



Westlake
Chemical Partners



Westlake Chemical Partners LP

2nd Quarter 2023

Westlake Chemical Partners LP

- Predictable and stable cash flows insulated from commodity price risk
- Long history of reliable operations from strategically located assets

Stable and predictable cash flows

95% of sales at fixed margin to investment grade parent

Long history of predictable operation from strategically located assets

Globally cost advantaged feedstock with operating rates that exceed North American industry averages

Excellent governance and strategic alignment with investment grade parent

Q3 2018 IDR reset with no compensation paid illustrates parent company commitment to Westlake Partners

Four levers of continued growth:

- Negotiate higher ethylene margin
- Acquisition opportunities
- Periodic drop downs from OpCo
- Expansion opportunities

- WLKP's stable and predictable cash flows gives it the flexibility to keep its distribution stable to build cash in the current MLP equity market conditions
 - Ability to keep distribution stable places WLKP among top MLPs with many other MLPs having reduced their distributions in the past several years
 - Significant growth runway remains available at WLKP through its four growth levers

Westlake Partners Assets Provide Vital Ethylene to Westlake Corporation

Lake Charles, Louisiana Complex



- Two ethane-based processing facilities at Westlake's Lake Charles, Louisiana complex
- Combined capacity of 3 billion pounds of ethylene primarily consumed by Westlake in the production of chemicals including PE and PVC

Calvert City, Kentucky Complex



- One ethane-based processing facility located in Calvert City, Kentucky
- Capacity of 730 million pounds of ethylene per year primarily consumed by Westlake in the production of higher value-added chemicals including PVC

