

AXIALL CORP/DE/
Form DEFM14A
August 01, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
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AXIALL CORPORATION

(Name of Registrant as Specified in its Charter)

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1000 Abernathy Road, Suite 1200, Atlanta, Georgia 30328

August 1, 2016

Dear Shareholder:

A special meeting of shareholders of Axiall Corporation, a Delaware corporation (Axiall or we), will be held on August 30, 2016, at 8:00 a.m. local time, at the offices of Jones Day, 1420 Peachtree Street, N.E., Suite 800, Atlanta, Georgia 30309.

You are cordially invited to attend.

On June 10, 2016, Axiall entered into an Agreement and Plan of Merger (the merger agreement) with Westlake Chemical Corporation, a Delaware corporation (Westlake), and Lagoon Merger Sub, Inc., a Delaware corporation that is a wholly owned subsidiary of Westlake (Merger Sub), providing for, subject to the satisfaction or waiver (if permissible under applicable law) of specified conditions, the acquisition of Axiall by Westlake at a price of \$33.00 per share in cash. Subject to the terms and conditions of the merger agreement, Merger Sub will be merged with and into Axiall (the merger), with Axiall surviving the merger as a wholly owned subsidiary of Westlake. At the special meeting, Axiall will ask you to adopt the merger agreement. The adoption of the merger agreement by Axiall s shareholders is a condition to the completion of the merger.

At the effective time of the merger (the effective time), each share of Axiall common stock, par value \$0.01 per share (an Axiall share), issued and outstanding immediately prior to the effective time, other than shares owned by Westlake or a subsidiary of Westlake, shares owned by Axiall as treasury stock and shares owned by shareholders who have properly demanded appraisal rights under Section 262 of the General Corporation Law of the State of Delaware (the DGCL) and have not withdrawn such demand, will be canceled and converted into the right to receive \$33.00 in cash, without interest and subject to any applicable withholding taxes.

The proxy statement accompanying this letter provides you with more specific information concerning the special meeting, the merger agreement, the merger and the other transactions contemplated by the merger agreement. We encourage you to carefully read the accompanying proxy statement and the copy of the merger agreement attached as Annex A thereto.

The board of directors of Axiall carefully reviewed and considered the terms and conditions of the merger agreement, the merger and the other transactions contemplated by the merger agreement. Axiall s board unanimously approved the merger agreement, determined that the merger and the other transactions contemplated by the merger agreement are advisable and fair to and in the best interests of Axiall s shareholders, directed that the merger agreement be submitted to Axiall s shareholders for adoption and resolved to recommend that Axiall s shareholders vote to adopt the merger agreement. **Accordingly, Axiall s board unanimously recommends a vote FOR the proposal to adopt the merger agreement. Axiall s board also unanimously recommends a vote FOR the nonbinding compensation proposal described in the accompanying proxy statement and FOR the adjournment of the special meeting proposal, if necessary and subject to the terms of the merger agreement, as described in the accompanying proxy statement.**

Whether or not you plan to attend the special meeting and regardless of the number of shares you own, your careful consideration of, and vote on, the proposal to adopt the merger agreement is important and we encourage you to vote promptly. The merger cannot be completed unless the merger agreement is adopted by shareholders holding at least a

majority of the outstanding Axiall shares entitled to vote at the special meeting as of the close of business on July 25, 2016. **The failure to vote will have the same effect as a vote against the proposal to adopt the merger agreement.**

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After reading the accompanying proxy statement, please make sure to vote your shares promptly electronically or telephonically as described in the accompanying proxy statement, or by completing, dating, signing and returning your proxy card. Voting by one of these methods will not preclude you from attending the special meeting and voting in person. Instructions regarding the methods of voting are provided on the proxy card. If you hold shares through an account with a brokerage firm, bank or other nominee, please follow the instructions you receive from it to vote your shares.

If you have any questions about how to vote your shares or need additional assistance, please contact Innisfree M&A Incorporated (Innisfree), Axiall s proxy solicitor for the special meeting, toll-free at (877) 456-3427.

We encourage you to join us in voting in favor of the proposal to adopt the merger agreement so that we may proceed with a transaction that our management team and board of directors view as highly beneficial to our shareholders.

Very truly yours,

/s/ Timothy Mann, Jr.

Timothy Mann, Jr.

President and Chief Executive Officer

The merger has not been approved or disapproved by the Securities and Exchange Commission or any state securities commission. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the merits or fairness of the merger or upon the adequacy, accuracy or completeness of the information contained in this document or the accompanying proxy statement. Any representation to the contrary is a criminal offense.

The accompanying proxy statement is dated August 1, 2016 and is first being mailed to our shareholders on or about August 1, 2016.

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1000 Abernathy Road, Suite 1200, Atlanta, Georgia 30328

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

Time and Date: 8:00 a.m. local time, on August 30, 2016

Place: The offices of Jones Day, 1420 Peachtree Street, N.E., Suite 800, Atlanta, Georgia 30309

Purpose: 1. To consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated June 10, 2016 (the merger agreement), by and among Axiall Corporation, a Delaware corporation (Axiall), Westlake Chemical Corporation, a Delaware corporation (Westlake), and Lagoon Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Westlake (Merger Sub), pursuant to which Merger Sub will merge with and into Axiall (the merger).

2. To consider and vote on a nonbinding, advisory proposal to approve the compensation that may be paid or may become payable to Axiall's named executive officers in connection with, or following, the consummation of the merger, which we refer to as the nonbinding compensation proposal.

3. To approve the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Your vote is very important. The merger cannot be completed unless the proposal to adopt the merger agreement receives the affirmative vote of holders of a majority of the outstanding Axiall shares entitled to vote at the special meeting.

Record Date: Only shareholders of record as of the close of business on July 25, 2016 are entitled to notice of and to vote at the special meeting and any adjournments or postponements thereof.

General:

For more information concerning the special meeting, the merger agreement, the merger and the other transactions contemplated by the merger agreement, please review the accompanying proxy statement and the copy of the merger agreement attached as Annex A thereto.

Holders of record of Axiall shares are entitled to appraisal rights under Section 262 of the General Corporation Law of the State of Delaware (the "DGCL") in connection with the merger if they meet certain conditions. Please see the section of this proxy statement entitled *Appraisal Rights of Shareholders* beginning on page 88. A copy of Section 262 of the DGCL is attached as Annex D to the accompanying proxy statement.

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The board of directors of Axiall (Axiall s Board or the Board) carefully reviewed and considered the terms and conditions of the merger agreement, the merger and the other transactions contemplated by the merger agreement. Axiall s Board unanimously approved the merger agreement, determined that the merger and the other transactions contemplated by the merger agreement are advisable and fair to and in the best interests of Axiall s shareholders, directed that the merger agreement be submitted to Axiall s shareholders for adoption and resolved to recommend that Axiall s shareholders vote to adopt the merger agreement.

Axiall s Board unanimously recommends a vote FOR the proposal to adopt the merger agreement, FOR the nonbinding compensation proposal and FOR the approval of the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Please vote telephonically or electronically for the matters before our shareholders as described in the accompanying proxy statement, or promptly fill in, date, sign and return the enclosed proxy card in the accompanying pre-paid envelope to ensure that your shares are represented at the special meeting. You may revoke your proxy before it is voted. If you attend the meeting, you may choose to vote in person even if you have previously voted.

By Order of the Board of Directors,

/s/ Timothy Mann, Jr.

Timothy Mann, Jr.

President and Chief Executive Officer

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1000 Abernathy Road, Suite 1200

Atlanta, Georgia 30328

SPECIAL MEETING OF SHAREHOLDERS TO BE HELD AUGUST 30, 2016

PROXY STATEMENT

This proxy statement contains information relating to a special meeting of shareholders of Axiall Corporation, which we refer to as Axiall, we, us or our. The special meeting will be held on August 30, 2016, at 8:00 a.m. local time, at the offices of Jones Day, 1420 Peachtree Street, N.E., Suite 800, Atlanta, Georgia 30309. We are furnishing this proxy statement to shareholders of Axiall as part of the solicitation of proxies by Axiall's board of directors, which we refer to as Axiall's Board or the Board, for use at the special meeting and at any adjournments or postponements thereof. This proxy statement is dated August 1, 2016 and is first being mailed to our shareholders on or about August 1, 2016.

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SUMMARY TERM SHEET

This summary term sheet highlights selected information in this proxy statement and may not contain all of the information about the merger that is important to you. We have included page references in parentheses to direct you to more complete descriptions of the topics presented in this summary term sheet. You should carefully read this proxy statement in its entirety, including the annexes hereto and the other documents to which we have referred you, for a more complete understanding of the matters being considered at the special meeting. You may obtain, without charge, copies of documents incorporated by reference into this proxy statement by following the instructions under the section of this proxy statement entitled *Where You Can Find Additional Information* beginning on page 95.

The Parties

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Axiall is a leading North American manufacturer and international marketer of chemicals and building products. Axiall manufactures and sells a wide array of chemical products, including chlorine, caustic soda, vinyl chloride monomer, chlorinated solvents, calcium hypochlorite, ethylene dichloride, muriatic acid, polyvinyl chloride and vinyl compounds. We also manufacture and sell vinyl-based building and home improvement products. Our chlorovinyls chemical products are sold for further processing into a wide variety of end-use applications, including plastic pipe and pipe fittings, siding and window frames, high-quality plastics, and coatings for wire and cable, paper, minerals, metals and water treatment industries. Our building products business manufactures trim, mouldings, deck, siding, pipe and pipe fittings products.

Westlake Chemical Corporation, which we refer to as *Westlake*, is a vertically integrated global manufacturer and marketer of basic chemicals, vinyls, polymers and building products. Westlake's products include some of the most widely used chemicals in the world, which are fundamental to many diverse consumer and industrial markets, including flexible and rigid packaging, automotive products, coatings, residential and commercial construction as well as other durable and non-durable goods. Westlake operates in two principal operating segments, Olefins and Vinyls. Westlake is highly integrated along its olefins product chain with significant downstream integration into polyethylene and styrene monomer. Westlake is also an integrated global producer of vinyls with substantial downstream integration into polyvinyl chloride building products.

Lagoon Merger Sub, Inc., which we refer to as *Merger Sub*, is a wholly owned subsidiary of Westlake formed solely for the purpose of effecting the merger. Upon the consummation of the merger, the separate corporate existence of Merger Sub will cease.

The Merger

(page 24)

Axiall, Westlake and Merger Sub entered into an Agreement and Plan of Merger, which we refer to as the *merger agreement*, on June 10, 2016. A copy of the merger agreement is attached as Annex A to this proxy statement and is incorporated herein by reference. Under the terms of the merger agreement, subject to the satisfaction or waiver (if permissible under applicable law) of specified conditions, Merger Sub will be merged with and into Axiall, which we refer to as the *merger*. Axiall will survive the merger as a wholly owned subsidiary of Westlake.

Upon the consummation of the merger, each share of Axiall's common stock, par value \$0.01 per share, which we refer to as an *Axiall share*, that is issued and outstanding immediately prior to the effective time of the merger, which

we refer to as the effective time , other than shares owned by Westlake or a subsidiary of Westlake, shares owned by Axiall as treasury stock and shares owned by shareholders who have properly demanded appraisal rights under Section 262 of the General Corporation Law of the State of Delaware, which we refer to as the DGCL , and have not withdrawn such demand, will be canceled and converted into the right to receive \$33.00 in cash, which we refer to as the merger consideration , without interest and subject to any applicable withholding taxes.

