



WHEREAS: Plastic pollution is a global environmental crisis. Westlake Chemical Corp. is a leading petrochemical manufacturer, producing plastics like low-density polyethylene.

Most plastic products originate from plastic pre-production pellets, or nurdles, manufactured in polymer production plants. Due to spills and poor handling procedures, billions of such plastic pellets are swept into waterways during production or transport annually and increasingly found on beaches and shorelines, adding to harmful levels of plastic pollution in the environment.

Eight million tons of plastics leaks into oceans annually. Plastics degrade in water to small particles that animals mistake for food; plastic pollution impacts 260 species, causing fatalities from ingestion, entanglement, suffocation, and drowning. Plastic does \$13 billion in damage to marine ecosystems annually. If no action is taken, oceans are expected to contain more plastic than fish by 2050. Pellets are similar in size and shape to fish eggs and often mistaken by marine animals for food. Plastic pellets can absorb toxins such as dioxins from water and transfer them to the marine food web and potentially to human diets, increasing the risk of adverse effects to wildlife and humans.

Nearly 200 nations pledged to eliminate plastic pollution in the world's oceans at the United Nations Environment Assembly in 2018. The United Nations Undersecretary-General has called this issue "an ocean Armageddon."

Plastic pellets are estimated to be the second largest direct source of micro plastic pollution to the ocean by weight; up to 53 billion pellets may be spilled annually in the United Kingdom alone. A recent study concluded that up to 36 million plastic pellets might be spilled from one major industry production complex in Sweden.

Pellet spills create financial risk. Formosa Plastics Corp. USA agreed to a \$50 million settlement of a Clean Water Act lawsuit over plastic pellet pollution at its Texas facility in 2019.

Westlake Chemical is a member of Operation Clean Sweep, an industry program that encourages use of best practices to reduce plastic pellet, powder, or granule loss, but which provides no public reporting on spill incidents.

Given the severe biodiversity and economic impacts of plastic pollution described above, there is an urgent need to increase and improve reporting on pellet spills and remediation, as well as discussing accountability for pellet spill remediation in more detail. Earlier this year, our corporate peers ExxonMobil Chemical, Chevron Phillips Chemical, and Dow Chemical agreed to public reporting of pellet spills.



BE IT RESOLVED: Shareholders request that the Board of Directors of Westlake Chemical issue an annual report to shareholders, at reasonable cost and omitting proprietary information, on plastic pollution. The report should disclose trends in the amount of pellets, powder or granules released to the environment by the company annually, and concisely assess the effectiveness of the company's policies and actions to reduce the volume of the company's plastic materials contaminating the environment.

SUPPORTING STATEMENT: Proponent recommends that the report include discussion of pellet loss prevention, cleanup, and containment.