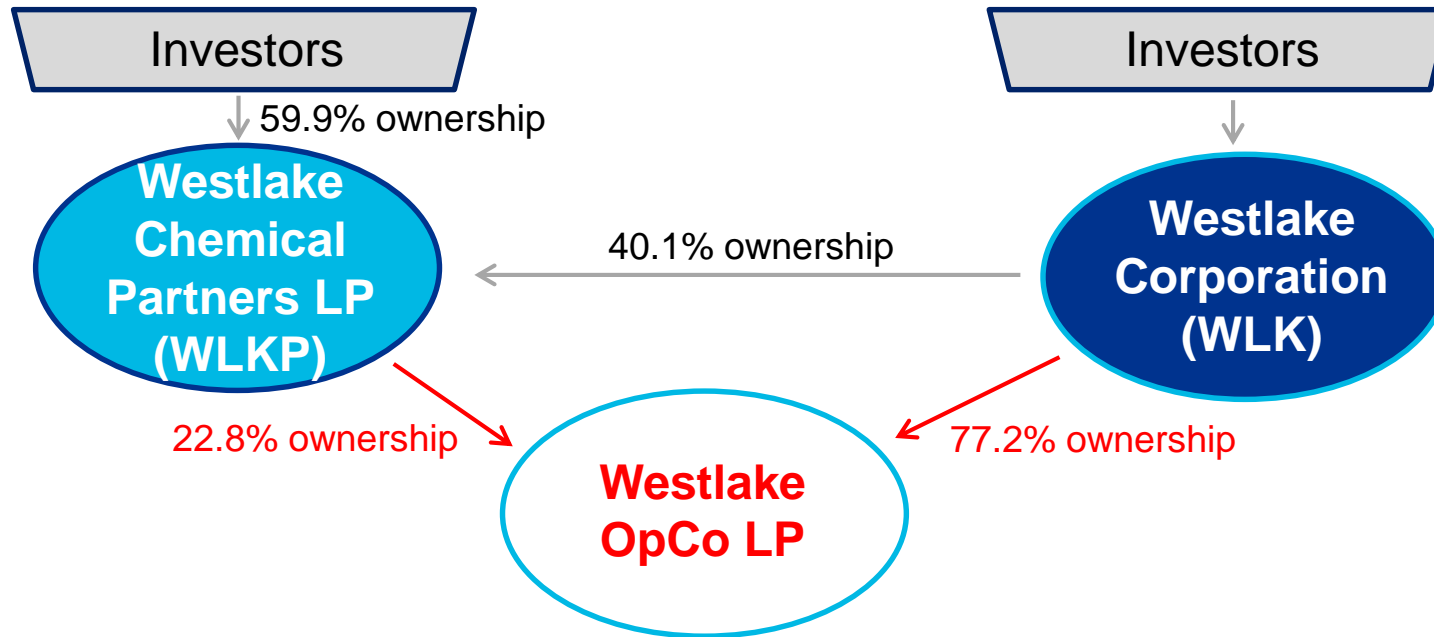
Longview, Texas Complex



- A 200-mile common carrier ethylene pipeline that runs from Mont Belvieu, Texas to the Longview, Texas chemical complex, which includes Westlake's Longview PE production facility

Westlake Corporation depends on Westlake Partners to supply the Ethylene used to produce all of its key end products: PVC, Polyethylene, Styrene, and Building Products

Westlake Chemical Partners LP & Westlake Corporation Predictable and Stable Cash Flows with Conservative Financial Structure