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The Special Meeting

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The special meeting will be held on August 30, 2016, at 8:00 a.m. local time, at the offices of Jones Day, 1420 Peachtree Street, N.E., Suite 800, Atlanta, Georgia 30309. At the special meeting, you will be asked to, among other things, vote for the adoption of the merger agreement, the nonbinding compensation proposal (as described below under *Questions and Answers About the Special Meeting and the Merger What proposals will be considered at the special meeting?*) and, if necessary and subject to the terms of the merger agreement, the adjournment of the special meeting proposal. Please see the section of this proxy statement entitled *The Special Meeting* for additional information on the special meeting, including how to vote your Axiall shares.

Shareholders Entitled to Vote; Vote Required to Adopt the Merger Agreement

(page 19)

You may vote at the special meeting if you owned any Axiall shares at the close of business on July 25, 2016, the record date for the special meeting. As of the close of business on the record date, there were 70,733,982 Axiall shares outstanding and entitled to vote, held by 422 shareholders of record. You may cast one vote for each Axiall share that you held on the record date on each of the proposals presented in this proxy statement.

Axiall's directors and executive officers have informed us that they intend, as of the date hereof, to vote all of their Axiall shares in favor of the matters before our shareholders as described in this proxy statement. As of the close of business on the record date, Axiall's directors and executive officers owned, in the aggregate 415,509 Axiall shares (excluding equity awards), or in the aggregate less than 1% of the outstanding Axiall shares.

The merger agreement requires Westlake to vote, or cause to be voted, all Axiall shares beneficially owned by Westlake, Merger Sub or any of Westlake's other subsidiaries or affiliates in favor of the adoption of the merger agreement. As of the close of business on the record date, Westlake owned 3,100,050 Axiall shares, or 4.4% of the outstanding Axiall shares.

The adoption of the merger agreement by Axiall's shareholders requires the affirmative vote of the holders of a majority of the outstanding Axiall shares entitled to vote at the special meeting.

Recommendation of the Board; Reasons for Recommending the Adoption of the Merger Agreement

(page 19)

After careful consideration, Axiall's Board unanimously approved the merger agreement and resolved to recommend that Axiall's shareholders vote to adopt the merger agreement. Accordingly, Axiall's Board unanimously recommends a vote FOR the proposal to adopt the merger agreement. Axiall's Board also unanimously recommends a vote FOR the nonbinding compensation proposal and FOR the approval of the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Axiall's Board has unanimously determined that the merger and the other transactions contemplated by the merger agreement are advisable and fair to and in the best interests of Axiall's shareholders. For a discussion of the material factors that Axiall's Board considered in resolving to recommend that Axiall's shareholders vote to adopt the merger

agreement, please see the section of this proxy statement entitled *The Merger Reasons for Recommending the Adoption of the Merger Agreement* beginning on page 29.

Table of Contents**Opinions of Axiall's Financial Advisors****(page 32 and Annexes B and C)**

Axiall engaged Morgan Stanley & Co. LLC and Barclays Capital Inc., which we refer to as Morgan Stanley and Barclays, respectively, as financial advisors in connection with Axiall's consideration of various matters, including the merger. As part of their respective engagements, each of Morgan Stanley and Barclays rendered to Axiall's Board at its meeting on June 10, 2016 an oral opinion, subsequently confirmed by delivery by each of Morgan Stanley and Barclays of a written opinion, dated June 10, 2016, that, as of such date, and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by each of Morgan Stanley and Barclays as set forth in its respective written opinion, in the case of Morgan Stanley, the \$33.00 per Axiall share merger consideration to be received by the holders of Axiall shares pursuant to the merger agreement was fair, from a financial point of view, to such holders, and in the case of Barclays, the merger consideration of \$33.00 per Axiall share to be offered to the shareholders of Axiall in the merger was fair, from a financial point of view, to such shareholders.

The full text of the written opinion of Morgan Stanley delivered to Axiall's Board, dated June 10, 2016, which sets forth, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken by Morgan Stanley in rendering its opinion, is attached as Annex B and incorporated by reference into this proxy statement. Axiall's shareholders are urged to, and should, read the opinion carefully and in its entirety. Morgan Stanley's opinion is directed to Axiall's Board and addresses only the fairness, from a financial point of view, to Axiall's shareholders of the \$33.00 per Axiall share merger consideration to be received by such holders pursuant to the merger agreement as of the date of the opinion. Morgan Stanley's opinion does not address any other aspect of the transactions contemplated by the merger agreement, the relative merits of the merger as compared to any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available, and does not constitute a recommendation to Axiall's shareholders as to how to vote at the special meeting held in connection with the merger. The summary of Morgan Stanley's opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of Morgan Stanley's opinion.

The full text of Barclays' written opinion, dated as of June 10, 2016, which sets forth, among other things, the assumptions made, procedures followed, factors considered and qualifications and limitations upon the review undertaken by Barclays in rendering its opinion, is attached as Annex C to this proxy statement. Axiall encourages you to read the opinion carefully in its entirety. Barclays' opinion is addressed to Axiall's Board, addresses only the fairness, from a financial point of view, of the merger consideration of \$33.00 per Axiall share to be offered to the shareholders of Axiall, and does not constitute a recommendation to any shareholder of Axiall as to how such shareholder should vote with respect to the merger or any other matter. Barclays was not requested to opine as to, and its opinion does not in any manner address, Axiall's underlying business decision to proceed with or effect the merger or the likelihood of the consummation of the merger. Barclays' opinion did not address the relative merits of the merger as compared to any other transaction or business strategy in which Axiall might engage. The summary of Barclays' opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of Barclays' opinion.

For a more complete description, please see the section of this proxy statement entitled *The Merger Opinions of Axiall's Financial Advisors* beginning on page 32.

Certain Effects of the Merger

(page 53)

Upon the consummation of the merger, Merger Sub will be merged with and into Axiall, and Axiall will continue to exist following the merger as a wholly owned subsidiary of Westlake.

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Following the consummation of the merger, Axiall shares will no longer be traded on the New York Stock Exchange, which we refer to as the NYSE, or any other public market, and the registration of Axiall shares under the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, will be terminated.

Effects on Axiall if Merger is Not Completed

(page 54)

In the event that the proposal to adopt the merger agreement does not receive the required approval from Axiall's shareholders, or if the merger is not completed for any other reason, Axiall's shareholders will not receive any payment for their Axiall shares in connection with the merger. Instead, Axiall will remain an independent public company and shareholders will continue to own their Axiall shares. Under certain circumstances, if the merger agreement is terminated, Axiall may be obligated to pay to Westlake a termination fee. Please see the section of this proxy statement entitled *The Merger Agreement Termination Fee* beginning on page 84.

Treatment of Equity Awards

(page 71)

Stock Options.

At the effective time, each option to purchase an Axiall share, which we refer to as a stock option, whether vested or unvested, that is outstanding immediately prior to the effective time will be adjusted and converted into the right to receive a cash payment equal to the product of (1) the total number of Axiall shares subject to such stock option immediately prior to the effective time multiplied by (2) the excess, if any, of \$33.00 over the per share exercise price of the stock option, subject to applicable withholding taxes. Any stock option with an exercise price equal to or greater than \$33.00 will be canceled for no consideration.

Other Equity and Equity-Based Compensation.

At the effective time, each equity-based award (other than awards of stock options) under any Axiall equity compensation plan that both entitles the holder of the award to Axiall shares or cash equal to or based on the value of Axiall shares and that is outstanding or payable immediately prior to the effective time will be assumed by Westlake and converted automatically at the effective time into restricted stock units, which we refer to as RSUs, in respect of Westlake common stock. In such conversion, the total number of shares of Westlake common stock underlying such RSUs will be determined by multiplying the number of Axiall shares underlying or subject to the original Axiall award (in the case of Axiall awards subject to performance-based vesting conditions, such number will be determined in accordance with the applicable Axiall stock plan and related award or other applicable document) immediately prior to the effective time by an exchange ratio set forth in the merger agreement and rounded to the nearest whole share. The converted Westlake RSUs will generally have substantially the same terms and conditions as the Axiall awards to which they relate (including with respect to dividend equivalent rights, if any, although Westlake expects that, consistent with its practice, dividends following the effective date would be paid on a current basis rather than deferred until settlement of the related award) except that upon settlement the award holder will receive (in cash or shares of Westlake common stock as determined by Westlake in accordance with the applicable award agreement and less applicable withholding taxes) the greater of (1) the value of the merger consideration with respect to the Axiall shares related to the award prior to the effective time and (2) the value of the Westlake common stock underlying the converted RSU award, plus any unpaid accumulated dividend equivalents.

Any account balances under any Axiall benefit plan that provides for the deferral of compensation and represents amounts notionally invested in Axiall shares or provides for distributions or benefits calculated based on the value of an Axiall share will be converted into the right to receive an amount in cash calculated based on the merger consideration.

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Please see the section of this proxy statement entitled *The Merger Agreement Treatment of Equity Awards* beginning on page 71 for additional information.

Interests of Axiall's Directors and Executive Officers in the Merger

(page 55)

Details of the beneficial ownership of Axiall shares of Axiall's directors and executive officers are set out in the section of this proxy statement entitled *Security Ownership of Certain Beneficial Owners and Management* beginning on page 86. In addition to their interests in the merger as shareholders, Axiall's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Axiall's shareholders generally. In considering the proposals to be voted on at the special meeting, you should be aware of these interests. The members of Axiall's Board were aware of and considered these interests, among other matters, in evaluating and reaching their unanimous decision to approve the merger agreement and unanimously determining that the merger and the other transactions contemplated by the merger agreement are advisable and fair to and in the best interests of Axiall's shareholders, and in resolving to recommend that Axiall's shareholders vote to adopt the merger agreement. These interests generally include, among others:

Outstanding stock options held by executive officers and directors will be converted into the right to receive the merger consideration, less the applicable exercise price, and subject to applicable tax withholdings.

Outstanding time-based and performance-based RSUs held by executive officers and directors will be assumed by Westlake and converted into RSUs in respect of Westlake common stock, which RSUs will be subject to single trigger acceleration (in the case of non-employee directors) or double trigger acceleration (in the case of executive officers) in connection with the merger, as further described below.

The executive officers (other than Simon Bates) are participants in the Axiall Corporation Amended and Restated Executive and Key Employee Change of Control Severance Plan, which we refer to as the change of control plan, which provides for severance and other benefits following an executive officer's qualifying termination of employment within 24 months following the merger, estimated at a total of \$10,026,198 for all executive officers as a group, assuming their qualifying termination.

Mr. Bates is party to a letter agreement (which we refer to as the Bates agreement) with Royal Group, Inc. (a subsidiary of Axiall) which provides for severance and other benefits following a qualifying termination of employment at any time prior to 24 months following a building products transaction (as described below), estimated at a total of \$1,344,011, assuming such a qualifying termination.

The merger agreement provides for payout of certain bonus compensation no later than 30 days following the effective time.

Certain executive officers' benefits under the Axiall Corporation Deferred Compensation Plan, which we refer to as the deferred compensation plan, will be paid in a lump sum amount on the 30th day following the completion of the merger. The benefits to be paid include the employee deferral account, the Axiall restoration match account and the current account balance of company contributions made pursuant to Axiall's policy regarding company contributions. In addition, future payments will be made with respect to certain executive officers after their attainment of age 65, as further described below.

One former executive officer has a vested benefit under the Eagle US 2 LLC Nonqualified Retirement Plan, which we refer to as the nonqualified retirement plan, pursuant to which, in connection with the merger, Axiall will be required to pay to a trustee an amount sufficient to fund vested benefits thereunder.

The merger agreement requires the surviving corporation to provide Axiall's directors and executive officers with certain rights to indemnification and insurance coverage following the effective time.

