Risk Factors Comparison 2024-02-28 to 2023-03-01 Form: 10-K

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Limited partner interests are inherently different from the capital stock of a corporation, although many of the business risks to which we are subject are similar to those that would be faced by a corporation engaged in a similar business. Security holders and potential investors should carefully consider the following risk factors together with all of the other information included in this report. If any of the following risks were actually to occur, our business, financial condition, results of operations or cash flows could be materially adversely affected. Risk Factor Summary Risks Inherent in Our Business Operational Relationship with Westlake • We are substantially dependent on Westlake for our cash flows. If Westlake does not pay us under the terms of the Ethylene Sales Agreement or if our assets fail to perform as intended, we may not have sufficient cash from operations following the establishment of cash reserves and payment of costs and expenses, including cost reimbursements to our general partner and its affiliates, to enable us to pay the minimum quarterly distribution to our unitholders. • OpCo is subject to the credit risk of Westlake on a substantial majority of its revenues, and Westlake' s leverage and creditworthiness could adversely affect our ability to make distributions to our unitholders. ~~The impact and effects of public health crises, pandemics and epidemics, including the ongoing coronavirus (COVID- 19) pandemic, could materially adversely affect Westlake' s business, financial condition and results of operations.~~ • OpCo is a restricted subsidiary under certain indentures governing Westlake' s senior notes. • The ethylene sales price charged under the Ethylene Sales Agreement is designed to permit OpCo to cover the substantial majority of its operating costs, but not our public partnership and other OpCo costs, which reduce our net operating profit. • If OpCo is unable to renew or extend the Ethylene Sales Agreement beyond the initial 12- year term or the other agreements with Westlake upon expiration of these agreements, our ability to make distributions in the future could be materially adversely affected and the value of our units could decline. • OpCo has the right to use the real property underlying Lake Charles Olefins and Calvert City Olefins pursuant to two, 50- year site lease agreements with Westlake. If OpCo is not able to renew the site lease agreements or if the site lease agreements are terminated by Westlake, OpCo may have to relocate Lake Charles Olefins and Calvert City Olefins, abandon the assets or sell the assets to Westlake. • OpCo depends upon Westlake for numerous services and for its labor force. • Cost reimbursements due to our general partner and Westlake for services provided to us or on our behalf reduce our earnings and therefore our cash available for distribution to our unitholders. The amount and timing of such reimbursements are determined by our general partner **. • The impact and effects of public health crises, pandemics and epidemics could materially adversely affect OpCo' s business, financial condition and results of operations** . Business Operations • Substantially all of OpCo' s sales are generated at three facilities located at two sites. Any adverse developments at any of these facilities or sites could have a material adverse effect on our results of operations and therefore our ability to distribute cash to unitholders. • The amount of cash we have available for distribution to holders of our units depends primarily on our cash flow and not solely on profitability, which may prevent us from making cash distributions during periods when we record net income. • If we are unable to make acquisitions from Westlake or third parties on economically acceptable terms, our future growth would be limited, and any acquisitions we make may reduce, rather than increase, our cash generated from operations on a per unit basis. • Our operations and assets are subject to climate- related risks and uncertainties. **• Our variable- rate debt exposes us to increases in interest rates, which could have a material impact on our financial position, results of operation and cash flows, and could reduce the price at which our common units trade.** Risks Relating to Our Partnership Structure Our General Partner • Westlake owns and controls our general partner, which has sole responsibility for conducting our business and managing our operations. Our general partner and its affiliates, including Westlake, may have conflicts of interest with us and have limited duties, and they may favor their own interests to our detriment and that of our unitholders. • Our general partner has limited its liability regarding our obligations. • Our partnership agreement replaces our general partner' s fiduciary duties to holders of our units. • Westlake and other affiliates of our general partner may compete with us. • Holders of our common units have limited voting rights and are not entitled to elect our general partner or its directors, which could reduce the price at which our common units trade. • Even if holders of our common units are dissatisfied, they cannot currently remove our general partner without its consent. • Control of our general partner may be transferred to a third party without unitholder consent. • Our general partner has a call right that may require unitholders to sell their common units at an undesirable time or price. Cash Distributions to Unitholders • The board of directors may modify or revoke our cash distribution policy at any time at its discretion. Our partnership agreement does not require us to pay any distributions at all. • We expect to distribute a significant portion of our available cash to our partners, which could limit our ability to grow and make acquisitions. Ownership of Our Common Units • We may issue additional units without unitholder approval, which would dilute existing unitholder ownership interests. • The market price of our common units could be adversely affected by sales of substantial amounts of our common units in the public or private markets, including sales by Westlake or other large holders. Tax Risks • Our tax treatment depends on our status as a partnership for U. S. federal income tax purposes, and not being subject to a material amount of entity- level taxation. Our cash available for distribution to unitholders may be substantially reduced if we become subject to entity- level taxation as a result of the Internal Revenue Service (" IRS") treating us as a corporation or legislative, judicial or administrative changes, and may also be reduced by any audit adjustments if imposed directly on the partnership. • Even if unitholders do not receive any cash distributions from us, unitholders will be required to pay taxes on their share of our taxable income. A unitholder' s share of our taxable income may be increased as a result of the IRS successfully contesting any of the U. S. federal income tax positions we take. • Tax- exempt entities and non- U. S. unitholders face unique tax issues from owning our common units that may result in adverse tax consequences to them.

Currently, all of our cash flow is generated from cash distributions from OpCo, and a substantial majority of OpCo' s cash flow is generated from payments by Westlake under the Ethylene Sales Agreement. Westlake' s obligations to purchase ethylene under the Ethylene Sales Agreement may be temporarily suspended to the extent OpCo is unable to perform its obligations caused by ~~any of~~ certain events outside the reasonable control of OpCo. Such events include, for example, acts of God or calamities which affect the operation of OpCo' s facilities; certain labor difficulties (whether or not the demands of the employees are within the power of OpCo to concede); and governmental orders or laws. In addition, Westlake is not obligated to purchase ethylene with respect to any period during which OpCo' s facilities are not operating due to scheduled or unscheduled maintenance or turnarounds other than under certain circumstances relating to the occurrence of force majeure. We expect that each of OpCo' s facilities will have a turnaround approximately once every five years and will not operate for typically between 30 and 60 days during each **separate** turnaround ~~by itself~~. However, the duration of ~~a~~ **any** turnaround **activities** ~~by itself~~ may be longer than expected or may cost more than originally estimated. Furthermore, **facility** expansions may also coincide with turnarounds, which may complicate and delay the completion of such turnarounds. A suspension of Westlake' s obligations under the Ethylene Sales Agreement, including during periods where OpCo' s facilities are not operating due to scheduled or unscheduled maintenance or turnarounds, would reduce OpCo' s revenues and cash flows, and could materially adversely affect our ability to make distributions to our unitholders. Westlake may be unable to generate enough cash flow from operations to meet its minimum obligations under the Ethylene Sales Agreement if its business is adversely impacted by competition, operational problems, general adverse economic conditions or the inability to obtain feedstock. For example, lower prices of crude oil **could** ~~, such as the prices experienced from the third quarter of 2014 through 2020 led~~ **lead** to a reduction in the cost advantage for natural gas liquids- based ethylene derivatives in North America, such as Westlake' s, as compared to naphtha- based ethylene derivatives. As a result, Westlake' s margins and cash flows ~~were~~ **could be** negatively impacted **during such period** . If Westlake ~~were~~ **is not** ~~unable~~ -- **able** to meet its minimum payment obligations to OpCo as a result of any one or more of these factors, our ability to make distributions to our unitholders would be reduced or eliminated. The **amount paid** ~~level of payments made~~ by Westlake will depend upon its ability to ~~pay~~ **satisfy** its minimum obligations under the Ethylene Sales Agreement and its ability and election to increase volumes above the minimums specified in the Ethylene Sales Agreement, which in turn are dependent upon, among other things, the level of **polyethylene and polyvinyl chloride** production at Westlake' s other facilities **, as well as industry capacity expansion in these downstream products in North America, a number of which have been recently completed** . If Westlake is unable to generate sufficient cash flow from its operations to meet its obligations, or otherwise defaults on its obligations, under the Ethylene Sales Agreement, OpCo will not have sufficient available cash to distribute to us to enable us to pay the minimum quarterly distribution **set forth in our cash distribution policy. As a result** , ~~which will fluctuate from~~ **our ability to pay the minimum** ~~quarter~~ **quarterly** ~~to quarter~~ **distribution is** based on the following factors, some of which are beyond our control: • severe financial hardship or bankruptcy of Westlake or one of our other customers, or the occurrence of other events affecting our ability to collect payments from Westlake or our other customers, including any of our customers' default; • volatility and cyclical downturns in the chemicals industry and other industries which materially and adversely impact Westlake and our other customers; • Westlake' s inability to perform, or any other default on its obligations, under the Ethylene Sales **Agreement, the Services and Secondment Agreement and the Omnibus** Agreement; • the age of, and changes in the reliability, efficiency and capacity of the various equipment and operating facilities used in OpCo' s operations, and in the operations of Westlake and our other customers, business partners and / or suppliers; • the cost of environmental remediation at OpCo' s facilities not covered by Westlake or third parties; • changes in the expected operating levels of OpCo' s assets; • OpCo' s ability to meet minimum volume requirements, yield standards and ethylene quality requirements in the Ethylene Sales Agreement; • OpCo' s ability to renew the Ethylene Sales Agreement or to enter into new, long- term agreements for the sale of ethylene under terms **that