(6)	(28)	(27)	(88)	(40)
Less:					
Depreciation and Amortization	1	2	2	7	8
Other Income (Expenses)	4	4	1	10	10
Corporate Operating Income (Loss)	<u>(11)</u>	<u>(34)</u>	<u>(30)</u>	<u>(105)</u>	<u>(58)</u>
Housing and Infrastructure Operating Income (Loss)	103	86	65	356	256
Performance and Essential Materials Operating Income (Loss)	769	821	143	2,549	231
Corporate Operating Income (Loss)	<u>(11)</u>	<u>(34)</u>	<u>(30)</u>	<u>(105)</u>	<u>(58)</u>
Total Operating Income (Loss)	<u>\$ 861</u>	<u>\$ 873</u>	<u>\$ 178</u>	<u>\$ 2,800</u>	<u>\$ 429</u>



Quarterly Industry Pricing



Average Quarterly Industry Prices and Housing Starts



	Quarter Ended				
	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021	December 31, 2021
Average domestic prices ⁽¹⁾					
Natural Gas (\$/MMBtu) ⁽²⁾	2.7	2.8	2.9	4.0	5.8
Ethane (cents/lb) ⁽³⁾	7.1	8.1	8.7	11.7	13.2
Propane (cents/lb) ⁽⁴⁾	13.5	21.2	20.7	27.6	29.5
Ethylene (cents/lb) ⁽⁵⁾	24.0	45.1	43.0	48.0	35.4
Polyethylene (cents/lb) ⁽⁶⁾	67.7	78.0	99.0	109.0	92.0
Styrene (cents/lb) ⁽⁷⁾	59.6	76.5	90.5	82.0	84.8
Caustic soda (\$/short ton) ⁽⁸⁾	653	648	755	825	920
Chlorine (\$/short ton) ⁽⁹⁾	193	234	309	443	563
PVC (cents/lb) ⁽¹⁰⁾	84.5	92.8	105.0	109.0	114.3
Average export prices ⁽¹⁾					
Polyethylene (cents/lb) ⁽¹¹⁾	53.2	76.3	89.7	86.0	72.7
Caustic soda (\$/short ton) ⁽¹²⁾	219	249	333	364	573
PVC (cents/lb) ⁽¹³⁾	55.4	67.8	77.8	74.1	90.0
Housing Starts (In thousands of units)					
Housing Starts – Actual quarterly starts ⁽¹⁴⁾	364	358	435	419	385
Housing Starts – Seasonally Adjusted Annual Rate ⁽¹⁵⁾	1,575	1,599	1,588	1,562	1,654

1) Industry pricing data was obtained through IHS Markit ("IHS"). We have not independently verified the data.

2) Average Burner Tip contract prices of natural gas over the period.

3) Average Mont Belvieu spot prices of purity ethane over the period.

4) Average Mont Belvieu spot prices of non-TET propane over the period.

5) Average North American spot prices of ethylene over the period.

6) Average North American Net Transaction prices of polyethylene low density GP-Film grade over the period.

7) Average North American contract prices of styrene over the period.

8) Average USGC-CSLI index values for caustic soda over the period. As stated by IHS, "the caustic soda price listing represents the USGC-CSLI values. USGC-CSLI does not reflect contract price discounts, implementation lags, caps or other adjustments factors. Additionally, it is not intended to represent a simple arithmetic average of all market transactions occurring during the month. Rather, the USGC-CSLI is most representative of the month-to-month caustic soda price movement for contract volumes of liquid 50% caustic soda rather than the absolute value of contract prices at a particular point in time. It is intended to serve only as a benchmark."

9) Average North American contract prices of chlorine over the period.

10) Average North American contract prices of pipe grade polyvinyl chloride ("PVC") over the period. As stated by IHS, "the contract resin prices posted reflect an "index" or "market" for prices before discounts, rebates, incentives, etc."

11) Average North American export price for low density polyethylene GP-Film grade over the period.

12) Average North American low spot export prices of caustic soda over the period.

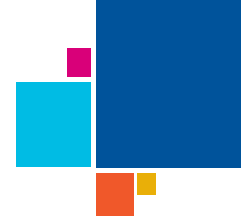
13) Average North American spot export prices of PVC over the period.

14) Quarterly Single and Multi-family Starts data per the U.S. Census Bureau – February 17, 2022 report.

15) Quarterly Average Single and Multi-family Seasonally Adjusted Annual Rate data per the U.S. Census Bureau – February 17, 2022 report.



Safe Harbor Language



This presentation contains certain forward-looking statements including statements regarding creating value for our shareholders, pricing and demand for our products, continued recovery in key end markets, industry outlook for both of our segments, our cost control and efficiency efforts, our ability to deliver end-use building products to consumers, our ability to capture integrated chain margin, our development of additional green products in the future, our sustainability goals and commitments and our reduction in carbon impact. Actual results may differ materially depending on factors, including, but not limited to, the following: the effects of our recently completed acquisitions, including our future financial condition, results of operations, strategy and plans; and expected synergies and other benefits from the acquisitions and our ability to realize such synergies and other benefits; general economic and business conditions; the cyclical nature of the chemical and building products industries; the availability, cost and volatility of raw materials and energy; uncertainties associated with the United States, European and worldwide economies, including those due to political tensions and unrest in the Middle East and elsewhere; uncertainties associated with pandemic infectious diseases, particularly COVID-19; current and potential governmental regulatory actions in the United States and other countries; industry production capacity and operating rates; the supply/demand balance for our products; competitive products and pricing pressures; instability in the credit and financial markets; access to capital markets; terrorist acts; operating interruptions (including leaks, explosions, fires, weather-related incidents, mechanical failure, unscheduled downtime, labor difficulties, transportation interruptions, spills and releases and other environmental risks); changes in laws or regulations, including trade policies; technological developments; foreign currency exchange risks; our ability to implement our business strategies; creditworthiness of our customers; and other factors described in our reports filed with the Securities and Exchange Commission. Many of these factors are beyond our ability to control or predict. Any of these factors, or a combination of these factors, could materially affect our future results of operations and the ultimate accuracy of the forward-looking statements. These forward-looking statements are not guarantees of our future performance, and our actual results and future developments may differ materially from those projected in the forward-looking statements. Management cautions against putting undue reliance on forward-looking statements. Every forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements.

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The image features a white background with several decorative colored squares. In the top-left corner, there are three overlapping squares: a large cyan one, a smaller yellow one to its right, and a dark blue one below the cyan one. In the top-right corner, there is a small magenta square. In the bottom-right corner, there are two overlapping squares: a small orange one and a larger dark blue one to its right.

Westlake