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The merger agreement requires Westlake to continue to provide certain compensation and benefits following the completion of the merger to certain Axiall employees, including Axiall's executive officers, who remain employed by the surviving corporation following completion of the merger (as described below under *The Merger Agreement Employee Matters*).

For more information, please see the section of this proxy statement entitled *The Merger Interests of Axiall's Directors and Executive Officers in the Merger* beginning on page 55.

No Financing Condition

(page 77)

The merger is not subject to any financing condition. In connection with the execution of the merger agreement, Westlake entered into a debt commitment letter, which we refer to as the *commitment letter*, with Deutsche Bank AG Cayman Islands Branch and Deutsche Bank Securities Inc., which we refer to collectively as *Deutsche Bank*, and Goldman Sachs Bank USA, which we refer to as *Goldman Sachs*, pursuant to which Deutsche Bank and Goldman Sachs have committed to provide debt financing for the merger consisting of a \$1.765 billion senior unsecured bridge loan facility. The obligation of Deutsche Bank and Goldman Sachs to provide this debt financing is subject to a number of customary conditions, including execution and delivery of certain definitive documentation. The terms of the debt financing, including any conditions thereto and covenants thereunder, will be set out in various definitive documentation to be entered into by the respective parties.

Conditions to the Merger

(page 82)

Each party's obligation to effect the merger is subject to the satisfaction on or prior to the effective time of each of the following conditions:

the adoption of the merger agreement by the affirmative vote of the holders of a majority of the outstanding Axiall shares entitled to vote on the merger;

the waiting period (including any extensions thereof) applicable to the consummation of the merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, which we refer to as the *HSR Act*, will have expired or been terminated, and the approval required under the antitrust laws of Canada will have been obtained; and

the absence of an order, judgment, injunction or law prohibiting the consummation of the merger.

Each party's obligation to effect the merger is also subject to the satisfaction on or prior to the effective time of each of the following additional conditions:

subject to certain materiality qualifiers, the accuracy of the representations and warranties made in the merger agreement by the other party;

performance in all material respects by the other party of its obligations under the merger agreement; and

the delivery of an officer's certificate by the other party that the two immediately preceding conditions have been satisfied.

Prior to the effective time, each of Axiall and Westlake may waive any of the conditions to its obligation to consummate the merger even though one or more of the conditions described above has not been met, except where waiver is not permissible under applicable law.

Regulatory Waiting Periods and Approvals Required for the Merger

(page 66)

The merger is subject to the requirements of the HSR Act, which prevents Westlake and Axiall from completing the merger until required information and materials are furnished to the Antitrust Division of the

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United States Department of Justice, which we refer to as the DOJ, and the United States Federal Trade Commission which we refer to as the FTC, and the HSR Act waiting period is terminated or expires. On June 24, 2016, Westlake and Axiall filed the requisite notification and report forms under the HSR Act with the DOJ and the FTC. On July 27, 2016, Westlake and Axiall voluntarily withdrew their requisite notice and report forms under the HSR Act and refiled such forms on July 27, 2016, thereby extending the HSR Act waiting period for an additional 30 calendar days from the date of refiling.

The merger also is subject to the requirements of the Canadian Competition Act, which like the HSR Act prevents Westlake and Axiall from completing the merger until required information and materials are furnished to the Commissioner of Competition and the relevant Canadian Competition Act waiting period is terminated or expires. On June 24, 2016, Westlake and Axiall filed the requisite notice and information under part 114 of the Canadian Competition Act with the Commissioner of Competition. On July 27, 2016, the applicable waiting period expired and on July 28, 2016, the Commissioner of Competition issued a no-action letter to the parties confirming that he does not intend to challenge the transaction on substantive grounds at this time, thereby satisfying the Competition Act requirements in the merger agreement.

The merger agreement generally requires each party to use reasonable best efforts to resolve any impediments under the HSR Act and other applicable antitrust laws to enable the closing of the merger, which we refer to as the closing, to occur as soon as reasonably possible, subject to certain limitations (as described below under *The Merger Agreement Efforts to Obtain Regulatory Approvals*).

No Solicitation by Axiall

(page 75)

The merger agreement generally restricts Axiall's ability to solicit takeover proposals (as defined below under *The Merger Agreement No Solicitation by Axiall*) from (including by furnishing non-public information to) third parties, or participate in discussions or negotiations with third parties regarding a takeover proposal. Under certain circumstances, however, and in compliance with certain obligations contained in the merger agreement, Axiall is permitted to engage in negotiations with, and provide information to, third parties making an unsolicited takeover proposal that Axiall's Board determines in good faith, after consultation with its financial and legal advisors, constitutes or is reasonably likely to result in a superior proposal (as defined below under *The Merger Agreement No Solicitation by Axiall*). Under certain circumstances prior to the adoption of the merger agreement by Axiall's shareholders, Axiall's Board may effect an acquisition recommendation change (as described below under *The Merger Agreement Changes in the Board's Recommendation; Fiduciary Termination*) and Axiall may terminate the merger agreement in order to enter into a definitive agreement with respect to a superior proposal.

Termination of the Merger Agreement

(page 83)

The merger agreement may be terminated at any time prior to the effective time (notwithstanding any shareholder approval) in the following circumstances:

by mutual written consent of Westlake, Merger Sub and Axiall;

by either Westlake or Axiall if:

the merger has not been consummated on or before January 31, 2017, which we refer to as the outside date ;

any final and nonappealable law, order, judgment or injunction restraining or prohibiting the consummation of the merger has been issued by a governmental entity; or

shareholder approval of the merger agreement is not obtained at the special meeting;

by Axiall:

prior to shareholder adoption of the merger agreement, in order to enter into a definitive acquisition agreement with respect to a superior proposal, provided that Axiall has complied with certain procedures specified in the merger agreement and concurrently pays the termination fee to Westlake (as described below under *The Merger Agreement Termination Fee*); or

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if there has been a breach of any of Westlake's covenants or failure to be true of any of Westlake's representations and warranties in the merger agreement, which breach or failure to be true, individually or in the aggregate, would result in the failure of the applicable closing condition to be satisfied, and such failure is not cured within the earlier of the outside date and 15 days following Axiall's written notice to Westlake; provided that Axiall will not have this right to terminate the merger agreement if Axiall is then in material breach of any of its representations, warranties or covenants in the merger agreement;

by Westlake:

prior to shareholder adoption of the merger agreement, if Axiall's Board has withdrawn or otherwise changed, in a manner adverse to Westlake, its recommendation of the merger or has failed to recommend that Axiall's shareholders reject any exchange offer or tender offer that constitutes a takeover proposal or other public takeover proposal within certain specified time periods; or

if there has been a breach of any of Axiall's covenants or failure to be true of any of Axiall's representations and warranties in the merger agreement, which breach or failure to be true, individually or in the aggregate, would result in the failure of the applicable closing condition to be satisfied, and such failure is not cured within the earlier of the outside date and 15 days following Westlake's written notice to Axiall; provided that Westlake will not have this right to terminate the merger agreement if Westlake is then in material breach of any of its representations, warranties or covenants in the merger agreement Axiall.

Termination Fee

(page 84)

If the merger agreement is terminated under certain specified circumstances, Axiall will be required to pay Westlake a termination fee of \$77.7 million.

Appraisal Rights

(page 88 and Annex D)

Under the DGCL, Axiall's shareholders who do not vote for the adoption of the merger agreement have the right to seek appraisal of the fair value of their shares in cash as determined by the Delaware Court of Chancery, but only if they comply fully with all of the applicable requirements and conditions of the DGCL, which are summarized in this proxy statement. Any appraisal amount determined by the court could be more than, the same as, or less than the value of the merger consideration. Any Axiall shareholder intending to exercise appraisal rights must, among other things, submit a written demand for appraisal to Axiall prior to the vote on the adoption of the merger agreement, must continue to hold the shares through the effective time and otherwise comply with all procedural requirements and conditions required by Section 262 of the DGCL and must not vote or otherwise submit a proxy in favor of adoption of the merger agreement. Failure to follow exactly the procedures specified under the DGCL will result in the loss of appraisal rights. Because of the complexity of the DGCL relating to appraisal rights, if you are considering exercising your appraisal right we encourage you to seek the advice of your own legal counsel. Please see the section of this proxy statement entitled *Appraisal Rights of Shareholders* on page 88. A copy of Section 262 of the DGCL is attached as Annex D to this proxy statement and is incorporated by reference herein.

Material U.S. Federal Income Tax Consequences

(page 64)

The receipt of cash pursuant to the merger will be a taxable transaction for U.S. federal income tax purposes and may also be a taxable transaction under applicable state, local or foreign income or other tax laws. Generally, for U.S. federal income tax purposes, if you are a U.S. holder (as defined below under *The Merger Material*

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U.S. Federal Income Tax Consequences of the Merger), you will recognize gain or loss equal to the difference, if any, between the amount of cash you receive pursuant to the merger (including any cash required to be withheld for tax purposes) and your adjusted tax basis in the Axiall shares converted into cash pursuant to the merger. If you are a non-U.S. holder (as defined below under *The Merger Material U.S. Federal Income Tax Consequences of the Merger*), the receipt of cash pursuant to the merger will generally not be a taxable transaction to you under U.S. federal income tax laws unless you have certain connections to the United States, but may be a taxable transaction to you under non-U.S. federal income tax laws, and you are encouraged to seek tax advice regarding such matters. Because individual circumstances may differ, we recommend that you consult your own tax advisor to determine the particular tax effects of the merger to you.

You should read the section of this proxy statement entitled *The Merger Material U.S. Federal Income Tax Consequences of the Merger* beginning on page 64 for a more complete discussion of the material U.S. federal income tax consequences of the merger.

Additional Information

(page 95)

You can find more information about Axiall in the periodic reports and other information we file with the Securities and Exchange Commission, which we refer to as the SEC . The information is available at the SEC 's public reference facilities and at the website maintained by the SEC at www.sec.gov. Please see the section of this proxy statement entitled *Where You Can Find Additional Information* beginning on page 95.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGER

The following questions and answers are intended to briefly address some commonly asked questions regarding the special meeting and the merger. These questions and answers may not address all the questions that may be important to you as a shareholder. You should read the more detailed information contained elsewhere in this proxy statement, the annexes to this proxy statement and the documents referred to or incorporated by reference in this proxy statement.

Q: Why am I receiving this proxy statement?

A: On June 10, 2016, Axiall entered into the merger agreement with Westlake and Merger Sub. You are receiving this proxy statement as a shareholder of Axiall in connection with the solicitation of proxies by Axiall's Board in favor of the proposal to adopt the merger agreement and the other matters to be voted on at the special meeting described below under *What proposals will be considered at the special meeting?* The merger cannot be completed unless the proposal to adopt the merger agreement is approved by shareholders holding at least a majority of the outstanding Axiall shares entitled to vote at the special meeting.

Q: As a shareholder, what will I receive in the merger?

A: If the merger is completed, you will be entitled to receive \$33.00 in cash, without interest and subject to any applicable withholding taxes, for each Axiall share that you own immediately prior to the effective time. The exchange of Axiall shares for cash pursuant to the merger will be a taxable transaction for U.S. federal income tax purposes. Please see the section of this proxy statement entitled *The Merger Material U.S. Federal Income Tax Consequences of the Merger* beginning on page 64 for a more detailed description of the United States federal income tax consequences of the merger. You should consult your own tax advisor for a full understanding of how the merger will affect your federal, state, local or non-U.S. taxes.

Q: What will happen to outstanding Axiall equity compensation awards in the merger?