are** similar or more favorable; • changes in the marketplace that may affect supply and demand for ethane or ethylene, including decreased availability of ethane (which may result from greater restrictions on hydraulic fracturing, any reduction in hydraulic fracturing due to low crude oil prices or exports of natural gas liquids from the United States, for example), increased production of ethylene **(a number of new ethylene capacity expansions have been recently completed)** or export of ethane or ethylene from the United States; • changes in overall levels of production, production capacity, pricing and / or margins for ethylene; • OpCo' s ability to secure adequate supplies of ethane, other feedstocks and natural gas from Westlake or third parties; • the need to use higher priced or less attractive feedstock due to the unavailability of ethane; • the effects of pipeline, railroad, barge, truck and other transportation performance and costs, including any transportation disruptions; • the **effects of inflation and fluctuations in interest rates; • the** availability and cost of labor; • risks related to employees and workplace safety; • the effects of adverse events relating to the operation of OpCo' s facilities and to the transportation and storage of hazardous materials (including equipment malfunction, explosions, fires, spills and the effects of severe weather conditions); • changes in product specifications for the ethylene that we produce; • changes in insurance markets and the level, types and costs of coverage available, and the financial ability **and willingness** of our insurers to meet their obligations; • changes in, or new, statutes, regulations or governmental policies by federal, state and local authorities with respect to protection of the environment; • changes in accounting rules and / or tax laws or their interpretations; • nonperformance or force majeure by, or disputes with or changes in contract terms with, Westlake, our other major customers, suppliers, dealers, distributors or other business partners; and • changes in, or new, statutes, regulations, governmental policies and taxes, or their interpretations. In addition, the actual amount of cash we will have available for distribution will depend on other factors, including: • the amount of cash we or OpCo are able to generate from sales of ethylene, and associated co- products, to third parties, which will be impacted by changes in prices for ethane (or other feedstocks), natural gas, ethylene and co- products and lower prices of crude oil, ~~such as those experienced from the third quarter~~ **new ethylene capacity expansions in North America (a number** of ~~2014 through 2020~~ **which have been completed recently)** , and could be less than the margin we earn from ethylene sales to Westlake; • the level of capital expenditures we or OpCo make; • the cost of acquisitions; • construction costs; • fluctuations in our or OpCo' s working capital needs; • our or OpCo' s ability to borrow funds (including under our or OpCo' s revolving credit facilities) and access capital markets; • our or OpCo' s debt service requirements **, including interest owed on variable rate debt,** and other liabilities; • restrictions contained in our or OpCo' s existing or future debt agreements; and • the amount of cash reserves established by our general partner. We will require a significant amount of cash to service our debt and OpCo' s debt, including borrowings under our and OpCo' s credit facilities with Westlake. Our ability to make payments on and refinance this debt will depend on our ability to generate cash in the future, which is subject to the same factors described above in connection with our ability to pay quarterly distributions to unitholders. Cash that is used to service debt will be unavailable for distributions to our unitholders. Our ability to make distributions to unitholders is substantially dependent on Westlake' s ability to meet its minimum contractual obligations under the Ethylene Sales Agreement **and its obligations under the Services and Secondment Agreement and the Omnibus Agreement** . If Westlake defaults on its obligations, our ability to make distributions to our unitholders would be reduced or eliminated. Westlake has not pledged any assets to us as security for the performance of its obligations. Westlake has not agreed with us to limit its ability to incur indebtedness, pledge or sell assets or make investments, and we have no control over the amount of indebtedness Westlake incurs, the assets it pledges or sells or the investments it makes . Public health crises, pandemics and...... be predicted with certainty at this time . All of our cash is currently generated from cash distributions from OpCo. Certain indentures governing Westlake' s senior notes impose significant operating and financial restrictions on OpCo. These restrictions limit OpCo' s ability to: • incur additional indebtedness; • create liens; and • sell all or substantially all of its assets or consolidate or merge with or into other companies. These covenants may adversely affect OpCo' s ability to finance future business opportunities. A breach of any of these covenants could result in a default in respect of the related debt. If a default occurred, the relevant lenders could elect to declare the debt, together with accrued interest and other fees, to be immediately due and payable and proceed against any collateral securing that debt, including OpCo and its assets. In addition, any acceleration of debt under Westlake' s credit facility will constitute a default under some of Westlake' s other debt, including the indentures governing its senior notes. The purchase price under the Ethylene Sales Agreement is based on OpCo' s actual ethane, other feedstock and natural gas costs and an annual estimate of other operating costs and maintenance capital expenditures and other turnaround expenditures. The price is designed to permit OpCo to recover the portion of its costs of feedstocks and other costs to operate the ethylene production facilities associated with the percentage of its production capacity purchased by Westlake and generate a fixed margin per pound of ethylene purchased by Westlake. The price is not designed to allow OpCo to recover any capital expenditures related to expansion ~~, or operational efficiency~~ . The ethylene sales price also does not increase to cover our **cost of debt or** public partnership costs. ~~Both~~ **All** of these costs reduce our net operating profit. The fee structure of the Ethylene Sales Agreement may limit OpCo' s ability to take advantage of favorable market developments in the future. The Ethylene Sales Agreement sets a $ 0. 10 per pound margin for a substantial majority of OpCo' s ethylene production, limiting OpCo' s ability to take advantage of potential decreased ethane and other feedstock prices, potential increased ethylene prices or other favorable market developments. Under these circumstances, OpCo may not be in a position to enable its partners, including us, to benefit from favorable market developments (including any potential ethylene price increase in the future) through increased distributions. In addition, under these circumstances, OpCo may be disadvantaged relative to those of its competitors that are in a better position to take advantage of favorable market developments. Westlake' s obligations under the Ethylene Sales Agreement, the Feedstock Supply Agreement and the related Services and Secondment Agreement will become terminable by either party commencing December 31, 2026. If OpCo were unable to reach agreement with Westlake on an extension or replacement of these agreements, then our ability to make distributions on our common units could be materially adversely affected and the value of our common units could decline. Westlake has (1) leased to OpCo the real property underlying Lake Charles Olefins and Calvert City Olefins and (2) granted OpCo rights to access and use certain other portions of Westlake' s facilities that are necessary to operate OpCo' s units at such facilities. The site lease agreements each have a term of 50 years and may be renewed if agreed to by the parties. If an event of default with respect to bankruptcy of OpCo occurs, if Westlake terminates the Ethylene Sales Agreement in accordance with its provisions either for cause or due to a force majeure event, or if OpCo ceases to operate Lake Charles Olefins or Calvert City Olefins for six consecutive months (other than due to force majeure or construction following a casualty loss), Westlake may terminate the applicable site lease following notice and expiration of a cure period to remedy the default. In addition, if OpCo fails to act in good faith to expeditiously restore Lake Charles Olefins or Calvert City Olefins following a casualty loss, Westlake has the ability to terminate the applicable site lease agreement, to restore Lake Charles Olefins or Calvert City Olefins, as the case may be, and to purchase such ethylene production facilities at fair market value. If OpCo is unable to renew the site lease agreements or if Westlake terminates one or both of the site lease agreements, OpCo may have to relocate Lake Charles Olefins and Calvert City Olefins, abandon the assets or sell the assets to Westlake, the result of which may have a material adverse effect on our business, results of operations and financial condition. Pursuant to the Services and Secondment Agreement, Westlake is obligated to provide OpCo operating services, utility access services and other key site services. Westlake provides the services of certain of its employees, who act as OpCo' s agents in operating and maintaining OpCo' s ethylene production facilities and other assets. If this agreement is terminated or if Westlake or its affiliates fail to satisfactorily provide these services or employees, OpCo would be required to hire labor, provide these services internally or find a third- party provider of these services. Any services or labor OpCo chooses to provide internally may not be as cost effective as those that Westlake or its affiliates provide, particularly in light of OpCo' s lack of experience as an independent organization. If OpCo is required to obtain these services or labor from a third party, it may be unable to do so in a timely, efficient and cost- effective manner, the services or labor it receives may be inferior to or more costly than those that Westlake is currently providing, or such services and labor may be unavailable. Moreover, given the integration of OpCo' s ethylene production facilities and Westlake' s Lake Charles and Calvert City facilities, it may not be practical for us or for a third party to provide site services or labor for OpCo' s ethylene production facilities separately. OpCo' s ability to receive greater cash flows from increased production may be limited by the Ethylene Sales Agreement. OpCo' s ability to increase throughput volumes through its assets is constrained by the capacity limitations of those assets, which are currently operating at close to full capacity. OpCo' s ability to increase its cash flow by selling ethylene to third parties may be limited by the Ethylene Sales Agreement. OpCo' s ability to sell ethylene to third parties is limited to available excess capacity, since Westlake has the right to purchase the substantial majority of production from OpCo' s facilities through its minimum purchase commitment and option to purchase additional ethylene under the Ethylene Sales Agreement. The Ethylene Sales Agreement provisions may prohibit OpCo from competing effectively for third party business for this excess production given the limited volumes available for sale. For example, so long as Westlake is not in default under the Ethylene Sales Agreement, Westlake has the right to purchase 95 % of OpCo' s production in excess of planned capacity. We are obligated under our partnership agreement to reimburse our general partner and its affiliates for all expenses they incur and payments they make on our behalf, including expenses we and OpCo incur under the ~~services~~ **Services** and ~~secondment~~ **Secondment** ~~agreement~~ **Agreement** and the ~~omnibus~~ **Omnibus** ~~agreement~~ **Agreement** . Our partnership agreement does not set a limit on the amount of expenses for which our general partner and its affiliates may be reimbursed. These