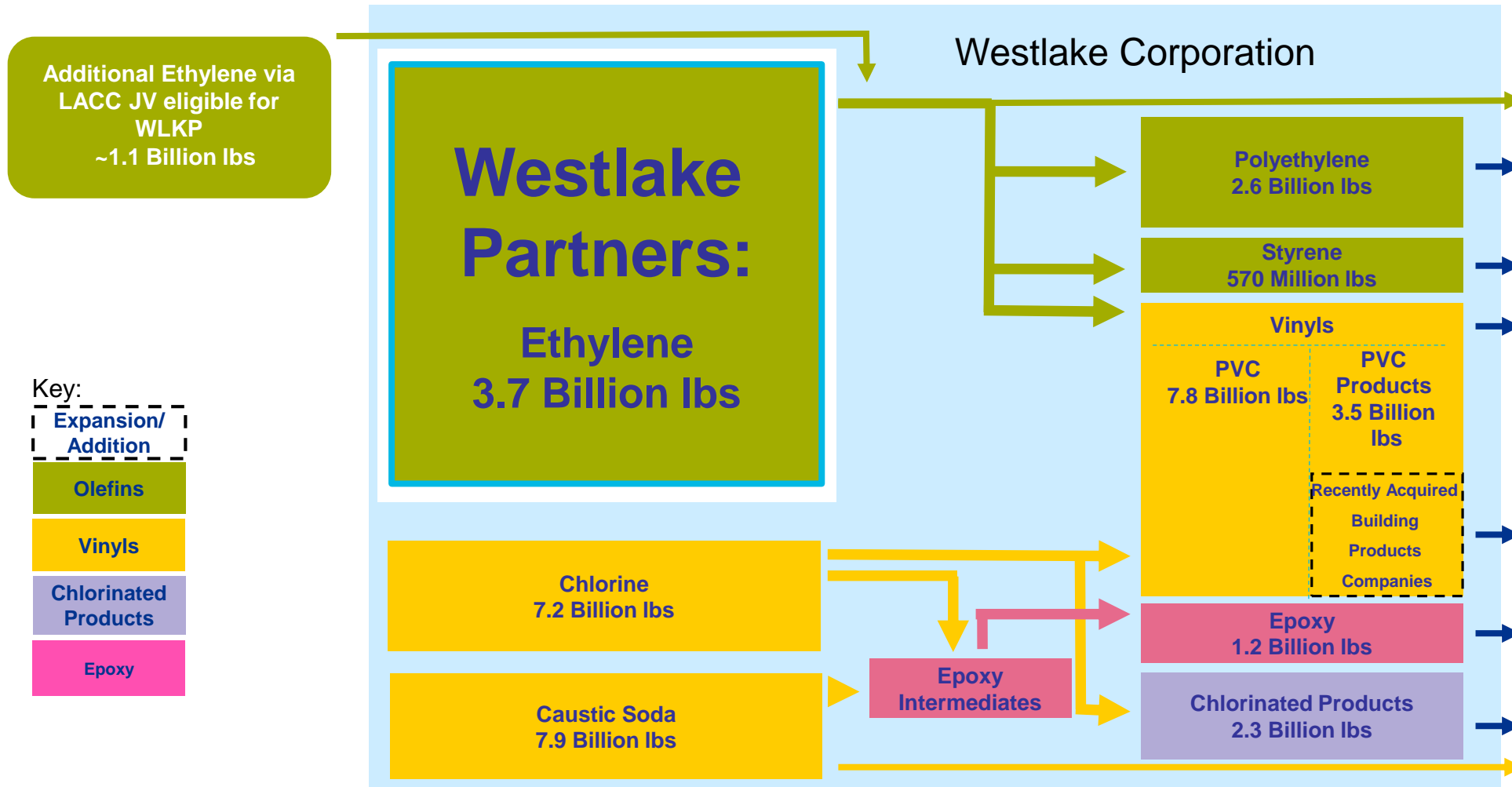


WLKP's predictable and stable cash flows are bolstered by:

- Increased earnings and extended distribution growth runway through added capacity expansions, IDR reset, significant remaining drop down capacity at OpCo, and potential opportunity to acquire an interest in the Lotte / Westlake JV cracker
- Conservative balance sheet and a DCF coverage ratio target of 1.1x providing significant flexibility to fund future growth

Westlake Corporation's Short Position in Ethylene Provides Strong and Contractual Demand for Westlake Partners

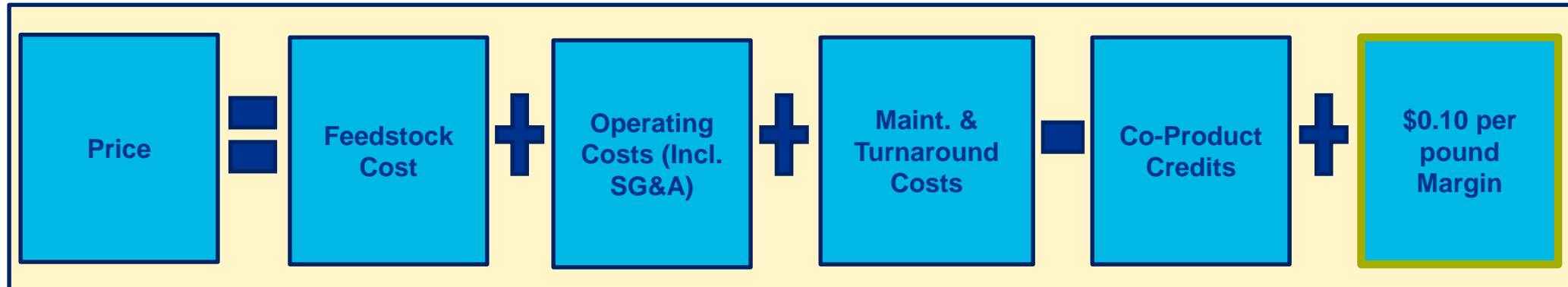
Westlake Partners' current production capacity plus the potential 1.1B lbs in the JV cracker