A: For information regarding the treatment of Axiall's equity awards, please see the section of this proxy statement entitled *The Merger Agreement Treatment of Equity Awards* beginning on page 71.

Q: When and where is the special meeting of Axiall's shareholders?

A: The special meeting will be held on August 30, 2016, at 8:00 a.m. local time, at the offices of Jones Day, 1420 Peachtree Street, N.E., Suite 800, Atlanta, Georgia 30309.

If you plan to attend the special meeting, please note that you will need to bring an admission ticket and valid picture identification. If your shares are registered in your name and you received proxy materials by mail, your admission

ticket is attached to your proxy card. If you hold shares through an account with a broker, bank, trust, custodian or other nominee (we refer to those organizations collectively as a broker), you will need to contact your broker and request a legal proxy, which will serve as your admission ticket.

Q: Who is entitled to vote at the special meeting?

A: Only holders of record of outstanding Axiall shares as of the close of business on July 25, 2016, the record date for the special meeting, are entitled to notice of and to vote the Axiall shares they held on the record date at the special meeting. As of the close of business on the record date, there were 70,733,982 Axiall shares outstanding and entitled to vote, held by 422 shareholders of record. Each shareholder is entitled to one vote for each Axiall share held by such shareholder on the record date on each of the proposals presented in this proxy statement.

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Q: What proposals will be considered at the special meeting?

A: At the special meeting, you will be asked to consider and vote on the following proposals:

a proposal to adopt the merger agreement;

a nonbinding, advisory proposal to approve the compensation that may be paid or may become payable to Axiall's named executive officers in connection with, or following, the consummation of the merger, which we refer to as the nonbinding compensation proposal; and

a proposal to approve the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Q: Why am I being asked to consider and vote on the nonbinding compensation proposal?

A: Under Section 14A of the Exchange Act, the SEC requires Axiall to conduct a nonbinding, advisory vote of shareholders regarding the compensation that may be paid or may become payable to Axiall's named executive officers in connection with, or following, the consummation of the merger.

Q: What constitutes a quorum for purposes of the special meeting?

A: The presence, in person or by proxy, of the holders of a majority of the Axiall shares issued and outstanding and entitled to vote at the special meeting is necessary to constitute a quorum to conduct business. Abstentions will be counted for purposes of determining the presence of a quorum. Broker non-votes (as described below under *The Special Meeting Quorum*) will not be counted for purposes of determining the presence of a quorum unless a broker has been instructed to vote on at least one of the proposals presented in this proxy statement.

Q: What vote of Axiall's shareholders is required to approve each of the proposals?

A: The adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding Axiall shares entitled to vote at the special meeting. Under the merger agreement, the receipt of such required vote is a condition to the consummation of the merger. **Abstentions, failures to vote and broker non-votes will have the same effect as a vote AGAINST the proposal to adopt the merger agreement.**

The approval of the nonbinding compensation proposal requires the affirmative vote of the holders of a majority in voting power of the votes cast by the holders of all of the shares of stock present in person or represented by proxy at the special meeting and entitled to vote on the proposal. Assuming a quorum is present at the special meeting, abstentions, failures to vote and broker non-votes will have no effect on the outcome of the nonbinding compensation

proposal.

The approval of the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement, requires the affirmative vote of the holders of a majority in voting power of the votes cast by the holders of all of the shares of stock present in person or represented by proxy at the special meeting and entitled to vote on the proposal. Assuming a quorum is present at the special meeting, abstentions, failures to vote and broker non-votes will have no effect on the outcome of the adjournment proposal.

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Q: How does Axiall's Board recommend that I vote?

A: Axiall's Board unanimously recommends a vote FOR the proposal to adopt the merger agreement, FOR the nonbinding compensation proposal and FOR the approval of the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

For a discussion of the factors that Axiall's Board considered in resolving to recommend that Axiall's shareholders vote to adopt the merger agreement, please see the section of this proxy statement entitled *The Merger Reasons for Recommending the Adoption of the Merger Agreement* beginning on page 29. In addition, in considering the recommendation of Axiall's Board with respect to the merger agreement, you should be aware that some of Axiall's directors and executive officers have interests that may be different from, or in addition to, the interests of Axiall's shareholders generally. Please see the section of this proxy statement entitled *The Merger Interests of Axiall's Directors and Executive Officers in the Merger* beginning on page 55.

Q: How do Axiall's directors and executive officers intend to vote?

A: Axiall's directors and executive officers have informed us that they intend, as of the date hereof, to vote all of their Axiall shares in favor of the matters before our shareholders as described in this proxy statement. As of the close of business on July 25, 2016, the record date for the special meeting, Axiall's directors and executive officers owned, in the aggregate 415,509 Axiall shares (excluding equity awards), or in the aggregate less than 1% of the outstanding Axiall shares.

Q: Do any of Axiall's directors or executive officers have any interests in the merger that may be different from, or in addition to, my interests as a shareholder?

A: In considering the proposals to be voted on at the special meeting, you should be aware that Axiall's directors and executive officers have interests in the merger that may be different from, or in addition to, your interests as a shareholder. The members of Axiall's Board were aware of and considered these interests, among other matters, in evaluating and reaching its unanimous decision to approve the merger agreement and in unanimously determining that the merger and the other transactions contemplated by the merger agreement are advisable and fair to and in the best interests of Axiall's shareholders, and in resolving to recommend that Axiall's shareholders vote to adopt the merger agreement. For more information, please see the section of this proxy statement entitled *The Merger Interests of Axiall's Directors and Executive Officers in the Merger* beginning on page 55.

Q: What happens if I sell my Axiall shares before the special meeting?

A: The record date for the special meeting is earlier than the date of the special meeting. If you own Axiall shares on the record date, but transfer your shares after the record date but before the effective time, you will retain your right to vote such shares at the special meeting, but the right to receive the merger consideration will pass to the person to whom you transferred your shares.

Q: How do I cast my vote if I am a shareholder of record?

A: If you are a shareholder with shares registered in your name, you may vote in person at the special meeting or by submitting a proxy for the special meeting via the Internet, by telephone or by completing, signing, dating and mailing the enclosed proxy card in the envelope provided. For more detailed instructions on how to vote using one of these methods, please see the section of this proxy statement entitled *The Special Meeting Voting Procedures* beginning on page 21.

If you are a shareholder of record and you submit a proxy card but do not direct how to vote on each item, the persons named as proxies will vote in favor of the proposal to adopt the merger agreement, the

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nonbinding compensation proposal and the proposal to adjourn the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Q: How do I cast my vote if my Axiall shares are held in street name by my broker?

A: If you are a shareholder with shares held in street name, which means your shares are held in an account at a broker, you must check the voting form used by that broker to determine whether you may provide voting instructions to the broker by telephone or the Internet. Unless you follow those instructions, your shares will not be voted, which will have the same effect as a vote AGAINST the proposal to adopt the merger agreement.

Q: What will happen if I abstain from voting or fail to vote on any of the proposals?

A: If you abstain from voting, fail to cast your vote in person or by proxy or fail to give voting instructions to your broker, it will have the same effect as a vote AGAINST the proposal to adopt the merger agreement. Assuming a quorum is present at the special meeting, abstentions, failures to vote and broker non-votes will have no effect on the outcome of the nonbinding compensation proposal and the proposal to approve the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Q: Can I change my vote after I have delivered my proxy?

A: Yes. If you are a shareholder of record, you may revoke your proxy at any time before your shares are voted at the special meeting:

by submitting a new vote by telephone or the Internet if eligible to do so;

by delivering to Axiall's Corporate Secretary at 1000 Abernathy Road, Suite 1200, Atlanta, Georgia 30328 a signed notice of revocation or a new proxy card with a later date in either such case, your latest dated vote before the special meeting will be the vote counted; or

by voting your shares in person at the special meeting.

However, if your shares are held in street name through a broker, you must contact your broker to determine how to revoke your proxy.

Q: What should I do if I receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this proxy statement or multiple proxy or voting instruction cards. For example, if you hold your Axiall shares in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold Axiall shares. If you are a shareholder of record and your Axiall shares are registered in more than one name, you will receive more than one proxy card. **Please submit each proxy and voting instruction card that you receive to ensure that all your shares are voted.**

Q: If I hold my shares in certificated form, should I send in my stock certificates now?

A: No. Promptly after the effective time, each holder of record (other than the Depository Trust Company) of (1) a certificate representing any Axiall share or (2) Axiall shares in non-certificated book-entry form, in each case, that is entitled to receive the merger consideration, will be sent a letter of transmittal and instructions for use in effecting the surrender of such holder's shares in exchange for the merger

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consideration. If you hold your shares in certificated form, you will receive your cash payment upon surrender of your certificates, together with your duly executed letter of transmittal and any other documents requested in the instructions. You should not return your certificates with the enclosed proxy card, and you should not forward your certificates to the exchange agent without a letter of transmittal. If you hold Axiall shares in non-certificated book-entry form, you will not be required to deliver a certificate, and you will receive your cash payment after the exchange agent has received your duly executed letter of transmittal and any other documents requested in the instructions.

Q: Am I entitled to exercise appraisal rights instead of receiving the merger consideration for my Axiall shares?

A: Yes. Under the DGCL, Axiall's shareholders who do not vote for the adoption of the merger agreement have the right to seek appraisal of the fair value of their shares as determined by the Delaware Court of Chancery, but only if they comply fully with all applicable requirements and conditions of the DGCL, which are summarized in this proxy statement. Any appraisal amount determined by the court could be more than, the same as, or less than the value of the merger consideration. Any Axiall shareholder intending to exercise appraisal rights must, among other things, submit a written demand for appraisal to Axiall prior to the vote on the adoption of the merger agreement, must continue to hold shares through the effective time and must otherwise comply with all procedural requirements and conditions under Section 262 of the DGCL and must not vote or otherwise submit a proxy in favor of adoption of the merger agreement. Failure to follow exactly the procedures specified under the DGCL will result in the loss of appraisal rights. Because of the complexity of the DGCL relating to appraisal rights, if you are considering exercising your appraisal rights we encourage you to seek the advice of your own legal counsel. For more information regarding appraisal rights, please see the section of this proxy statement entitled *Appraisal Rights of Shareholders* on page 88. A copy of Section 262 of the DGCL is attached as Annex D to this proxy statement.

Q: When is the merger expected to be completed?

A: We are working toward completing the merger as promptly as practicable. If the merger agreement is approved at the special meeting, we anticipate that the merger will be completed by the fourth quarter of 2016. However, because the merger cannot be completed until the conditions to closing (some of which, as described below under *The Merger Agreement Conditions to the Merger*, will not be determined until the closing date) are satisfied, we cannot assure completion by any particular date, if at all.

Q: What effect will the merger have on Axiall?

A: If the merger is consummated, Merger Sub will be merged with and into Axiall, and Axiall will continue to exist following the merger as a wholly owned subsidiary of Westlake. Following such consummation of the merger, Axiall shares will no longer be traded on the NYSE or any other public market, and the registration of Axiall shares under the Exchange Act will be terminated.

Q: What happens if the merger is not completed?

A: In the event that the proposal to adopt the merger agreement does not receive the required approval from our shareholders, or if the merger is not completed for any other reason, our shareholders will not receive any payment for their Axiall shares in connection with the merger. Instead, we will remain an independent public company and shareholders will continue to own their Axiall shares. Under certain circumstances, if the merger agreement is terminated, Axiall may be obligated to pay to Westlake a termination fee. Please see the section of this proxy statement entitled *The Merger Agreement Termination Fee* beginning on page 84.

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Q: What is householding and how does it affect me?