expenses include all expenses incurred under the ~~services~~ **Services** and ~~secondment~~ **Secondment** ~~agreement~~ **Agreement** and the ~~omnibus~~ **Omnibus** ~~agreement~~ **Agreement** , including salary, bonus, incentive compensation and other amounts paid to persons who perform services for us or on our behalf and expenses allocated to our general partner by its affiliates. Our partnership agreement provides that our general partner determines the expenses that are allocable to us. The reimbursement of expenses and payment of fees, if any, to our general partner and its affiliates reduce the amount of our earnings and, thereby, our ability to distribute cash to our unitholders .Public health crises,pandemics and epidemics,such as the COVID- 19 pandemic,could materially adversely affect ~~Westlake~~ **OpCo** ' s business,financial condition and results of operations. **Such events have** ~~The COVID- 19 pandemic at its peak~~ resulted **in and may again result** in authorities implementing numerous measures to try to contain the disease,such as travel bans and restrictions,quarantines,shelter-in- place orders and shutdowns,among others. ~~There were~~ **Such events have had and could again have** widespread adverse impacts on the global economy,many of ~~Westlake~~ **OpCo** ' s facilities and its employees,customers and suppliers. ~~We~~ **These and similar events** have ~~also encountered~~ **caused and may again cause** supply chain constraints and disruptions and workforce availability issues as **well** ~~a result of COVID- 19 related actions and vaccination requirements.At~~ . OpCo' s operations are subject to significant hazards and risks inherent in ethylene production operations. These hazards and risks include, but are not limited to, equipment malfunction, explosions, fires and the effects of severe weather conditions, any of which could result in production and transportation difficulties and disruptions, pollution, personal injury or wrongful death claims and other damage to our properties and the property of others. There is also risk of mechanical failure of OpCo' s facilities both in the normal course of operations and following unforeseen events. Any adverse developments at any of OpCo' s facilities could have a material adverse effect on our results of operations and therefore our ability to distribute cash to unitholders. Because substantially all of OpCo' s sales are generated at three facilities located at two sites, any such events at any facility or site could significantly disrupt OpCo' s ethylene production and its ability to supply ethylene to its customers. For example, OpCo' s Lake Charles facility was shut down for a significant period of time in the months of August, September and October 2020 in the aftermath of Hurricanes Laura and Delta. Any similar or other sustained disruption in OpCo' s ability to meet its supply obligations under the Ethylene Sales Agreement could have a material adverse effect on our results of operations and therefore our ability to distribute cash to unitholders. The amount of cash we have available for distribution depends primarily upon our cash flow, including cash flow from reserves and working capital or borrowings (including any under our and OpCo' s credit facilities) and not solely on profitability, which will be affected by non- cash items. As a result, we may pay cash distributions during periods when we record net losses for financial accounting purposes and may be unable to pay cash distributions during periods when we record net income. We may be unable to access our and OpCo' s revolving credit facilities when we do not have sufficient cash flows to pay cash distributions. Our strategy to grow our business and increase distributions to unitholders is dependent on our ability to make acquisitions that result in an increase in our cash distributions per unit. If we are unable to make acquisitions of additional interests in OpCo from Westlake on acceptable terms or we are unable to obtain financing for these acquisitions, our future growth and ability to increase distributions will be limited. In addition, we may be unable to make acquisitions from third parties as an alternative avenue to growth. Furthermore, even if we do consummate acquisitions that we believe will be accretive, they may in fact result in a decrease in our cash distributions per unit. Any acquisition involves potential risks, some of which are beyond our control, including, among other things: • mistaken assumptions about revenues and costs, including synergies; • the inability to successfully integrate the businesses we acquire; • the inability to hire, train or retain qualified personnel to manage and operate our business and newly acquired assets; • the assumption of unknown liabilities; • limitations on rights to indemnity from the seller; • mistaken assumptions about the overall costs of equity or debt; • the diversion of management' s attention from other business concerns; • unforeseen difficulties in connection with operating in new product areas or new geographic areas; and • customer or key employee losses at the acquired businesses. If we consummate any future acquisitions, our capitalization and results of operations may change significantly, and unitholders will not have the opportunity to evaluate the economic, financial and other relevant information that we will consider in determining the application of our funds and other resources. Many of our assets have been in service for many years and require significant expenditures to maintain them. As a result, our maintenance or repair costs may increase in the future. In addition, while we establish cash reserves in order to cover turnaround expenditures, the amounts we reserve may not be sufficient to fully cover such expenditures. Many of the assets we use to produce ethylene are ~~generally~~ long- lived assets. As a result, some of those assets have been in service for many decades. The age and condition of these assets could result in increased maintenance or repair expenditures. In addition, while we establish certain cash reserves to cover our expected turnaround expenditures, the amounts we reserve may be insufficient to fully cover such expenditures. Any significant and unexpected increase in these expenditures could adversely affect our results of operations, financial position or cash flows, as well as our ability to pay cash distributions. Our production facilities process volatile and hazardous materials that subject us to operating risks that could adversely affect our operating results. Our operations are subject to the usual hazards associated with commodity chemical manufacturing and the related use, storage, transportation and disposal of feedstocks, products and wastes, including: • pipeline leaks and ruptures; • explosions; • fires; • severe weather and natural disasters **; • long- term impacts of climate change; including rising sea levels and changes in weather patterns, such as drought and flooding** ; • mechanical failure; • unscheduled downtime; • labor difficulties; • transportation interruptions; • chemical spills; • discharges or releases of toxic or hazardous substances or gases; • storage tank leaks; • other environmental risks; and • terrorist attacks. All of these hazards can cause personal injury and loss of life, catastrophic damage to or destruction of property and equipment and environmental damage, and may result in a suspension of operations and the imposition of civil or criminal penalties. We could become subject to environmental claims brought by governmental entities or third parties. A loss or shutdown of operations over an extended period at any one of our three major operating facilities would have a material adverse effect on us. ~~We~~ **Through Westlake, we** maintain property, business interruption and casualty insurance that we believe is in accordance with customary industry practices, but we cannot be fully insured against all potential hazards incident to our business, including losses resulting from ~~war~~ **wars** ~~risks~~ or terrorist acts **, among other things. In addition, certain policies may be subject to coverage limitations, which may affect the extent of any recovery thereunder** . As a result of market conditions **and past claims** , premiums and deductibles for certain insurance policies can increase substantially and, in some instances, certain insurance may become unavailable or available only for reduced amounts of coverage. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our financial position. Our operations and assets are subject to extensive environmental, health and safety laws and regulations. We use hazardous substances and generate hazardous wastes and emissions in our manufacturing operations. Our industry is highly regulated and monitored by various environmental regulatory authorities such as the EPA. As such, we are subject to extensive federal, state and local laws and regulations pertaining to pollution and protection of the environment, health and safety, which govern, among other things, emissions to the air, discharges onto land or waters, the maintenance of safe conditions in the workplace, the remediation of contaminated sites, and the generation, handling, storage, transportation, treatment and disposal of waste materials. Some of these laws and regulations are subject to varying and conflicting interpretations. Many of these laws and regulations provide for substantial fines and potential criminal sanctions for violations and require the installation of costly pollution control equipment or operational changes to limit pollution emissions or reduce the likelihood or impact of hazardous substance releases, whether permitted or not. For example, our petrochemical facilities may require improvements to comply with certain changes in process safety management requirements. In April 2016, the EPA issued an Information Collection Request (" ICR") for ethylene production facilities to inform the agency' s mandatory Risk and Technology Review of the existing ethylene maximum available technology (" MACT") rule, which regulates the emissions of organic Hazardous Air Pollutants (HAP) including benzene, toluene and xylene among others. The EPA evaluated companies' responses and testing data from the ICR and published a final rule amending the ethylene MACT rule in July 2020. Among other things, the final rule strengthens heat exchange system and storage vessel control requirements, adds monitoring and operational requirements for flares, and removes exemptions for periods of startup, shutdown, and malfunctions. **On April 27, 2023, the EPA proposed amendments to the National Emission Standards for Hazardous Air Pollutants (NESHAPs) for ethylene production following the receipt of several petitions for reconsideration for the provisions addressing work practice standards for pressure relief devices, emergency flaring, and degassing of floating roof storage vessels. In April 2023, the EPA proposed amendments to new source performance standards for the synthetic organic chemical manufacturing industry and amendments to the national emissions standards for hazardous air pollutants for the synthetic organic chemical manufacturing industry and group I & II polymers and resins industry. These proposed amendments, among other things, would impose tougher emissions limits, additional leak detection and repair obligations, certain performance standards for the operation of flares at applicable facilities, and new fenceline air monitoring for several chemicals. Although we cannot predict the outcome or timing of EPA' s final rule amendments, the amendments as proposed would require us to incur further capital expenditures and increase operating costs.