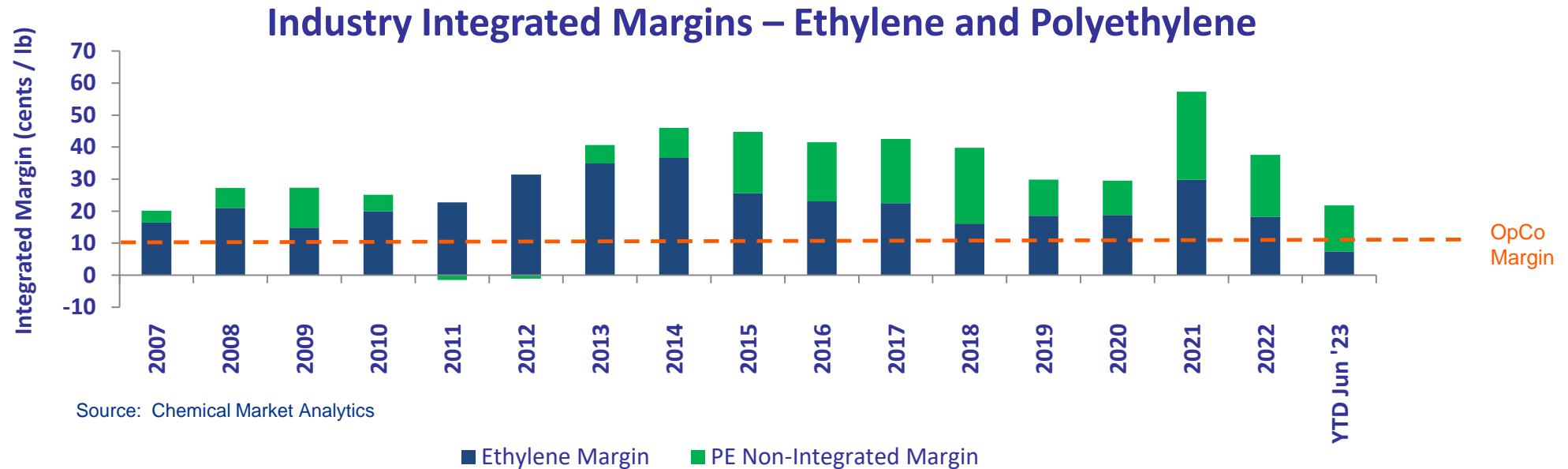
Westlake Partners Value Chain: Ethylene Sales Agreement

Pricing Formula Promotes Stable & Predictable Cash Flows

- Westlake Partners is the **critical supplier** of the Ethylene Westlake Corporation needs to produce it's products
- Ethylene Sales Agreement between Westlake Corporation and Westlake Partners provides stable 10 cents per pound margin on 95% of processed NGL's, with remaining 5% sold to third parties
- The Ethylene sales agreement provides the partnership stable cash flows insulated from commodity risks and covers maintenance and turn around expenditures



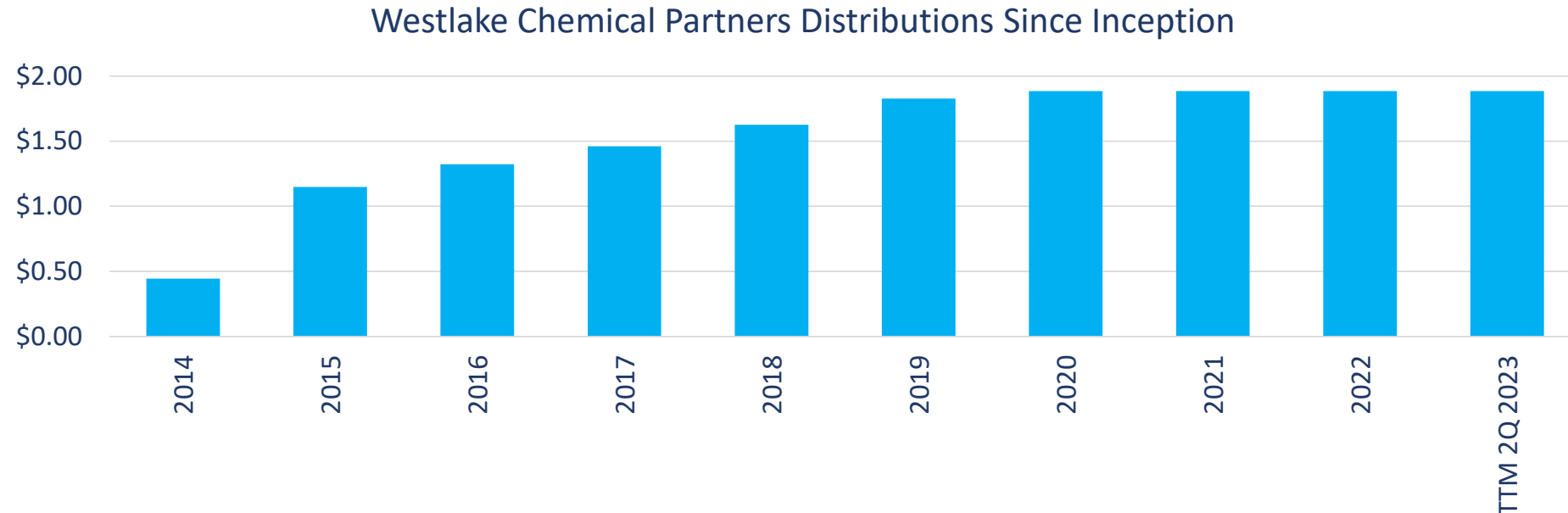
Sales Agreement Insulates WLKP From Commodity Risk and Provides Enhanced Cash Flow Stability