A: Under the SEC rules, to minimize mailing costs, we are permitted to send a single set of proxy statements to any household at which two or more shareholders reside if they appear to be members of the same family unless we have received contrary instructions from one or more of the shareholders. A number of brokers have also instituted this practice with respect to the delivery of documents to shareholders residing at the same address. With this practice, however, each shareholder continues to receive a separate proxy card for voting. Any shareholder affected by this practice, known as householding, who desires to receive multiple copies of this proxy statement may write Investor Relations, Axiall Corporation, 1000 Abernathy Road, Suite 1200, Atlanta, Georgia 30328 or call (770) 395-4500. We will promptly send additional copies of this proxy statement upon receipt of any such request.

Q: Who can help answer my questions?

A: If you have any questions about how to vote your shares or need additional assistance, please contact Innisfree, Axiall's proxy solicitor for the special meeting, toll-free at (877) 456-3427.

Table of Contents**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This proxy statement contains forward-looking statements as defined in, and subject to the safe harbor provisions of, the federal securities laws. These forward-looking statements include statements, among other things, concerning the expected benefits of the proposed merger, such as growth potential, market profile, financial strength, and enhanced earnings per share, the potential financing of the transaction and the expected timing of the completion of the transaction. These forward-looking statements are often characterized by the use of words such as expect, anticipate, plan, believe, may, should, will, could, continue and the negative or plural of these words and other comparable terminology. Forward-looking statements are based on management's assumptions regarding, among other things, general economic and industry-specific business conditions and the continued execution of Axiall's business strategy, and actual results may be materially different. Risks and uncertainties inherent in these assumptions include, but are not limited to, the failure to receive, on a timely basis or otherwise, the required approvals by Axiall's shareholders and government or regulatory agencies (including the terms of such approvals); the possibility that long-term financing for the transaction may not be put in place prior to the closing; the risk that a condition to closing of the proposed merger or the committed financing may not be satisfied; the ability to retain and hire key personnel and maintain relationships with customers, suppliers or other business partners; the diversion of management time on merger-related issues; the impact of legislative, regulatory and competitive changes; potential operational disruption caused by the proposed merger that may make it more difficult to maintain relationships with customers, employees or suppliers; the risk of potential litigation related to the proposed merger; Axiall's ability to successfully implement and administer its cost-saving initiatives (including its restructuring programs) and produce the desired results (including projected savings); future prices for the companies' products; industry capacity levels for the companies' products, raw materials and energy costs and availability, and feedstock availability and prices; changes in governmental and environmental regulations; the adoption of new laws or regulations that may make it more difficult or expensive to operate the companies' businesses or manufacture its products; Axiall's ability to generate sufficient cash flows from its business; future economic conditions in the specific industries to which the companies' products are sold; global economic conditions; competition within Axiall's industry; complications resulting from Axiall's multiple enterprise resource planning (ERP) systems and the implementation of its new ERP systems; the companies' failure to adequately protect their data and technology systems; costs resulting from complications or delays relating to Axiall's arrangements with Lotte Chemical USA Corporation related to the ethane cracker (ethylene manufacturing plant) being constructed in Lake Charles, Louisiana; Axiall's failure to realize the benefits of, and/or disruptions resulting from, any asset dispositions, asset acquisitions, joint ventures, business combinations or other transactions; the impact of legislative, regulatory and competitive changes; and other risk factors relating to the chemicals industry, and other factors discussed in Axiall's and Westlake's respective annual reports on Form 10-K for the year ended December 31, 2015 and subsequent quarterly reports on Form 10-Q. The risks and uncertainties above are not the only risks Axiall faces. Additional risks and uncertainties not presently known to Axiall that it believes to be immaterial also may adversely affect Axiall. Should any known or unknown risks and uncertainties develop into actual events, these developments could have material adverse effects on Axiall's business, financial condition and results of operations. Except as may be required by law, the parties do not undertake to publicly update or revise these forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied herein will not be realized.

All subsequent written and oral forward-looking statements concerning the proposed merger or other matters attributable to Axiall or any other person acting on its behalf are expressly qualified in their entirety by the cautionary statements referenced above. The forward-looking statements contained herein speak only as of the date of this proxy statement. Axiall undertakes no obligation to update or revise any forward-looking statement, except as may be required by law.

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THE PARTIES

Axiall Corporation

Axiall is a leading North American manufacturer and international marketer of chemicals and building products. Axiall manufactures and sells a wide array of chemical products, including chlorine, caustic soda, vinyl chloride monomer, chlorinated solvents, calcium hypochlorite, ethylene dichloride, muriatic acid, polyvinyl chloride and vinyl compounds. We also manufacture and sell vinyl-based building and home improvement products. Our chlorovinyls chemical products are sold for further processing into a wide variety of end-use applications, including plastic pipe and pipe fittings, siding and window frames, high-quality plastics, and coatings for wire and cable, paper, minerals, metals and water treatment industries. Our building products business manufactures trim, mouldings, deck, siding, pipe and pipe fittings products. Axiall's corporate headquarters is located at 1000 Abernathy Road, Suite 1200, Atlanta, Georgia 30328 and its telephone number is (770) 395-4500.

Westlake Chemical Corporation

Westlake is a vertically integrated global manufacturer and marketer of basic chemicals, vinyls, polymers and building products. Westlake's products include some of the most widely used chemicals in the world, which are fundamental to many diverse consumer and industrial markets, including flexible and rigid packaging, automotive products, coatings, residential and commercial construction as well as other durable and non-durable goods. Westlake operates in two principal operating segments, Olefins and Vinyls. Westlake is highly integrated along its olefins product chain with significant downstream integration into polyethylene and styrene monomer. Westlake is also an integrated global producer of vinyls with substantial downstream integration into polyvinyl chloride building products. Westlake's corporate headquarters is located at 2801 Post Oak Boulevard, Suite 600, Houston, Texas 77056 and its telephone number is (713) 960-9111.

Lagoon Merger Sub, Inc.

Merger Sub is a wholly owned subsidiary of Westlake and was formed in Delaware in June 2016, solely for the purpose of engaging in the transactions contemplated by the merger agreement. Merger Sub has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and those incurred in connection with the merger and the other transactions contemplated by the merger agreement. Upon the consummation of the merger, the separate corporate existence of Merger Sub will cease. The address of Merger Sub is 2801 Post Oak Boulevard, Suite 600, Houston, Texas 77056 and its telephone number is (713) 960-9111.

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THE SPECIAL MEETING

We are furnishing this proxy statement to Axiall's shareholders as part of the solicitation of proxies by Axiall's Board for use at the special meeting and at any adjournments or postponements thereof.

Date, Time and Place

The special meeting will be held on August 30, 2016, at 8:00 a.m. local time, at the offices of Jones Day, 1420 Peachtree Street, N.E., Suite 800, Atlanta, Georgia 30309.

If you plan to attend the special meeting, please note that you will need to bring an admission ticket and valid picture identification. If your shares are registered in your name and you received proxy materials by mail, your admission ticket is attached to your proxy card. If you hold shares through an account with a broker, you will need to contact your broker and request a legal proxy, which will serve as your admission ticket.

Purpose of the Special Meeting

The special meeting is being held for the following purposes:

to consider and vote on a proposal to adopt the merger agreement (please see the section of this proxy statement entitled *The Merger Agreement* beginning on page 68);

to consider and vote on a nonbinding, advisory proposal to approve the compensation that may be paid or may become payable to Axiall's named executive officers in connection with, or following, the consummation of the merger, which we refer to as the nonbinding compensation proposal (please see the section of this proxy statement entitled *The Merger Interests of Axiall's Directors and Executive Officers in the Merger* beginning on page 55); and

to approve the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

A copy of the merger agreement is attached as Annex A to this proxy statement.

Recommendation of the Board

Axiall's Board carefully reviewed and considered the terms and conditions of the merger agreement, the merger and the other transactions contemplated by the merger agreement. Axiall's Board unanimously approved the merger agreement, determined that the merger and the other transactions contemplated by the merger agreement are advisable and fair to and in the best interests of Axiall's shareholders, directed that the merger agreement be submitted for adoption at a duly held meeting and resolved to recommend that Axiall's shareholders vote to adopt the merger agreement. **Accordingly, Axiall's Board unanimously recommends a vote FOR the proposal to adopt the merger agreement.** For a discussion of the material factors that Axiall's Board considered in resolving to recommend that Axiall's shareholders vote to adopt the merger agreement, please see the section of this proxy statement entitled *The Merger Reasons for Recommending the Adoption of the Merger Agreement* .

Axiall's Board also unanimously recommends a vote FOR the nonbinding compensation proposal and FOR the approval of the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Record Date and Shareholders Entitled to Vote

Only holders of record of outstanding Axiall shares as of the close of business on July 25, 2016, the record date for the special meeting, are entitled to notice of and to vote the Axiall shares they held on the record date at

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the special meeting. As of the close of business on the record date, there were 70,733,982 Axiall shares outstanding and entitled to vote, held by 422 shareholders of record. Each shareholder is entitled to one vote for each Axiall share held by such shareholder on the record date on each of the proposals presented in this proxy statement.

Quorum

The presence, in person or by proxy, of the holders of a majority of the Axiall shares issued and outstanding and entitled to vote at the special meeting is necessary to constitute a quorum to conduct business. Abstentions will be counted for purposes of determining the presence of a quorum. Broker non-votes will not be counted for purposes of determining the presence of a quorum unless the broker has been instructed to vote on at least one of the proposals presented in this proxy statement.

Brokers have the discretion to vote shares held in street name a term that refers to shares held in the name of a broker on behalf of its customer, the beneficial owner on matters considered routine under NYSE listing rules, such as the ratification of the appointment of independent auditors, but not on other, non-routine matters, such as the election of directors or an advisory vote on executive compensation. Broker non-votes generally occur when shares held in street name by a broker for a beneficial owner are not voted with respect to a non-routine matter because the broker has not received voting instructions from the beneficial owner and the broker lacks discretionary authority to vote the shares. You must follow instructions from your broker to authorize it to vote with respect to the proposal to adopt the merger agreement, the nonbinding compensation proposal or the proposal to adjourn the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

In the event that a quorum is not present at the special meeting, or if there are insufficient votes to adopt the merger agreement at the time of the special meeting, we expect that the special meeting will be adjourned or postponed to solicit additional proxies.

Vote Required

Adoption of the Merger Agreement

The adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding Axiall shares entitled to vote at the special meeting. Under the merger agreement, the receipt of such required vote is a condition to the consummation of the merger.

The failure to vote your Axiall shares, abstentions and broker non-votes will have the same effect as a vote AGAINST the proposal to adopt the merger agreement.

Approval of the Nonbinding Compensation Proposal

The approval of the nonbinding compensation proposal requires the affirmative vote of the holders of a majority in voting power of the votes cast by the holders of all of the shares of stock present in person or represented by proxy at the special meeting and entitled to vote on the proposal. Assuming a quorum is present at the special meeting, abstentions, failures to vote and broker non-votes will have no effect on the outcome of the nonbinding compensation proposal. This is an advisory vote only and will not be binding on Axiall or Axiall's Board.

Approval of the Adjournment of the Special Meeting

The approval of the adjournment of the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt

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the merger agreement, requires the affirmative vote of the holders of a majority of the voting shares represented at the special meeting and entitled to vote on the proposal, without further notice other than by announcement at the meeting. Assuming a quorum is present at the special meeting, abstentions, failures to vote and broker non-votes will have no effect on the outcome of the adjournment proposal.

Voting Procedures

Whether or not you plan to attend the special meeting and regardless of the number of shares you own, your careful consideration of, and vote on, the proposal to adopt the merger agreement is important and we encourage you to vote promptly.