** Our operations also produce greenhouse gas (" GHG") emissions, which have been the subject of increased scrutiny and regulation. In December 2015, the United States joined the international community at the 21st Conference of the Parties of the United Nations Framework Convention on Climate Change in Paris, France. The resulting Paris Agreement calls for the parties to undertake" ambitious efforts" to limit the average global temperature and to conserve and enhance sinks and reservoirs of greenhouse gases. The United States signed the Paris Agreement in April 2016, and the Paris Agreement went into effect in November 2016. In November 2019, the United States submitted formal notification to the United Nations that it intended to withdraw from the Paris Agreement. The withdrawal took effect in November 2020. However, President Biden signed an executive order on January 20, 2021 for reentry of the United States into the Paris Agreement and on February 19, 2021, President Biden formally rejoined the Paris Agreement. As part of rejoining the Paris Agreement, President Biden announced that the United States would commit to a 50 to 52 percent reduction from 2005 levels of GHG emissions by 2030 and set the goal of reaching net- zero GHG **emissions by 2050. To measure progress towards this target, the Paris Agreement requires the parties to complete a global stocktake, assessing members' collective efforts and achievements in reducing GHG emissions and adapting to the impacts of climate change, every five years. On December 13, 2023, the 28th annual United Nations Climate Change Conference (" COP 28"), which was held in Dubai, issued its first global stocktake, which calls on parties, including the United States, to contribute to the transitioning away from fossil fuels, reduce methane emissions, and increase renewable energy capacity, among other things, to achieve net zero** emissions by 2050. Legislation to regulate GHG emissions has periodically been introduced in the United States Congress, and such legislation may be proposed or adopted in the future. There has been a wide- ranging policy debate regarding the impact of these gases and possible means for their regulation. Some of the proposals would require industries to meet stringent new standards that would require substantial reductions in carbon emissions. The adoption and implementation of any international, federal or state legislation or regulations that restrict emissions of GHGs could result in increased compliance costs or additional operating restrictions. The EPA has adopted rules requiring the reporting of GHG emissions from specified large GHG emission sources on an annual basis including our facilities in Lake Charles and Calvert City. Various jurisdictions have considered or adopted laws and regulations on GHG emissions, with the general aim of reducing such emissions. The EPA currently requires certain industrial facilities to report their GHG emissions and to obtain permits with stringent control requirements before constructing or modifying new facilities with significant criteria pollutant and GHG emissions. As our chemical processing results in GHG emissions, these and other GHG laws and regulations could affect our costs of doing business. We also may face liability for alleged personal injury or property damage due to exposure to chemicals or other hazardous substances at our facilities or to chemicals that we otherwise manufacture, handle or own. Although these types of claims have not historically had a material impact on our operations, a significant increase in the success of these types of claims could have a material adverse effect on our business, financial condition, operating results or cash flow. Environmental laws may have a significant effect on the nature and scope of, and responsibility for, cleanup of contamination at our current and former operating facilities, the costs of transportation and storage of raw materials and finished products, the costs of reducing emissions and the costs of the storage and disposal of wastewater. The U. S. Comprehensive Environmental Response, Compensation, and Liability Act (" CERCLA") and similar state laws impose joint and several liability for the costs of remedial investigations and actions on the entities that ~~are deemed responsible for a release of hazardous substances into the environment, including entities that have~~ generated **waste,** ~~hazardous substances or~~ arranged for ~~their transportation or~~ disposal **of the waste** , ~~as well as~~ **transported to or selected the disposal sites, and** the past and present owners and operators of disposal sites. All such potentially responsible parties (or any one of them, including us) may be required to bear all of such costs regardless of fault, legality of the original disposal or ownership of the disposal site. In addition, CERCLA and similar state laws could impose liability for damages to natural resources caused by contamination. Although we seek to take preventive action, our operations are inherently subject to accidental spills, discharges or other releases of hazardous substances that may make us liable to governmental entities or private parties. This may involve contamination associated with our current and former facilities, facilities to which we sent wastes or by- products for treatment or disposal and other contamination. Accidental discharges may occur in the future, future action may be taken in connection with past discharges, governmental agencies may assess damages or penalties against us in connection with any past or future contamination, or third parties may assert claims against us for damages allegedly arising out of any past or future contamination. In addition, we may be liable for existing contamination related to certain of our facilities for which, in some cases, we believe third parties are liable in the event such third parties fail to perform their obligations. We are subject to increasing climate- related risks and uncertainties, many of which are outside of our control. Climate change may result in more frequent severe weather events, potential changes in precipitation patterns **, flooding, sea level rise** and variability in weather patterns, which can disrupt our operations as well as those of our customers, partners and suppliers. Climate change may result in heightened hurricane activity in the Gulf of Mexico and other weather and natural disaster hazards that pose a risk to OpCo' s facilities, particularly those in Louisiana. The transition to lower greenhouse gas emissions technology, the effects of carbon pricing, changes in public sentiment, regulations, taxes, public mandates or requirements, increases in climate- related lawsuits, insurance premiums and implementation of more robust disaster recovery and business continuity plans may increase costs to maintain or resume our operations, which could in turn negatively impact our business and results of operations. **We are subject to operational and financial risks and liabilities associated with the implementation of and efforts to achieve carbon emission reduction goals. Westlake has publicly announced a GHG emissions reduction target for 2030 (which includes emissions from our operations), which is a 20 % reduction in Westlake' s scope 1 and scope 2 carbon dioxide equivalent emissions per ton of production by 2030 from a 2016 baseline. Developing and implementing plans for compliance with voluntary climate commitments can lead to additional capital, personnel, operations and maintenance expenditures and could significantly affect the economic position of existing facilities and proposed projects. Westlake' s failure or perceived failure to pursue or fulfill its sustainability- focused goals, targets and objectives within the timelines announced, or at all, could adversely affect our business or reputation, as well as expose us to potential government enforcement actions and private litigation. We cannot predict the ultimate impact of achieving Westlake' s emissions reduction goal, or the various implementation aspects, on our financial condition and results of operations.** Failure to adequately protect critical data and technology systems could materially affect our operations **. We are increasingly dependent on digital technologies and services to conduct our business. We use these technologies for internal and operational purposes, including data storage, processing, and transmission, as well as in our interactions with our business associates, such as customers and suppliers** . Information technology system failures, network disruptions and breaches of data security due to internal or external factors including cyber- attacks could **have material adverse impacts on our business or cause** ~~disrupt~~ **disruptions to** our operations ~~by causing delays~~ **. Such disruptions could include, but are not limited to, delaying** or ~~cancellation~~ --- **cancelling** ~~of~~ customer orders, ~~impede~~ **impeding** the manufacture or shipment of products or ~~cause~~ **causing** standard business processes to become ineffective, **or** ~~resulting in~~ the unintentional **or malicious** disclosure of **proprietary, confidential or other sensitive** information ~~or damage to our reputation~~ . Cyber- attacks could include, but are not limited to, ransomware attacks, malicious software, attempts to gain unauthorized access to our **systems or** data ~~and~~ **or** ~~the~~ **other electronic security breaches that could lead to disruptions in critical systems,** unauthorized release, corruption or loss of ~~our~~ data ~~and~~ **including protected information such as** personal information **of our employees** , interruptions in communication, loss of our intellectual property or theft of our sensitive or proprietary technology, loss or damage to our data delivery systems, or other cybersecurity and infrastructure systems, including our property and equipment. Westlake ~~, which manages our security protocol under the omnibus agreement, has taken steps to address these risks by~~

~~implementing network security and internal control measures, including employee training, comprehensive monitoring of our networks and systems, maintenance of backup and protective systems and disaster recovery and incident response plans. Westlake~~ ' s **and our** employees, systems, networks, products, facilities and services remain potentially vulnerable to sophisticated cyber- ~~assault~~ **attacks** , ~~especially while certain employees are working~~ **including the additional cybersecurity risks posed by the increased use of** ~~remotely~~ -- **remote networking technologies and services** ~~during the COVID- 19 pandemic~~ , and, as such, there can be no assurance that a system failure, network disruption or data security breach will not have a material adverse effect on our operations, business, financial condition, operating results or cash flow **. In addition, laws and regulations governing cybersecurity, data privacy, and the unauthorized disclosure of confidential or protected information pose increasingly complex compliance challenges, and failure to comply with these laws could result in penalties and legal liability. We are exposed to interest rate risk with respect to our outstanding debt, all of which is variable- rate debt. At December 31, 2023, we had $ 399. 7 million in principal amount of variable- rate debt outstanding, including $ 22. 6 million outstanding under the OpCo Revolver and $ 377. 