- The integrated margin shown above is well above 10 cents historically supporting sustainability of margin and potential to negotiate increase to the margin
- Requires WLK to purchase 95% of OpCo's planned ethylene volume each year, with a maximum commitment of 3.8 billion pounds per year
- Contract structure commitment promotes stable margin and consistent distributable cash flows

WLKP's Contractual Structure with WLK Allows Stable Cash Flows and Distributions Through Challenging Market Conditions

The committed contractual structure with WLK provides WLKP with the financial stability to drive consistent cash distributions to unitholders



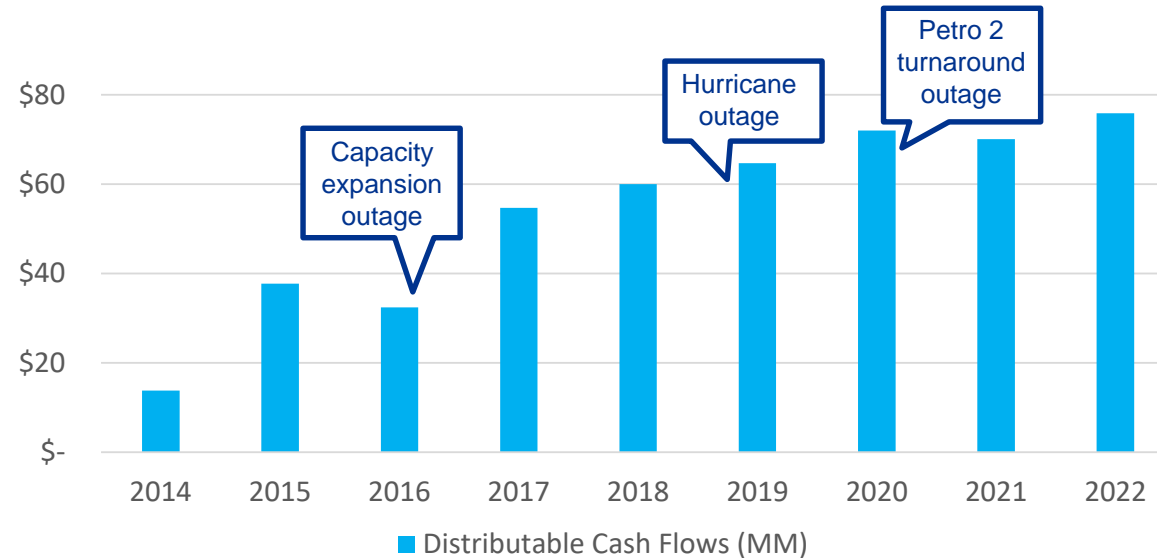
The stability and predictability of WLKP cash flows has enabled it to grow or maintain distributions to unitholders every quarter since IPO