To ensure that your shares are voted at the special meeting, we recommend that you provide voting instructions promptly by proxy, even if you plan to attend the special meeting and vote in person, using one of the following three methods:

by telephone, by calling the toll-free number provided on your proxy card or instruction card in the United States or Canada on a touch-tone phone and following the recorded instructions;

by visiting the website provided on your proxy card or instruction card and following the instructions on the website; or

by mail, by completing, signing, dating and returning each proxy card or voting instruction card you receive in the postage-paid envelope that accompanied that proxy card or voting instruction card.

If you are the record holder of your shares or your shares are held in street name, then telephone and Internet voting will be accessible until 11:59 p.m. Eastern time on August 29, 2016. Telephone and Internet voting are available 24 hours a day.

Shareholders of Axiall who hold their shares in street name by a broker should refer to the proxy card or other information forwarded by their broker for instructions on how to vote their shares.

If you have any questions about how to vote your shares or need additional assistance, please contact Innisfree, Axiall's proxy solicitor for the special meeting, toll-free at (877) 456-3427.

How Proxies Are Voted

If you complete and submit your proxy card or voting instructions, the persons named as proxies will follow your instructions. If you are a shareholder of record and you submit a proxy card or voting instructions but do not direct how to vote on each item, the persons named as proxies will vote in favor of the proposal to adopt the merger agreement, the nonbinding compensation proposal and the proposal to adjourn the special meeting, if necessary and subject to the terms of the merger agreement, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Revocation of Proxies

You may revoke your proxy at any time before your shares are voted at the special meeting. If you are a shareholder of record, your proxy can be revoked in several ways:

by submitting a new vote by telephone or the Internet if eligible to do so;

by delivering to Axiall's Corporate Secretary at 1000 Abernathy Road, Suite 1200, Atlanta Georgia 30328 a signed notice of revocation or a new proxy card with a later date in either case, your latest dated vote before the special meeting will be the vote counted; or

by voting your shares in person at the special meeting.

However, if your shares are held in street name through a broker, you must contact your broker to determine how to revoke your proxy.

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Voting in Person

If you plan to attend the special meeting and vote in person, you will be given a ballot at the special meeting. Please note that admission to the special meeting is limited to Axiall's shareholders or their representatives.

For holders of record of Axiall shares, upon your arrival at the meeting location, you will need to bring an admission ticket and valid picture identification to be admitted to the meeting. If you are a shareholder who is an individual, you will need to present government-issued identification showing your name and photograph (i.e., a driver's license or passport), or, if you are representing an institutional investor, you will need to present government-issued photo identification and professional evidence showing your representative capacity for such entity. In each case, we will verify such documentation with our record date shareholder list. We reserve the right to limit the number of representatives who may attend the special meeting. Cameras and electronic recording devices will not be permitted at the special meeting.

For shareholders holding shares in street name, in addition to providing identification as outlined for record holders above, you will need a valid proxy from your broker or a recent brokerage statement or letter from your broker reflecting your stock ownership as of the record date. Otherwise, you will not be permitted to attend the special meeting. If your shares are held in the name of a broker, you must obtain and bring to the special meeting a proxy card issued in your name from the broker to be able to vote at the special meeting.

Appraisal Rights

Under the DGCL, Axiall shareholders who do not vote for the adoption of the merger agreement have the right to seek appraisal of the fair value of their shares in cash as determined by the Delaware Court of Chancery, but only if they comply fully with all of the applicable requirements and conditions of the DGCL, which are summarized in this proxy statement. Any appraisal amount determined by the court could be more than, the same as, or less than the value of the merger consideration. Any Axiall shareholder intending to exercise appraisal rights must, among other things, submit a written demand for appraisal to Axiall prior to the vote on the adoption of the merger agreement, must continue to hold the shares through the effective time and otherwise comply with all procedural requirements and conditions under Section 262 of the DGCL and must not vote or otherwise submit a proxy in favor of adoption of the merger agreement. Failure to follow exactly the procedures specified under the DGCL will result in the loss of appraisal rights. Because of the complexity of the DGCL relating to appraisal rights, if you are considering exercising your appraisal right we encourage you to seek the advice of your own legal counsel. Please see the section of this proxy statement entitled *Appraisal Rights of Shareholders* on page 88. A copy of Section 262 of the DGCL is attached as Annex D to this proxy statement.

Solicitation of Proxies

Axiall will pay the cost of soliciting proxies. In addition to use of the mails, proxies may be solicited in person or by telephone or facsimile by directors and officers of Axiall, who will not receive additional compensation for these services. We have retained Innisfree to assist in the solicitation of proxies for a fee of \$20,000 plus reasonable out-of-pocket expenses. Brokers will be requested to forward soliciting material to beneficial owners of stock held of record by them, and Axiall will reimburse those persons for their reasonable expenses in doing so.

The extent to which these proxy soliciting efforts will be undertaken depends entirely upon how promptly proxies are submitted. You should submit your proxy without delay by telephone, via the Internet or by mail. Axiall also reimburses brokers for their expenses in sending these materials to you and getting your voting instructions.

Adjournments and Postponements

Although it is not currently expected, the special meeting may be adjourned in the absence of a quorum by the affirmative vote of holders of a majority of the Axiall shares having voting power present in person or represented by proxy at the special meeting.

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Even if a quorum is present, the special meeting could also be adjourned in order to provide more time to solicit additional proxies in favor of adoption of the merger agreement if sufficient votes are cast in favor of proposal to adjourn the special meeting, if necessary and subject to the terms of the merger agreement.

If the adjournment is for more than 30 days or if after the adjournment a new record date is set for the adjourned meeting, a notice of the adjourned meeting will be given to each shareholder of record entitled to vote at the special meeting.

Voting by Axiall Directors and Executive Officers

As of the close of business on July 25, 2016, the record date for the special meeting, Axiall's directors and executive officers owned, in the aggregate, 415,509 Axiall shares (excluding equity awards), or in the aggregate less than 1% of the outstanding Axiall shares. Axiall's directors and executive officers have informed us that they intend, as of the date hereof, to vote all of their Axiall shares in favor of the matters before our shareholders as described in this proxy statement. Certain of Axiall's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Axiall's shareholders generally. For more information, please see the section of this proxy statement entitled *The Merger Interests of Axiall's Directors and Executive Officers in the Merger* beginning on page 55.

Voting by Westlake

As of the close of business on July 25, 2016, the record date for the special meeting, Westlake owned 3,100,050 Axiall shares, or 4.4% of the outstanding Axiall shares. The merger agreement requires Westlake to vote, or cause to be voted, all Axiall shares beneficially owned by Westlake, Merger Sub or any of Westlake's other subsidiaries or affiliates in favor of the adoption of the merger agreement.

Assistance

If you have any questions about how to vote your shares or need additional assistance, please contact Innisfree, Axiall's proxy solicitor for the special meeting, toll-free at (877) 456-3427.

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THE MERGER

Overview

Axiall is seeking the adoption by its shareholders of the merger agreement Axiall entered into on June 10, 2016 with Westlake and Merger Sub. Under the terms of the merger agreement, subject to the satisfaction or (if permissible under applicable law) waiver of specified conditions, Merger Sub will be merged with and into Axiall, with Axiall surviving the merger as a wholly owned subsidiary of Westlake. Axiall's Board has unanimously approved the merger agreement, determined that the merger and the transactions contemplated by the merger agreement are advisable and fair to and in the best interests of Axiall's shareholders, directed that the merger agreement be submitted to Axiall's shareholders for adoption at a duly held meeting and resolved to recommend that Axiall's shareholders vote in favor of the proposal to adopt the merger agreement.

Upon the consummation of the merger, each Axiall share issued and outstanding immediately prior to the effective time, other than shares owned by Westlake or a subsidiary of Westlake, shares owned by Axiall as treasury stock and shares owned by shareholders who have properly demanded appraisal rights under the DGCL and not withdrawn such demand, will be canceled and converted into the right to receive \$33.00 in cash, without interest and subject to any applicable withholding taxes.

Background of the Merger

As part of its ongoing evaluation of Axiall's business, Axiall's Board and senior management from time to time consider strategic alternatives to the continued pursuit of Axiall's business plan as an independent company.

In August of 2015, Axiall announced that it was initiating a strategic review of its building products business as part of a general strategy to become a more focused, streamlined company. In October of 2015, representatives of a substantial industry participant, which we refer to as Company A, contacted Timothy Mann, Jr., Axiall's President and Chief Executive Officer, to indicate that Company A was interested in discussing a potential strategic transaction involving Axiall. After reviewing the matter with Axiall's Board, including the consideration of Axiall's recently announced strategic review of its building products business, recent changes in Axiall's senior management and general industry conditions, Mr. Mann informed a representative of Company A that Axiall did not believe it was the right time to pursue a potential strategic transaction with Company A, but that Company A's interest had been noted in the event that circumstances changed.

On January 21, 2016, Albert Chao, Westlake's President and Chief Executive Officer, contacted Mr. Mann to request an in-person meeting to discuss a matter that Mr. Chao described as of great importance. On January 25th, Mr. Albert Chao and Steven Bender, Westlake's Chief Financial Officer, met with Mr. Mann and Gregory Thompson, Axiall's Chief Financial Officer, and proposed that Westlake acquire Axiall at a price of \$20.00 per share, consisting of \$11.00 in cash and 0.1967 of a share of Westlake common stock, which represented a value of \$9.00 per Axiall share based on Westlake's closing price on January 22, 2016, the last full trading day prior to the January 25th meeting. Westlake requested a response from Axiall by the close of business on January 28th. Westlake confirmed its proposal in a letter delivered at the January 25th meeting.

Axiall's Board met on January 27, 2016 to consider Westlake's proposal. Representatives of Morgan Stanley, Axiall's financial advisor, and Jones Day, Axiall's legal advisor, participated in the meeting. A representative of Jones Day reviewed the directors' fiduciary duties in the circumstances. Representatives of Morgan Stanley discussed a preliminary financial analysis of Westlake's proposal. Following substantial discussion, Axiall's Board determined that Westlake's proposal did not adequately reflect a value sufficient to justify discussions with Westlake. Accordingly,

Axiall's Board instructed management to inform Westlake that Axiall was not prepared to engage in further discussions on the basis of Westlake's proposal. Mr. Mann communicated this to Mr. Albert Chao on January 28, 2016.

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On January 29, 2016, Westlake publicly disclosed its January 25th proposal. On the same day, Axiall publicly confirmed its rejection of Westlake's proposal.

In late January 2016, Axiall began working with Barclays as an additional financial advisor.

On February 16, 2016, Westlake notified Axiall, and publicly disclosed, that it had nominated a slate of directors to replace Axiall's entire Board.

Axiall's Board met on February 5 and February 22, 2016 and received situational updates, including in respect of Axiall's shareholder outreach efforts. At the February 22nd meeting, Axiall's Board also received an update regarding preliminary discussions between management and representatives of third parties, including a courtesy meeting between Mr. Mann and the Chairman of Company A on February 18, 2016 initiated by Axiall in light of Company A's outreach in October 2015. At the February 18th meeting, Company A reiterated its potential interest in pursuing a strategic transaction should Axiall decide to assess its strategic alternatives.

On March 4, 2016, representatives of Deutsche Bank Securities Inc. and Goldman, Sachs & Co., which we refer to as Deutsche Bank Securities and Goldman, respectively, financial advisors to Westlake, at the direction of Westlake's management, contacted representatives of Barclays and Morgan Stanley to suggest that Westlake and Axiall meet. Axiall's financial advisors indicated that they would communicate this to Axiall.