1 million outstanding under the MLP Revolver. Each of the OpCo Revolver and the MLP Revolver have interest rates in- part based on SOFR at the time of any borrowing. The Board of Governors of the Federal Reserve System increased benchmark interest rates seven times in 2022, four times in 2023, and may further raise rates in future periods. Should interest rates increase significantly, the amount of cash required to service our debt would increase. As a result, significant increases in interest rates could have a material impact on our financial position, results of operations and cash flows. An increase in interest rates may also cause a corresponding decline in demand for equity securities in general, and in particular, for yield- based equity securities such as our common units. A reduction in demand for our common units may cause their trading price to decline** . A terrorist attack or armed conflict could harm our business. Terrorist activities, anti- terrorist efforts and other armed conflicts involving the United States or other jurisdictions could adversely affect the United States and global economies and could prevent us from meeting financial and other obligations. We could experience loss of business, delays or defaults in payments from customers or disruptions of fuel supplies and markets if North American and global utilities are direct targets or indirect casualties of an act of terror or war. Terrorist activities and the threat of potential terrorist activities and any resulting economic downturn could adversely affect our results of operations, impair our ability to raise capital or otherwise adversely impact our ability to realize certain business strategies. Westlake owns and controls our general partner and appoints all of the directors of our general partner. Although our general partner has a duty to manage us in a manner that it believes is not adverse to our interests, the executive officers and directors of our general partner have a fiduciary duty to manage our general partner in a manner beneficial to Westlake. Therefore, conflicts of interest may arise between Westlake or any of its affiliates, including our general partner, on the one hand, and us or any of our unitholders, on the other hand. In resolving these conflicts of interest, our general partner may favor its own interests and the interests of its affiliates over the interests of our common unitholders. These conflicts include the following situations, among others: • our general partner is allowed to take into account the interests of parties other than us, such as Westlake, in exercising certain rights under our partnership agreement; • neither our partnership agreement nor any other agreement requires Westlake to pursue a business strategy that favors us; • our partnership agreement replaces the fiduciary duties that would otherwise be owed by our general partner with contractual standards governing its duties, limits our general partner' s liabilities and restricts the remedies available to our unitholders for actions that, without such limitations, might constitute breaches of fiduciary duty; • except in limited circumstances, our general partner has the power and authority to conduct our business without unitholder approval; • our general partner determines the amount and timing of asset purchases and sales, borrowings, issuances of additional partnership securities and the level of reserves, each of which can affect the amount of cash that is distributed to our unitholders; • our general partner determines the amount and timing of any cash expenditure and whether an expenditure is classified as a maintenance capital expenditure, which reduces operating surplus, or an expansion capital expenditure, which does not reduce operating surplus. This determination can affect the amount of cash from operating surplus that is distributed to our unitholders; • our general partner may cause us to borrow funds in order to permit the payment of cash distributions, even if the purpose or effect of the borrowing is to make incentive distributions or may cause us not to borrow funds to pay cash distributions when we do not otherwise have the funds to pay such cash distributions; • our partnership agreement permits us to distribute up to $ 28. 0 million as operating surplus, even if it is generated from asset sales, non- working capital borrowings or other sources that would otherwise constitute capital surplus. This cash may be used to fund distributions on the incentive distribution rights; • our general partner determines which costs incurred by it and its affiliates are reimbursable by us; • our partnership agreement does not restrict our general partner from causing us to pay it or its affiliates for any services rendered to us or entering into additional contractual arrangements with its affiliates on our behalf; • our general partner intends to limit its liability regarding our contractual and other obligations; • our general partner may exercise its right to call and purchase common units if it and its affiliates own more than 80 % of the common units; • our general partner controls the enforcement of obligations that it and its affiliates owe to us; • our general partner decides whether to retain separate counsel, accountants or others to perform services for us; and • our general partner may elect to cause us to issue common units to it in connection with a resetting of the target distribution levels related to Westlake' s incentive distribution rights without the approval of the conflicts committee of the board of directors or the unitholders. This election may result in lower distributions to the common unitholders in certain situations. In addition, we may compete directly with Westlake and entities in which it has an interest for acquisition opportunities and potentially will compete with these entities for new business or extensions of the existing services provided by us. See" — Risks Relating to Our Partnership Structure — Our General Partner — Westlake and other affiliates of our general partner may compete with us" below. Our general partner has limited its liability under contractual arrangements between us and third parties so that the counterparties to such arrangements have recourse only against our assets, and not against our general partner or its assets. Our general partner may therefore cause us to incur indebtedness or other obligations that are nonrecourse to our general partner.

Our partnership agreement provides that any action taken by our general partner to limit its liability is not a breach of our general partner' s duties, even if we could have obtained more favorable terms without the limitation on liability. Our partnership agreement contains provisions that eliminate and replace the fiduciary standards to which our general partner would otherwise be held by state fiduciary duty law. For example, our partnership agreement permits our general partner to make a number of decisions in its individual capacity, as opposed to in its capacity as our general partner, or otherwise free of fiduciary duties to us and our unitholders. This entitles our general partner to consider only the interests and factors that it desires and relieves it of any duty or obligation to give any consideration to any interest of, or factors affecting, us, our affiliates or our limited partners. Examples of decisions that our general partner may make in its individual capacity include: • how to allocate business opportunities among us and its affiliates; • whether to exercise its call right; • how to exercise its voting rights with respect to the units it owns; • whether to exercise its registration rights; • whether to elect to reset target distribution levels; and • whether or not to consent to any merger or consolidation of the partnership or amendment to the partnership agreement. By purchasing a common unit, a unitholder is treated as having consented to the provisions in the partnership agreement, including the provisions discussed above. Our partnership agreement restricts the remedies available to holders of our units for actions taken by our general partner that might otherwise constitute breaches of fiduciary duty. Our partnership agreement contains provisions that restrict the remedies available to unitholders for actions taken by our general partner that might otherwise constitute breaches of fiduciary duty under state fiduciary duty law. For example, our partnership agreement provides that: • whenever our general partner makes a determination or takes, or declines to take, any other action in its capacity as our general partner, our general partner is generally required to make such determination, or take or decline to take such other action, in good faith, and will not be subject to any higher standard imposed by our partnership agreement, Delaware law, or any other law, rule or regulation, or at equity; • our general partner and its officers and directors will not be liable for monetary damages or otherwise to us or our limited partners resulting from any act or omission unless there has been a final and non- appealable judgment entered by a court of competent jurisdiction determining that such losses or liabilities were the result of conduct in which our general partner or its officers or directors engaged in bad faith, meaning that they believed that the decision was adverse to the interest of the partnership or, with respect to any criminal conduct, with knowledge that such conduct was unlawful; and • our general partner will not be in breach of its obligations under the partnership agreement or its duties to us or our limited partners if a transaction with an affiliate or the resolution of a conflict of interest is: (1) approved by the conflicts committee of the board of directors, although our general partner is not obligated to seek such approval; or (2) approved by the vote of a majority of the outstanding common units, excluding any common units owned by our general partner and its affiliates. In connection with a situation involving a transaction with an affiliate or a conflict of interest, other than one where our general partner is permitted to act in its sole discretion, any determination by our general partner must be made in good faith. If an affiliate transaction or the resolution of a conflict of interest is not approved by our common unitholders or the conflicts committee, then it will be presumed that, in making its decision, taking any action or failing to act, the board of directors acted in good faith, and in any proceeding brought by or on behalf of any limited partner or the partnership, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption. Our partnership agreement provides that the conflicts committee of the board of directors may be comprised of one or more independent directors. If the board of directors establishes a conflicts committee with only one independent director, your interests may not be as well served as if the conflicts committee was comprised of at least two independent directors. A single- member conflicts committee would not have the benefit of discussion with, and input from, other independent directors. Affiliates of our general partner, including Westlake, are not prohibited from engaging in other businesses or activities, including those that might be in direct competition with us. In addition, Westlake may compete with us for investment opportunities and may own an interest in entities that compete with us. Pursuant to the terms of our partnership agreement, the doctrine of corporate opportunity, or any analogous doctrine, does not apply to our general partner or any of its affiliates, including its executive officers and directors and Westlake. Any such person or entity that becomes aware of a potential transaction, agreement, arrangement or other matter that may be an opportunity for us will not have any duty to communicate or offer such opportunity to us. Any such person or entity will not be liable to us or to any limited partner for breach of any fiduciary duty or other duty by reason of the fact that such person or entity pursues or acquires such opportunity for itself, directs such opportunity to another person or entity or does not communicate such opportunity or information to us. This may create actual and potential conflicts of interest between us and affiliates of our general partner and result in less than favorable treatment of us and our unitholders. Compared to the holders of common stock in a corporation, unitholders have limited voting rights and, therefore, limited ability to influence management' s decisions regarding our business. Unitholders will have no right on an annual or ongoing basis to elect our general partner or its board of directors. The board of directors, including the independent directors, is chosen entirely by Westlake, as a result of it owning our general partner, and not by our unitholders. Unlike publicly- traded corporations, we do not conduct annual meetings of our unitholders to elect directors or conduct other matters routinely conducted at annual meetings of stockholders of corporations. As a result of these limitations, the price at which the common units trade could be diminished because of the absence or reduction of a takeover premium in the trading price. If our unitholders are dissatisfied with the performance of our general partner, they currently cannot remove our general partner. Unitholders currently are unable to remove our general partner without its consent because our general partner and its affiliates own sufficient units to be able to prevent its removal. The vote, including Westlake, of the holders of at least 66 2 / 3 % of all outstanding common and subordinated units voting together as a single class is required to remove our general partner. As of February ~~22~~ **21** , ~~2023~~ **2024** , Westlake owned an aggregate of 40. 