- Ability to keep distribution stable places WLKP among top MLPs with many other MLPs reducing distributions over past several years
- Significant growth runway remains available at WLKP through its four growth levers when market conditions reward growth

Strong Distributable Cash Flows From Ethylene Sales Contract with Westlake Corporation

Higher, steady production rates lead to dependable, stable financials and ultimately to stable growing distributable cash flows to unitholders

Annual Distributable Cash Flows Since IPO



Solid cash flows and dependable distributions despite: hurricanes, freezes, turnarounds, expansions and other outages due to contractual commitment with WLK

Conservative Leverage and Financial Flexibility

- Maintain conservative target leverage ratios at WLKP and OpCo
- Substantial liquidity via a \$600 Million credit facility between Westlake Corporation and OpCo
- WLKP's line of credit increased to \$600 Million in December 2017 to fund additional growth
- Minimal working capital requirements both at OpCo and WLKP

Westlake Chemical Partners Distribution

- For its Q2 2023 distribution, WLKP maintained its distribution at the prior quarter level of \$0.4714 to build cash and avoid creating any capital market needs
- The strength of WLKP's stable and predictable cash flows through 95% of its sales at a fixed margin to its investment grade parent allows WLKP to build cash and avoid financing needs in the currently dislocated equity market by holding its distribution stable
- WLKP continues to offer unitholders a compelling investment opportunity through:
 - Exceptionally stable cash flows insulated from commodity risks
 - Strong balance sheet with conservative financial and leverage metrics
 - Excellent governance and strategic alignment with parent, Westlake Corporation
 - Full support from investment grade parent, resetting its IDR's for no compensation
- We will assess market conditions in subsequent quarters and can return to distribution growth when markets improve; doing so preserves each of our four growth levers:
 - Acquire additional interests in OpCo
 - Increase in contracted margin with parent
 - Increase in production capacity at OpCo
 - Accretive M&A, such as the JV Cracker between Westlake and Lotte Chemical

Four Levers of Growth for Stable, Growing Cash Flows

Increase our Ownership of OpCo

Increase our ownership interest in OpCo over time either by purchasing new OpCo interests or by purchasing outstanding interests in OpCo from WLK

- Purchased 2.7% of OpCo for \$135 Million in May 2015
- Purchased 5% of additional OpCo interests for \$229 Million in Sept 2017
- Purchased 4.5% of additional OpCo interests for \$201 Million in Mar 2019
- Substantial drop down capacity + Recently reset IDR tiers extend runway of future drop downs:
 - +77% of drop down inventory remains
 - Remaining drop down inventory supports many years of future distribution growth

Pursue Organic Growth Opportunities

Enhance the profitability of OpCo's existing assets by pursuing growth opportunities including capacity expansion projects

- Expanded Petro1 by approximately 250 Million pounds of ethylene in 2016
- Expanded Calvert City by approximately 100 Million pounds of ethylene in 2017

Pursue Growth Opportunities Through Acquisitions

Pursue acquisitions of complementary assets from WLK and third parties:

- Westlake Corpoartion in a joint venture with Lotte Chemical built a new 2.2 Billion pound ethylene cracker that started up in Q2 2019, would be a target for inclusion in WLKP

Expand Margin

Negotiate higher ethylene margin above current 10 cents with Westlake Corporation