At a meeting of Axiall's Board on March 7, 2016, the Board reviewed the situation and Westlake's March 4th request through its financial advisors for a meeting. Axiall's Board determined that the Board would be willing to consider a potential transaction with Westlake if the value was sufficient in light of the inherent difficulty in predicting the time in which industry conditions, which the Board believed were in a trough, would improve. While no decision was made to pursue an alternative to Axiall's continued pursuit of its business plan as an independent company, Axiall's Board also determined to commence a process to assess potential strategic alternatives to continuing to pursue its business plan as an independent company and instructed management, with the assistance of Axiall's financial advisors, to identify and contact parties in addition to Westlake that could be reasonably expected to have an interest in pursuing, and the financial capacity to pursue, a possible strategic transaction involving Axiall.

Later on March 7, 2016, William Mansfield, the Chairman of Axiall's Board, Michael McGarry, one of Axiall's independent directors, and Mr. Mann called Albert Chao and offered to come to Houston the next day to discuss a process to further explore Westlake's proposal consistent with the Board's direction.

On March 8, 2016, Messrs. Mansfield, McGarry and Mann met with Mr. Albert Chao, James Chao, the Chairman of Westlake's board of directors, and L. Benjamin Ederington, General Counsel of Westlake. In the meeting, the representatives of Axiall informed the representatives of Westlake that, while Axiall's Board had not determined to pursue a sale of Axiall at that time, Axiall was prepared to furnish confidential information to Westlake in an effort to convince Westlake to substantially increase its proposal. The representatives of Axiall and Westlake then discussed a process that would allow Westlake to conduct business, financial and legal due diligence and allow the parties to perform and share synergy analyses.

On March 11, 2016, Axiall formalized its retention of, and entered into an engagement letter agreement with, Morgan Stanley pursuant to which Morgan Stanley agreed to act as Axiall's financial advisor.

On March 14, 2016, Westlake and Axiall entered into a confidentiality agreement with standstill provisions that permitted Westlake to make acquisition proposals and pursue the election of the individuals it had nominated to serve on Axiall's Board, but prohibited it from acquiring beneficial ownership of, or making a tender offer for, Axiall shares

prior to September 15, 2016 (or the earlier termination of the standstill provisions).

From March 15 to March 28, 2016, Axiall provided a management presentation to Westlake and conducted a series of due diligence sessions with subject matter experts for Westlake's benefit. Axiall also provided Westlake and its representatives access to a virtual data room containing confidential information regarding

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Axiall, and Axiall included Westlake, at Westlake's request, in the ongoing strategic review process related to Axiall's building products business.

Substantially simultaneously with Axiall's engagement with Westlake, at the instruction of Axiall's Board, Barclays and Morgan Stanley reached out to eight parties other than Westlake that Axiall's management and financial advisors had identified as being reasonably likely to have interest in, and the financial capacity to pursue, a possible strategic transaction involving Axiall, including Company A. Axiall offered to enter into confidentiality agreements with and provide confidential information to these parties, and subsequently entered into confidentiality agreements, which included standstill provisions, with Company A and two other industry participants, to which we refer as Company B and Company C. Over the course of the next two months, Axiall and its financial advisors provided a substantial amount of due diligence information to Company A and Company B. Each of Company A and Company B also attended management presentations, conducted a series of due diligence sessions with subject matter experts and made site visits. Axiall and its financial advisors also provided data room access and conducted due diligence sessions with subject matter experts with representatives of Company C, but Company C withdrew from the process prior to attending a management presentation.

On March 29, 2016, Westlake submitted a revised proposal to acquire Axiall, increasing the cash portion of the consideration to \$14.00 per share and keeping the stock portion unchanged at 0.1967 of a share of Westlake common stock, which represented an additional \$9.15 per Axiall share based on the closing price for Westlake common stock on March 28, 2016, the last trading day prior to Westlake's revised proposal. In the proposal, Westlake requested a response from Axiall by the close of business on March 31st.

On March 30, 2016, Axiall formalized its retention of, and entered into an engagement letter agreement with, Barclays pursuant to which Barclays agreed to act as a financial advisor.

Axiall's Board met on March 31, 2016 to discuss Westlake's revised proposal. Representatives of Barclays, Morgan Stanley and Jones Day participated in the meeting. Following discussion of Westlake's revised proposal with the representatives of Barclays and Morgan Stanley, Axiall's Board determined that Westlake's revised proposal was inadequate, but instructed management to inform Westlake that Axiall remained willing to continue discussions. In a letter delivered to Westlake later that day, Axiall management informed Westlake that, while Axiall was disappointed by the revised proposal, Axiall was not opposed to a strategic transaction that delivered full and fair value to Axiall's shareholders, and that Axiall remained willing to share information and have further discussions.

On April 3, 2016, Westlake notified Axiall that Westlake was terminating the parties' discussions regarding a potential strategic transaction as required under the confidentiality agreement between Westlake and Axiall in order for Westlake to publicly disclose the revised proposal. On April 4, 2016, Westlake publicly disclosed its revised proposal and filed preliminary proxy materials with the SEC in connection with its previously announced effort to replace Axiall's Board.

Throughout April, Axiall continued to engage with representatives of Company A and Company B in connection with its ongoing strategic assessment process. In early May 2016, as part of its strategic assessment process, Axiall furnished a form merger agreement to each of Company A and Company B. Axiall requested that each party submit a proposal, including any revisions to the form of merger agreement, by June 3, 2016.

On May 6, 2016, representatives of Deutsche Bank Securities and Goldman, at the direction of Westlake's management, contacted representatives of Barclays and Morgan Stanley to discuss the possibility of resuming discussions of a possible transaction between Westlake and Axiall. During the following two weeks, Axiall's financial advisors, Board Chairman and management team held a series of discussions with members of Westlake's

management team and its financial advisors regarding a possible process for engagement and further due diligence.

On May 18 and 19, 2016, Mr. Albert Chao separately contacted Messrs. Mansfield and Mann to request in a series of telephone calls that representatives of Westlake and Axiall meet to finalize the terms of a transaction. Messrs. Mansfield and Mann reminded Mr. Albert Chao that Axiall had not determined to pursue a sale of Axiall or any other strategic alternative, but that Axiall was conducting a strategic assessment process and that Westlake

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was welcome to participate in the process. Mr. Albert Chao inquired of Mr. Mann as to the price level that Westlake would be required to indicate in order to induce Axiall management to meet with Westlake management to negotiate a definitive agreement over the upcoming May 21-22, 2016 weekend. Mr. Mann informed Mr. Albert Chao that, while he could not give a specific price in light of Axiall's ongoing strategic assessment process, management was not prepared to meet to discuss the specifics of a possible transaction at that time unless Westlake was prepared to propose a price that was greater than \$30.00 per share. Mr. Albert Chao later informed Mr. Mann that Westlake was not prepared to make such a proposal at that time, but would participate in Axiall's strategic assessment process.

Following these conversations, Axiall re-opened the virtual data room to Westlake, Jones Day delivered the form of merger agreement to Westlake's counsel, Cleary Gottlieb Steen & Hamilton LLP, which we refer to as Cleary Gottlieb, and Westlake was asked to submit a proposal, including any revisions to the form of merger agreement, by June 3, 2016.

Throughout the months of April and May, Axiall's Board met formally or informally on a weekly basis, and in these meetings received updates from management, as well as Axiall's financial and legal advisors, regarding the strategic assessment process, including the status of discussions with each of Westlake, Company A and Company B.

On June 3, 2016, Westlake submitted a revised proposal to acquire Axiall at a price of \$25.75 per share payable entirely in cash. On the same date, Company A submitted a proposal to acquire Axiall at a price of \$28.00 per share in cash. Both Westlake's and Company A's proposals were accompanied by draft financing commitment papers and mark-ups of the form of merger agreement previously furnished to them by Axiall. Prior to June 3rd, Company B had informed Axiall that it would not be in a position to submit a proposal until its board of directors met on June 9, 2016. Over the next three days, Axiall's management updated Axiall's Board on the proposals from Westlake and Company A and ongoing due diligence meetings, including site visits with representatives of Westlake.

On June 5, 2016, at the instruction of Axiall's Board, representatives of Barclays and Morgan Stanley informed Deutsche Bank Securities and Goldman that Westlake's June 3, 2016 proposal was inadequate.

On June 6, 2016, Company A publicly disclosed that it had submitted a proposal to acquire Axiall, without disclosing the specific terms of its proposal. Later on June 6, 2016, Westlake increased its proposed price to \$30.50 per share in cash.

Axiall's Board met on June 6, 2016. Representatives of Barclays, Morgan Stanley and Jones Day participated in the meeting. Axiall's Board reviewed the status of Axiall's strategic assessment process, including Company A's June 3rd proposal to acquire Axiall at a price of \$28.00 per share in cash, Westlake's June 3rd proposal to acquire Axiall at a price of \$25.75 per share in cash, which was subsequently increased to \$30.50 per share in cash, and the expectation that Company B would advise Axiall whether it was submitting a proposal after its board of directors met on June 9th. A representative of Jones Day reviewed with Axiall's Board the key issues raised in the merger agreement mark-ups and each party's financing arrangements. While no decision was made to pursue any strategic alternative to Axiall's continued pursuit of its business plans as an independent company, Axiall's Board instructed Axiall's advisors to request that Company A and Westlake complete due diligence and submit revised proposals by June 9th for further consideration by the Board. These requests were communicated to Company A and Westlake in the days following Axiall's Board meeting.

On June 6 and June 7, 2016, Jones Day contacted counsel to each of Westlake and Company A and discussed the key issues in each party's merger agreement mark-up, including, among other matters, the amount of the termination fee that would be payable by Axiall in the event the merger agreement was terminated under certain specified circumstances (including circumstances involving a superior proposal) as well as other provisions affecting Axiall's

Board's ability to consider and/or accept alternative transactions, closing conditions,

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financing commitments and other provisions affecting closing certainty. Axiall had initially proposed a termination fee in an amount equal to 2.5% of the transaction's equity value. Westlake had requested a fee in an amount equal to 3.5% of equity value and Company A had requested a fee in an amount equal to 5% of equity value. Axiall countered to both Westlake and Company A with a fee in an amount equal to 3.0% of equity value. Following these discussions, Jones Day sent revised drafts of the merger agreement to counsel for each of Westlake and Company A on June 8, 2016.

On June 9, 2016, Company A informed Axiall that it had increased its proposed transaction price to \$31.00 per share in cash. A representative of Company A informed Axiall that Company A would not further increase its indicated value and that Company A intended to make a public announcement that it was withdrawing from Axiall's strategic assessment process unless Axiall committed to conduct exclusive negotiations with Company A on the basis of its \$31.00 per share proposal by June 10th. Later on June 9, 2016, Mr. Mann contacted Mr. Albert Chao and requested that Westlake submit its best and final proposal by the end of the day. Later that day, Westlake informed Axiall that it had increased its proposed transaction price to \$33.00 per share in cash, and requested that Axiall enter into negotiations with a goal of announcing a definitive transaction on June 10th. That same day, Company B informed Axiall that it would not submit a transaction proposal.

Following the receipt of the revised proposals from Company A and Westlake, Axiall's Board met on June 9, 2016 to consider the strategic assessment process. Representatives of Barclays, Morgan Stanley and Jones Day participated in the meeting. A representative of Jones Day reviewed the directors' fiduciary duties in the circumstances. At the request of Axiall's Board Chairman, representatives of Barclays and Morgan Stanley discussed the strategic assessment process and their preliminary financial analyses of Westlake's latest proposal. Following extensive discussion, Axiall's Board determined that Westlake's proposal presented the best strategic alternative available to Axiall at that time and directed management to inform Westlake that Axiall was prepared to work with Westlake to see if an acceptable transaction could be negotiated by June 10, 2016.