1 % of our common units. This condition provides Westlake, at its current ownership levels, the ability to prevent the removal of our general partner. Our general partner may transfer its general partner interest to a third party without the consent of our unitholders. Furthermore, our partnership agreement permits Westlake to transfer ownership of our general partner to a third party, also without the consent of our unitholders. The new owner of our general partner would then be in a position to replace the board of directors and executive officers of our general partner with its own designees and thereby exert significant control over the decisions taken by the board of directors and executive officers of our general partner. This effectively permits a" change of control" without the vote or consent of the unitholders. If at any time our general partner and its affiliates own more than 80 % of the common units, our general partner will have the right, which it may assign to any of its affiliates or to us, but not the obligation, to acquire all, but not less than all, of the common units held by unaffiliated persons at a price equal to the greater of (1) the average of the daily closing price of the common units over the 20 trading days preceding the date three days before notice of exercise of the call right is first mailed and (2) the highest per- unit price paid by our general partner or any of its affiliates for common units during the 90- day period preceding the date such notice is first mailed. As a result, unitholders may be required to sell their common units at an undesirable time or price and may not receive any return or a negative return on their investment. Unitholders may also incur a tax liability upon a sale of their units. Our general partner is not obligated to obtain a fairness opinion regarding the value of the common units to be repurchased by it upon exercise of the limited call right. There is no restriction in our partnership agreement that prevents our general partner from causing us to issue additional common units and then exercising its call right. If our general partner exercised its limited call right, the effect would be to take us private and, if the units were subsequently deregistered, we would no longer be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act. The board of directors adopted a cash distribution policy pursuant to which we intend to distribute quarterly at least $ 0. 2750 per unit on all of our units to the extent we have sufficient cash after the establishment of cash reserves and the payment of our expenses, including payments to our general partner and its affiliates. However, the board may change such policy at any time at its discretion and could elect not to pay distributions for one or more quarters. In addition, our partnership agreement does not require us to pay any distributions at all. Accordingly, investors are cautioned not to place undue reliance on the permanence of such a policy in making an investment decision. Any modification or revocation of our cash distribution policy could substantially reduce or eliminate the amount we distribute to our unitholders. The amount of distributions we make, if any, and the decision to make any distribution at all will be determined by the board of directors, whose interests may differ from those of our common unitholders. Our general partner has limited duties to our unitholders, which may permit it to favor its own interests or the interests of Westlake to the detriment of our common unitholders. We plan to distribute most of our available cash, which may cause our growth to proceed at a slower pace than that of businesses that reinvest their cash to expand ongoing operations. To the extent we issue additional units in connection with any acquisitions or expansion capital expenditures, the payment of distributions on those additional units may increase the risk that we will be unable to maintain or increase our per unit distribution level. There are no limitations in our partnership agreement on our ability to issue additional units, including units ranking senior to the common units. The incurrence of additional commercial borrowings or other debt to finance our growth strategy would result in increased interest expense, which, in turn, may impact the cash that we have available to distribute to our unitholders. The holder or holders of our incentive distribution rights may elect to cause us to issue common units to it in connection with a resetting of the target distribution levels related to the incentive distribution rights, without the approval of the conflicts committee of our board of directors or the holders of our common units. This could result in lower distributions to holders of our common units. The holder or holders of a majority of our incentive distribution rights (currently Westlake) have the right, at any time when there are no subordinated units outstanding and we have made cash distributions in excess of the then- applicable third target distribution for each of the prior four consecutive fiscal quarters, to reset the initial target distribution levels at higher levels based on our cash distribution levels at the time of the exercise of the reset election. Following a reset election by such holder or holders, the minimum quarterly distribution will be calculated equal to an amount equal to the prior cash distribution per common unit for the fiscal quarter immediately preceding the reset election (such amount is referred to as the" reset minimum quarterly distribution") and the target distribution levels will be reset to correspondingly higher levels based on percentage increases above the reset minimum quarterly distribution. If such holder or holders elects to reset the target distribution levels, they will be entitled to receive common units as consideration for such election. The number of common units to be issued to such holder or holders will equal the number of common units that would have entitled the holder to an aggregate quarterly cash distribution for the quarter prior to the reset election equal to the distribution on the incentive distribution rights for the quarter prior to the reset election. Westlake, as the current holder of our incentive distribution rights, could exercise this reset right in order to facilitate acquisitions or internal growth projects that would not be sufficiently accretive to cash distributions per unit without such conversion. However, Westlake may transfer the incentive distribution rights at any time. It is possible that Westlake or a transferee could exercise this reset election at a time when we are experiencing declines in our aggregate cash distributions or at a time when the holders of the incentive distribution rights expect that we will experience declines in our aggregate cash distributions in the foreseeable future. In such situations, a holder of the incentive distribution rights may be experiencing, or may expect to experience, declines in the cash distributions it receives related to the incentive distribution rights and may therefore desire to be issued our common units rather than retain the right to receive incentive distributions based on the initial target distribution levels. As a result, a reset election may cause our common unitholders to experience reduction in the amount of cash distributions that they would have otherwise received had we not issued new common units to the holders of the incentive distribution rights in connection with resetting the target distribution levels. The incentive distribution rights may be transferred to a third party without unitholder consent. Westlake may transfer the incentive distribution rights to a third party at any time without the consent of our unitholders. If Westlake transfers the incentive distribution rights to a third party, it would not have the same incentive to grow our partnership and increase quarterly distributions to unitholders over time. For example, a transfer of incentive distribution rights by Westlake could reduce the likelihood of it accepting offers made by us relating to assets owned by Westlake, as it would have less of an economic incentive to grow our business, which in turn would impact our ability to grow our asset base. Our partnership agreement does not limit the number of additional limited partner interests we may issue at any time without the approval of our unitholders. **We are party to an Equity Distribution Agreement pursuant** to which we may offer and sell common units from time to time to or through the investment banks, as our sales agents or as principals, having an aggregate offering amount of up to $ 50. 0 million. The issuance of additional common units or other equity interests of equal or senior rank will have the following effects: • our existing unitholders' proportionate ownership interest in us will decrease; • the amount of earnings per each unit may decrease; • the ratio of taxable income to distributions may increase; • the relative voting strength of each previously outstanding unit may be diminished; and • the market price of the common units may decline. Westlake has registration rights with respect to the common units it holds. Sales by Westlake or other large holders of a substantial number of our common units in the public markets, or the perception that such sales might occur, could have a material adverse effect on the price of our common units or could impair our ability to obtain capital through an offering of equity securities. Our partnership agreement restricts the voting rights of unitholders owning 20 % or more of our common units. Our partnership agreement restricts unitholders' voting rights by providing that any units held by a person or group that owns 20 % or more of any class of units then outstanding, other than our general partner and its affiliates, their transferees and persons who acquired such units with the prior approval of the board of directors, cannot vote on any matter. Unitholders may have liability to repay distributions. Under certain circumstances, unitholders may have to repay amounts wrongfully returned or distributed to them. Under Delaware law, we may not make a distribution to our unitholders if the distribution would cause our liabilities to exceed the fair value of our assets. Delaware law provides that for a period of three years from the date of the impermissible distribution, limited partners who received the distribution and who knew at the time of the distribution that it violated Delaware law will be liable to the limited partnership for the distribution amount. Liabilities to partners on account of their partnership interests and liabilities that are non- recourse to the partnership are not counted for purposes of determining whether a distribution is permitted. Public and investor sentiment towards climate change and other environmental, social and governance (" ESG") matters could adversely affect our cost of capital and the price of our common units. There have been intensifying efforts within the investment community (including investment advisors, investment fund managers, sovereign wealth funds, public pension funds, universities and individual investors) to promote the divestment of, or limit investment in, the equity of companies in the petrochemical industry. There has also been pressure on lenders and other financial services companies to limit or curtail financing of companies in the industry. Because we operate within the petrochemical industry, if these efforts continue or expand, our stock price and our ability to raise capital may be negatively impacted. Members of the investment community are increasing their focus on ESG practices and disclosures by public companies, including practices and disclosures related to climate change and sustainability, D & I initiatives and heightened governance standards. In March 2022, the SEC proposed enhanced climate- change disclosure requirements. As a result, we may continue to face increasing pressure regarding our ESG disclosures and practices. Additionally, members of the investment community may screen companies such as ours for ESG disclosures and performance before investing in our common units. Over the past few years, there has also been an acceleration in investor demand for ESG investing opportunities, and many large institutional investors have committed to increasing the percentage of their portfolios