Solid Leverage Metrics

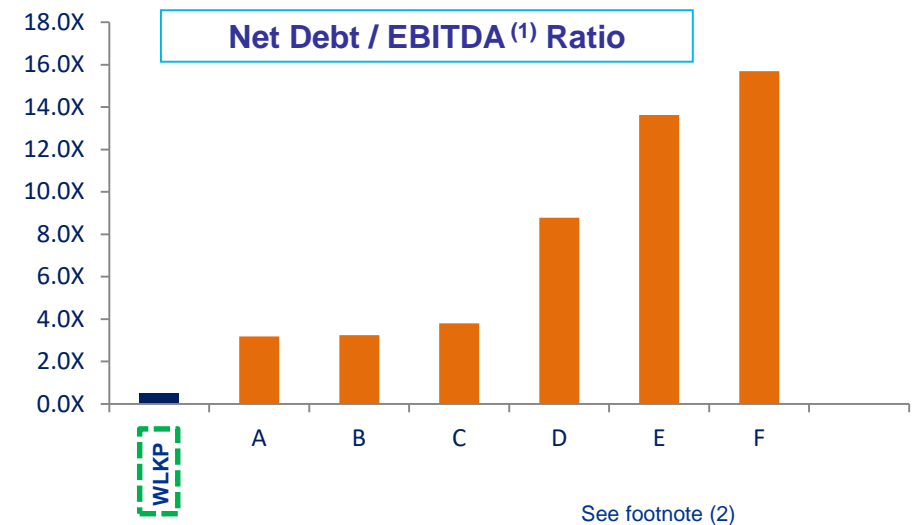
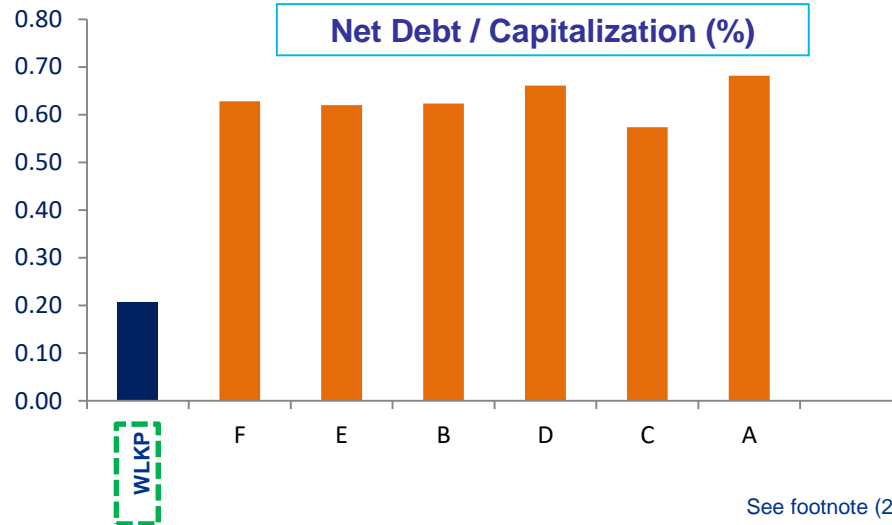
Well Capitalized for Financial Stability

WLKP is well capitalized and has significant financial flexibility to fund future growth with its strong and supportive parent; Westlake Corporation (WLK)

Westlake Partners Liquidity

Liquidity (in millions)	Jun 30, 2023
Cash and Equivalents ⁽¹⁾	\$154
Plus: Available Credit Facilities	\$800
Total Available Liquidity	\$954

A Strong Balance Sheet to Provide Financial Stability



(1) Includes cash invested with WLK under investment management agreement

(2) Peers: ANDX, EQM, MPLX, PSXP, SXCP, WES, as of latest date information is available in Bloomberg

Sustainable Commitments Embedded Across Westlake

Through Investments, Goals and Products

Reducing Scope 1 and 2 Emissions per Tons of Production by 20% by 2030¹

To further reduce our carbon footprint, we are **allocating capital to both proven and emerging technologies**, including product and operational innovations

This Includes:

- Energy-efficiency projects
- Increasing use of less carbon-intensive energy providers
- Adding more hydrogen as a fuel gas
- Other continuous operational improvements