that are allocated towards ESG investments. With respect to any of these investors, our ESG disclosures and efforts may not satisfy the investor requirements or their requirements may not be made known to us. If we or our securities are unable to meet the ESG standards or investment criteria set by these investors and funds, we may lose investors or investors may allocate a portion of their capital away from us, our cost of capital may increase, and our common unit price may be negatively impacted. Our tax treatment depends on our status as a partnership for U. S. federal income tax purposes, and not being subject to a material amount of entity- level taxation. If the Internal Revenue Service (" IRS"), were to treat us as a corporation for U. S. federal income tax purposes, or we become subject to entity- level taxation for state tax purposes, our cash available for distribution to our unitholders would be substantially reduced. The anticipated after- tax economic benefit of an investment in our common units depends largely on our being treated as a partnership for U. S. federal income tax purposes. Despite the fact that we are organized as a limited partnership under Delaware law, we would be treated as a corporation for U. S. federal income tax purposes unless we satisfy a" qualifying income" requirement. Based upon our current operations and current Treasury Regulations, we believe we satisfy the qualifying income requirement. Prior to our initial public offering, we requested and obtained a favorable private letter ruling from the IRS to the effect that, based on facts presented in the private letter ruling request, our income from the production, transportation, storage and marketing of ethylene and its co- products constitutes" qualifying income" within the meaning of Section 7704 of the Internal Revenue Code of 1986, as amended (the" Code"). However, no ruling has been or will be requested regarding our treatment as a partnership for U. S. federal income tax purposes. Failing to meet the qualifying income requirement or a change in current law could cause us to be treated as a corporation for U. S. federal income tax purposes or otherwise subject us to taxation as an entity. If we were treated as a corporation for U. S. federal income tax purposes, we would pay U. S. federal income tax on our taxable income at the corporate tax rate. Distributions to our unitholders would generally be taxed again as corporate distributions, and no income, gains, losses or deductions would flow through to our unitholders. Because a tax would be imposed upon us as a corporation, our cash available for distribution to our unitholders would be substantially reduced. Therefore, treatment of us as a corporation would result in a material reduction in the anticipated cash flow and after- tax return to our unitholders, likely causing a substantial reduction in the value of our common units. Our partnership agreement provides that if a law is enacted or existing law is modified or interpreted in a manner that subjects us to taxation as a corporation or otherwise subjects us to entity- level taxation for U. S. federal, state, local or foreign income tax purposes, the minimum quarterly distribution amount and the target distribution amounts may be adjusted to reflect the impact of that law or interpretation on us. At the state level, several states have been evaluating ways to subject partnerships to entity- level taxation through the imposition of state income, franchise or other forms of taxation. We currently own assets and conduct business in several states, most of which impose entity- level franchise or gross receipt taxes on partnerships. In the future, we may expand our operations. Imposition of similar entity- level taxes on us in other jurisdictions that we may expand to, could substantially reduce our cash available for distribution to our unitholders.

The tax treatment of publicly- traded partnerships or an investment in our units could be subject to potential legislative, judicial or administrative changes or differing interpretations, possibly applied on a retroactive basis. The present U. S. federal income tax treatment of publicly- traded partnerships, including us, or an investment in our common units, may be modified by administrative, legislative or judicial changes or differing interpretations at any time. Members of Congress and the President have frequently proposed and considered substantive changes to the existing U. S. federal income tax laws that would affect publicly- traded partnerships, including proposals that would eliminate our ability to qualify for partnership tax treatment. Recent proposals have provided for the expansion of the qualifying income exception for publicly traded partnerships in certain circumstances and other proposals have provided for the total elimination of the qualifying income exception upon which we rely for our partnership tax treatment. **Further, while unitholders of publicly traded partnerships are, subject to certain limitations, entitled to a deduction equal to 20 % of their allocable share of a publicly traded partnership' s" qualified business income," this deduction is scheduled to expire with respect to taxable years beginning after December 31, 2025.** In addition, the Treasury Department has issued, and in the future may issue, regulations interpreting those laws that affect publicly- traded partnerships. On January 24, 2017, final regulations regarding which activities give rise to qualifying income within the meaning of Section 7704 of the Code (the" Final Regulations") were published in the Federal Register. The Final Regulations, consistent with our private letter ruling, treat our income from the production, transportation, storage and marketing of ethylene and its co- products ~~constitutes~~ as" qualifying income." There can be no assurance that there will not be further changes to U. S. federal income tax laws or the Treasury Department' s interpretation of the qualifying income rules in a manner that could impact our ability to qualify as a partnership in the future. Any modification to the U. S. federal income tax laws and interpretations thereof may or may not be retroactively applied and could make it more difficult or impossible for us to meet the exception for certain publicly- traded partnerships to be treated as partnerships for U. S. federal income tax purposes. We are unable to predict whether any changes or other proposals will ultimately be enacted. Any future legislative changes could negatively impact the value of an investment in our common units. You are urged to consult with your own tax advisor with respect to the status of regulatory or administrative developments and proposals and their potential effect on your investment in our common units. If the IRS were to contest the U. S. federal income tax positions we take, it may adversely impact the market for our common units, and the costs of any such contest would reduce our cash available for distribution to our unitholders. The IRS may adopt positions that differ from the positions we take. It may be necessary to resort to administrative or court proceedings to sustain some or all of the positions we take. A court may not agree with some or all of the positions we take. Any contest with the IRS may materially and adversely impact the market for our common units and the price at which they trade. Moreover, the costs of any contest between us and the IRS will result in a reduction in our cash available for distribution to our unitholders and thus will be borne indirectly by our unitholders. If the IRS makes audit adjustments to our income tax returns, it (and some states) may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustments directly from us, in which case our cash available for distribution to our unitholders might be substantially reduced and our current and former unitholders may be required to indemnify us for any taxes (including any applicable penalties and interest) resulting from such audit adjustments that were paid on such unitholders behalf. If the IRS makes audit adjustments to our income tax returns, it (and some states) may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustments directly from us. To the extent possible under these rules, our general partner may elect to either pay the taxes (including any applicable penalties and interest) directly to the IRS or, if we are eligible, issue a revised information statement to each unitholder and former unitholder with respect to an audited and adjusted return. Although our general partner may elect to have our unitholders and former unitholders take such audit adjustment into account and pay any resulting taxes (including applicable penalties or interest) in accordance with their interests in us during the tax year under audit, there can be no assurance that such election will be practical, permissible or effective in all circumstances. As a result, our current unitholders may bear some or all of the tax liability resulting from such audit adjustment, even if such unitholders did not own units in us during the tax year under audit. If, as a result of any such audit adjustment, we are required to make payments of taxes, penalties and interest, our cash available for distribution to our unitholders might be substantially reduced and our current and former unitholders may be required to indemnify us for any taxes (including any applicable penalties and interest) resulting from such audit adjustments that were paid on such unitholders behalf. Additionally, we may be required to allocate an adjustment disproportionately among our unitholders, causing our publicly traded units to have different capital accounts, unless the IRS issues further guidance. In the event the IRS makes an audit adjustment to our income tax returns and we do not or cannot shift the liability to our unitholders in accordance with their interests in us during the year under audit, we will generally have the ability to request that the IRS reduce the determined underpayment by reducing the suspended passive loss carryovers of our unitholders (without any compensation from us to such unitholders), to the extent such underpayment is attributable to a net decrease in passive activity losses allocable to certain partners. Such reduction, if approved by the IRS, will be binding on any affected unitholders. Unitholders are required to pay U. S. federal income taxes and, in some cases, state and local income taxes, on their share of our taxable income, whether or not they receive cash distributions from us. Unitholders may not receive cash distributions from us equal to their share of our taxable income or even equal to the actual tax due from them with respect to that income. A unitholder' s share of our taxable income, and its relationship to any distributions we make, may be affected by a variety of factors, including our economic performance, which may be affected by numerous business, economic, regulatory, legislative, competitive and political uncertainties beyond our control, and certain transactions in which we might engage. For example, we may engage in transactions that produce substantial taxable income allocations to some or all of our unitholders without a corresponding increase in cash distributions to our unitholders, such as a sale or exchange of assets, the proceeds of which are reinvested in our business or used to reduce our debt, or an actual or deemed satisfaction of our indebtedness for an amount less than the adjusted issue price of the debt. A unitholder' s ratio of its share of taxable income to the cash received by it may also be affected by changes in law. From time to time, in connection with an offering of our common units, we may state an estimate of the ratio of U. S. federal taxable income to cash distributions that a purchaser of common units in that offering may receive in a given period. These estimates depend in part on factors that are unique to the offering with respect to which the estimate is stated, so the expected ratio applicable to other common units will be different, and in many cases less favorable, than these estimates. Moreover, even in the case of common units purchased in the offering to which the estimate relates, the estimate may be incorrect, due to the uncertainties described above, challenges by the IRS to tax reporting positions which we adopt, or other factors. The actual ratio of taxable income to cash distributions could be higher or lower than expected, and any differences could be material and could materially affect the value of the common units. Tax gain or loss on the disposition of our common units could be more or less than expected. If a unitholder sells common units, the unitholder will recognize a gain or loss equal to the difference between the amount realized and that unitholder' s tax basis in those common units. Because distributions in excess of a unitholder' s allocable share of our net taxable income decrease such unitholder' s tax basis in its common units, the amount, if any, of such prior excess distributions with respect to the units a unitholder sells will, in effect, become taxable income to a unitholder if it sells such units at a price greater than its tax basis in those units, even if the price such unitholder receives is less than its original cost. In addition, because the amount realized includes a unitholder' s share of our nonrecourse liabilities, if a unitholder sells its units, a unitholder may incur a tax liability in excess of the amount of cash received from the sale. A substantial portion of the amount realized from a unitholder' s sale of our units, whether or not representing gain, may be taxed as ordinary income to such unitholder due to potential recapture items, including depreciation recapture. Thus, a unitholder may recognize both ordinary income and capital loss from the sale of units if the amount realized on a sale of such units is less than such unitholder' s adjusted basis in the units. Net capital loss may only offset capital gains and, in the case of individuals, up to $ 3, 000 of ordinary income per year. In the taxable period in which a unitholder sells its units, such unitholder may recognize ordinary income from our allocations of income and gain to such unitholder prior to the sale and from recapture items that generally cannot be offset by any capital loss recognized upon the sale of units. Unitholders may be subject to limitation on their ability to deduct interest expense incurred by us. In general, we are entitled to a deduction for interest paid or accrued on indebtedness properly allocable to our trade or business during our taxable year. However, our deduction for" business interest" is limited to the sum of our business interest income and 30 % of our" adjusted taxable income." For the purposes of this limitation, our adjusted taxable income is computed without regard to any business interest expense or business interest income. In the case of taxable years beginning on or after January 1, 2022, our adjusted taxable income is computed by taking into account any deduction allowable for depreciation, amortization, or depletion. If our" business interest" is subject to limitation under these rules, our unitholders will be limited in their ability to deduct their share of any interest expense that has been allocated to them. As a result, unitholders may be subject to limitation on their ability to deduct interest expense incurred by us. Tax- exempt entities face unique tax issues from owning our common units that may result in adverse tax consequences to them. Investment in our common units by tax- exempt entities, such as employee benefit plans and individual retirement accounts (known as IRAs) raises issues unique to them. For example, virtually all of our income allocated to organizations that are exempt from U. S. federal income tax, including IRAs and other retirement plans, will be unrelated business taxable income (" UBTI") and will be taxable to them. Tax- exempt entities should consult a tax advisor before investing in our common units. Non- U. S. Unitholders will be subject to U. S. taxes and withholding with respect to their income and gain from owning our units. Non- U. S. unitholders are generally taxed and subject to income tax filing requirements by the United States on income effectively connected with a U. S. trade or business. Income allocated to our unitholders and any gain from the sale of our units will generally be considered to be" effectively connected" with a U. S. trade or business. As a result, distributions to a non- U. S. unitholder will be subject to withholding at the highest applicable effective tax rate and a non- U. S. unitholder who sells or otherwise disposes of a unit will also be subject to U. S. federal income tax on the gain realized from the sale or disposition of that unit. In addition to the withholding tax imposed on distributions of effectively connected income, distributions to a non- U. S. unitholder will also be subject to a 10 % withholding tax on the amount of any distribution in excess of our cumulative net income. Due to the complexity of the calculation and lack of clarity in how it would apply to us, we intend to treat all of our distributions as being in excess of our cumulative net income for such purposes and subject to such 10 % withholding tax. Accordingly, distributions to a non- U. S. unitholder will be subject to a combined withholding tax rate equal to the sum of the highest applicable effective tax rate and 10 %. Moreover, the transferee of an interest in a partnership that is engaged in a U. S. trade or business is generally required to withhold 10 % of the" amount realized" by the transferor unless the transferor certifies that it is not a foreign person. While the determination of a partner' s" amount realized" generally includes any decrease of a partner' s share of the partnership' s liabilities, the Treasury Regulations provide that the" amount realized" on a transfer of an interest in a publicly- traded partnership, such as our common units, will generally be the amount of gross proceeds paid to the broker effecting the applicable transfer on behalf of the transferor, and thus will be determined without regard to any decrease in that partner' s share of a publicly- traded partnership' s liabilities. For a transfer of interests in a publicly traded partnership that is effected through a broker on or after January 1, 2023, the obligation to withhold is imposed on the transferor' s broker. Current and prospective non- U. S. unitholders should consult their tax advisors regarding the impact of these rules on an investment in our common units. We treat each purchaser of our common units as having the same tax benefits without regard to the common units actually purchased. The IRS may challenge this treatment, which could adversely affect the value of our common units. Because we cannot match transferors and transferees of common units, we have adopted certain methods for allocating depreciation and amortization deductions that may not conform to all aspects of existing Treasury Regulations. A successful IRS challenge to the use of these methods could adversely affect the amount of tax benefits available to our unitholders. It also could affect the timing of these tax benefits or the amount of gain from any sale of common units and could have a negative impact on the value of our common units or result in audit adjustments to a unitholder' s tax returns. We generally prorate our items of income, gain, loss and deduction between transferors and transferees of our units each month based upon the ownership of our units on the first day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders. We generally prorate our items of income, gain, loss and deduction between transferors and transferees of our units each month based upon the ownership of our units on the first day of each month (the" Allocation Date"), instead of on the basis of the date a particular unit is transferred. Similarly, we generally allocate (i) certain deductions for depreciation of capital additions, (ii) gain or loss realized on a sale or other disposition of our assets and (iii) in the discretion of the general partner, any other extraordinary item of income, gain, loss or deduction based upon ownership on the Allocation Date. Treasury Regulations allow a similar monthly simplifying convention, but such regulations do not specifically authorize all aspects of our proration method. If the IRS were to challenge our proration method, we may be required to change the allocation of items of income, gain, loss and deduction among our unitholders. A unitholder whose units are the subject of a securities loan (e. g., a loan to a" short seller" to cover a short sale of units) may be considered to have disposed of those units. If so, such unitholder would no longer be treated for tax purposes as a partner with respect to those units during the period of the loan and may recognize gain or loss from the disposition. Because there are no specific rules governing the U. S. federal income tax consequence of loaning a partnership interest, a unitholder whose units are the subject of a securities loan may be considered to have disposed of the loaned units. In that case, the unitholder may no longer be treated for tax purposes as a partner with respect to those units during the period of the loan to the short seller and the unitholder may recognize gain or loss from such disposition. Moreover, during the period of the loan, any of our income, gain, loss or deduction with respect to those units may not be reportable by the unitholder and any cash distributions received by the unitholder as to those units could be fully taxable as ordinary income. Unitholders desiring to assure their status as partners and avoid the risk of gain recognition from a securities loan are urged to consult a tax advisor to determine whether it is advisable to modify any applicable brokerage account agreements to prohibit their brokers from borrowing their units. We have adopted certain valuation methodologies in determining a unitholder' s allocations of income, gain, loss and deduction. The IRS may challenge these methodologies or the resulting allocations, which could adversely affect the value of our common units. In determining the items of income, gain, loss and deduction allocable to our unitholders, we must routinely determine the fair market value of our assets. Although we may, from time to time, consult with professional appraisers regarding valuation matters, we make many fair market value estimates using a methodology based on the market value of our common units as a means to measure the fair market value of our assets. The IRS may challenge these valuation methods and the resulting allocations of income, gain, loss and deduction. A successful IRS challenge to these methods or allocations could adversely affect the timing or amount of taxable income or loss being allocated to our unitholders. It also could affect the amount of gain recognized from the sale of our common units, have a negative impact on the value of our common units or result in audit adjustments to our unitholders' tax returns without the benefit of additional deductions. Our unitholders will likely be subject to state and local taxes and income tax return filing requirements in jurisdictions where they do not live as a result of investing in our common units. In addition to U. S. federal income taxes, our unitholders may be subject to other taxes, including foreign, state and local taxes, unincorporated business taxes and estate, inheritance or intangible taxes that are imposed by the various jurisdictions in which we conduct business or own property now or in the future, even if they do not live in any of those jurisdictions. Our unitholders will likely be required to file foreign, state and local income tax returns and pay state and local income taxes in some or all of these various jurisdictions. Further, our unitholders may be subject to penalties for failure to comply with those requirements. We currently own property and conduct business in a number of states, most of which currently impose a personal income tax on individuals, and most of which also impose an income or similar tax on corporations and certain other entities. As we make acquisitions or expand our business, we may own assets or conduct business in additional states that impose similar taxes. It is our unitholders' responsibility to file all U. S. federal, foreign, state and local tax returns and pay any taxes due in these jurisdictions. Unitholders should consult with their own tax advisors regarding the filing of such tax returns, the payment of such taxes, and the deductibility of any taxes paid.