Leading Practice Alignment:



(1) From a 2016 baseline

Expanding Portfolio of Environmentally Safe Products

Incorporating **recycled and bio-derived materials** while maintaining product quality



One Pellet Solution

an efficient polyethylene solution incorporating post consumer resin (PCR) while maintaining the strength of plastic materials



Epoxy

used in coatings and composites to fabricate wind turbine blades and light-weight aerospace and automotive components



Molecular-Oriented (PVC-O) Pipe

engineering solution for lighter-weight, more durable PVC pipe that is manufactured with a lower-carbon footprint than any other water main pipe materials; used in housing and infrastructure

Efforts Recognized Through Awards and Industry Memberships

Rewards from the leading provider of business sustainability ratings - **EcoVadis**



Vinnolit



Nakan



Epoxy

Selected Solution Oriented Industry Memberships



<https://wlkpartners.com/content/sustainability>

Key Investment Drivers

Westlake Corporation's Increasing Demand for Ethylene

Strategic Relationship with Westlake Corporation

Stable and Predictable Cash Flows Unencumbered with IDR's

Strategically Located Assets

Experienced & Incentivized Management Team

Global Cost Advantage for Ethylene Production

Expanded Capacity & Significant Dropdown Inventory

Ethylene Sales Agreement plus IDR Reset

Competitive Market Position and Asset Integrity with a Commitment to Social Responsibility

Access to Operational and Industry Expertise

WLKP is well positioned to continue to deliver value to unitholders



Westlake
Chemical

Enhancing Your Life Every Day



Appendix

Reset IDR Tiers for Westlake Chemical Partners

IDR Tiers		Initial distribution structure			Newly reset distribution structure		
		Quarterly distribution	Annualized distribution	% distribution to IDRs	Quarterly distribution	Annualized distribution	% distribution to IDRs
First target distribution	up to:	\$ 0.3163	1.2652	0%	\$ 1.2938	5.1752	0%
Second target distribution	up to:	\$ 0.3438	1.3752	15%	\$ 1.4063	5.6252	15%
Third target distribution	up to:	\$ 0.4125	1.6500	25%	\$ 1.6875	6.7500	25%
Thereafter				50%			50%

- The reset of the IDR Tiers in July 2018 permits the quarterly distribution at the time of reset of \$0.3975 per unit (\$1.59 annualized distribution) to grow **325%** before it would trigger any IDR payments
- This reset extends the runway for attractive drop down transactions and expands Partners' ability to pursue accretive investments

Sustainability Focus Grounded in Longstanding Values

Our **CORE VALUES**, in place since our founding, we are grounded in socially responsible business practices and continue to be a guiding light for our evolving sustainability strategy



Health, Safety & Environment (“HSE”)



Our People



Quality & Continuous Improvement



Competitiveness



Citizenship



Commitment to the Environment Through Both Company Action and Dedicated Industry Organizations

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.

Westlake Associations and Alliances:



<https://wlkpartners.com/content/sustainability>

Westlake Partners Sustainability Report:



Disclaimer

This presentation contains certain forward-looking statements, including statements with respect to the ability to resume distribution growth, potential levers for growth, remaining drop down opportunities, avoiding the creation of any capital market needs, and accretive M&A as a source of future drop down opportunities for Westlake Chemical Partners. Actual results may differ materially depending on factors such as general economic and business conditions; the cyclical nature of the chemical industry; the availability, cost and volatility of raw materials and energy; uncertainties associated with the United States, Europe and worldwide economies, including those due to political tensions in the Middle East, Ukraine and elsewhere; current and potential governmental regulatory actions in the United States and Europe and regulatory actions and political unrest in 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; technological developments; our ability to implement our business strategies; creditworthiness of our customers; the results of potential negotiations between Westlake Corporation and Westlake Chemical Partners, world health events, such as the COVID-19 pandemic, 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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