After the meeting of Axiall's Board, Mr. Mann informed Mr. Albert Chao that Axiall was prepared to enter into negotiations with Westlake to see if definitive documentation could be completed by June 10th. Over the course of the evening on June 9th and through the early morning of June 10th representatives of Jones Day and Cleary Gottlieb exchanged drafts of, and negotiated, the definitive documentation.

Axiall's Board met in the morning of June 10, 2016. A representative of Jones Day reviewed the directors' fiduciary duties in the circumstances, and then reviewed the material terms of the possible merger agreement with Westlake, including the scope and content of the representations, warranties and covenants, closing conditions and provisions relating to Axiall's Board's ability to consider alternative transactions or change its recommendation for intervening events. The Jones Day representative indicated that Westlake had agreed to a compromise to resolve the termination fee at \$77.7 million, representing approximately 3.25% of the equity value of the transaction and slightly more than a dollar per share, payable by Axiall in certain events, which the representative of Jones Day reviewed with Axiall's Board. The representative of Jones Day explained the treatment of options, other equity awards and other executive and employee compensation and benefits matters in the transaction proposed by Westlake and other elements of the proposed transaction or definitive documentation as to which certain Axiall directors and officers could have had interests that were different from or in addition to the interests of Axiall's shareholders generally. The representative of Jones Day also explained the debt financing commitments Westlake had obtained for the transaction, the absence of a financing closing condition in the proposed definitive documentation and the provisions therein relating to financing. Axiall's Board then discussed the terms of the merger agreement, including the termination fee and provisions affecting closing certainty.

Representatives of Barclays and Morgan Stanley then reviewed with Axiall's Board the strategic assessment process and presented each firm's analyses of Westlake's proposal from a financial point of view. The representatives of Barclays and Morgan Stanley also discussed the relationships of each firm with Axiall and Westlake as further described below under *The Merger Opinions of Axiall's Financial Advisors* beginning on page 32. The representatives of Barclays and Morgan Stanley then described the material assumptions and

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limitations of their respective opinions and informed Axiall's Board that each financial advisory firm was rendering an oral opinion, subsequently confirmed by the delivery by each of Barclays and Morgan Stanley of a written opinion, dated June 10, 2016, that, as of such date, and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by each of Barclays and Morgan Stanley as set forth in its respective written opinion, in the case of Barclays, the merger consideration of \$33.00 per share of Axiall common stock to be offered to the shareholders of Axiall in the merger was fair, from a financial point of view, to such shareholders, and in the case of Morgan Stanley, the \$33.00 per share merger consideration to be received by the holders of Axiall common stock pursuant to the merger agreement was fair from a financial point of view, to such holders. (Please see the section of this proxy statement entitled *The Merger Opinions of Axiall's Financial Advisors* beginning on page 32 for further description of the opinions and analyses of the financial advisors.)

Thereafter, Axiall's Board unanimously determined that the Westlake merger is fair to and in the best interests of Axiall's shareholders, approved and declared advisable the execution, delivery and performance of the merger agreement and the consummation of the transactions contemplated thereby, including the merger, and recommended the adoption of the merger agreement by Axiall's shareholders.

After the Board meeting, Axiall and Westlake signed the merger agreement and publicly announced the transaction prior to the opening of trading on the NYSE on June 10, 2016.

Recommendation of the Board

Axiall's Board, after careful consideration, unanimously determined that the merger is fair to and in the best interests of Axiall's shareholders, and approved and declared advisable the execution, delivery and performance of the merger agreement and the consummation of the transactions contemplated thereby, including the merger. Axiall's Board unanimously recommends that Axiall's shareholders vote **FOR** the adoption of the merger agreement.

Reasons for Recommending the Adoption of the Merger Agreement

Prior to and in reaching its decision to approve and declare advisable the merger agreement and the transactions contemplated thereby, Axiall's Board consulted with Axiall's financial advisors and legal counsel, discussed the proposed transaction with Axiall's management and considered a variety of factors, including the positive factors set forth below, each of which the Board believed supported their determination:

the Board's knowledge of the business, financial condition, strategy and prospects of Axiall as an independent company, including the risks involved in achieving those prospects, and Axiall's historical and projected financial performance;

the Board's knowledge of the uncertainty regarding the current and future outlook of the commodity chemicals industry and the challenges facing industry participants, including the cyclical and volatile nature of the industry, the Board's belief that the commodity chemical industry is in trough conditions, the difficulty in predicting when industry conditions would improve and the Board's belief that the \$33.00 per share value proposed by Westlake was the best strategic alternative in the circumstances;

the current and historical market prices for Axiall shares, as compared to the terms of the merger, including the fact that the \$33.00 per share merger consideration represented approximately:

a 27.9% premium based on the closing price of \$25.81 on June 9, 2016, the last full trading day prior to the announcement of the transaction;

a 244% premium to the closing price of \$9.60 on January 22, 2016, the last full trading day before Westlake made its initial proposal to Axiall;

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a 237% premium to the closing price of \$9.80 on January 28, 2016, the last full trading day before Westlake publicly disclosed its initial proposal to acquire Axiall; and

a 98% premium based on the 90-day volume weighted average trading price of \$16.68 as of January 28, 2016, the last full trading day before Westlake publicly disclosed its initial proposal to acquire Axiall;

the possibility that Axiall's trading price, which was less than \$10.00 per share when Westlake made its initial proposal, would substantially decline in the absence of a transaction, and the Board's belief that the merger consideration of \$33.00 per share was more favorable to Axiall's shareholders than the potential value that might result from other alternatives reasonably available to Axiall at the time that the merger agreement was approved, including the continued operation of Axiall as an independent company;

the opinions of each of Barclays and Morgan Stanley, dated June 10, 2016, to the effect that as of such date and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by each of Barclays and Morgan Stanley as set forth in its respective written opinion, in the case of Barclays, the merger consideration of \$33.00 per share of Axiall common stock to be offered to the shareholders of Axiall in the merger was fair, from a financial point of view, to such shareholders, and in the case of Morgan Stanley, the \$33.00 per share merger consideration to be received by the holders of Axiall common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders, and the financial analyses undertaken by Barclays and Morgan Stanley in connection with their respective opinions as described below under *The Merger Opinions of Axiall's Financial Advisors* beginning on page 32;

the Board's belief, based in part on discussions with its financial and legal advisors, that it was unlikely that Westlake would be willing to pay a higher price for Axiall than \$33.00 per share, taking into account the facts that (1) representatives of Company A had informed Axiall management that it intended to make a public announcement that it was withdrawing from Axiall's strategic assessment process unless Axiall agreed to exclusively negotiate with Company A by June 10, 2016, (2) Axiall had taken a series of actions over the past several months in an effort to induce or compel Westlake to increase the merger consideration, and (3) Axiall's actions had resulted in multiple increases of the merger consideration by Westlake to \$33.00 per share, which represented a 65% increase over Westlake's initial proposal of \$20.00 per share;

the fact that, since Westlake publicly announced its proposal to acquire Axiall in January 2016, despite the publicly announced process conducted by Axiall to explore alternative strategic transactions with other parties, only Company A submitted a proposal to acquire Axiall, and the \$33.00 per share value proposed by Westlake exceeded the highest price that Company A was willing to propose;

the fact that the merger consideration consists solely of cash, providing Axiall's shareholders certain, near-term value and liquidity for their shares, especially when viewed against the medium- and long-term market and business risks and the risks associated with realizing current expectations for Axiall's future financial performance;

the fact that the terms and conditions of the merger agreement and the transactions contemplated thereby, including the absence of a financing condition and the level of commitment by Westlake to obtain the required regulatory approvals, were the product of arm's-length negotiations between the parties and were designed to provide substantial certainty that the merger would ultimately be consummated on a timely basis;

the fact that while the merger agreement prohibits Axiall from soliciting a takeover proposal (as defined below under *The Merger Agreement - No Solicitation by Axiall*), the merger agreement permits Axiall, prior to the time that the shareholders of Axiall adopt the merger agreement, to furnish information to and conduct negotiations with third parties in respect of certain unsolicited written takeover proposals;

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the fact that to the extent any existing confidentiality agreements with potential purchasers of Axiall or its businesses, including confidentiality agreements entered into in connection with Axiall's strategic assessment process for its building products business, contain any provision that prevents the counterparty from making a takeover proposal or superior proposal (as defined below under *The Merger Agreement No Solicitation by Axiall*) without the prior consent of the Board, the merger agreement allows Axiall to waive such provisions and Axiall granted such waivers promptly following the execution of the merger agreement;

the fact that the merger agreement allows Axiall to terminate the merger agreement in order to enter into a definitive acquisition agreement with respect to a superior proposal, subject to payment of a \$77.7 million termination fee by Axiall to Westlake;

the fact that the merger agreement allows the Board, prior to the time that Axiall's shareholders adopt the merger agreement, to change or withdraw its recommendation of the merger agreement in connection with a superior proposal or if the Board or any duly constituted and authorized committee thereof determines, after consultation with its financial and legal advisors, that the failure to effect a change of recommendation could be inconsistent with the directors' fiduciary duties under applicable law; and

the availability of appraisal rights under the Delaware law to holders of Axiall shares who do not vote for the adoption of the merger agreement and who otherwise comply with all of the required procedures under Delaware law, which provide eligible shareholders with an opportunity to have a Delaware court determine the fair value of their shares, which may be more than, less than or the same as the merger consideration.

Axiall's Board also considered a variety of risks and potentially negative factors concerning the merger and the merger agreement, including the following:

the Board's belief that the commodity chemical industry is in trough conditions, and the possibility that Axiall's shareholders could receive greater consideration for their shares in a future change-in-control transaction or otherwise in more favorable industry conditions;

the fact that trading prices for Axiall shares had declined from a high of \$48.76 per share to a low of \$9.09 per share during the 52 weeks prior to the time that Westlake's initial proposal of \$20.00 per share was publicly disclosed on January 29, 2016;

the fact that Axiall's shareholders generally will have no ongoing equity participation in Axiall or Westlake following the merger and that shareholders will cease to participate in Axiall's future earnings or growth, if any, and will not benefit from increases, if any, in the value of the common stock, and will not participate in any potential future sale of the surviving corporation;

the risk that the debt financing contemplated by Westlake's commitment letter may not be obtained, resulting in Westlake not having sufficient funds to pay the merger consideration, notwithstanding the absence of a closing condition relating to availability of financing in the

merger agreement;

the risk that, if the merger is not completed:

the market price of Axiall shares could be affected by many factors, including (1) the reason for which the merger agreement was terminated and whether such termination results from factors adversely affecting Axiall, (2) the possibility that the marketplace would consider Axiall to be an unattractive acquisition candidate, and (3) the possible sale of shares by short-term investors following an announcement of the termination of the merger agreement and the resulting impact thereof on the trading price of Axiall shares;

Axiall would be required to pay its expenses related to the merger, including expenses incurred in connection with any litigation that may result from the announcement or pendency of the merger; and

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the market's perception of Axiall's continuing business and future prospects could adversely affect Axiall's relationships with employees, customers, suppliers, vendors, purchasing agents and other business partners;

the fact that the merger agreement restricts Axiall's ability to solicit takeover proposals and requires the payment of a \$77.7 million termination fee if Axiall were to terminate the merger agreement to enter into a definitive agreement with respect to a superior proposal, which would make it more costly for any other potential purchaser to acquire Axiall;

the fact that the merger agreement contains certain restrictions on the conduct of Axiall's business prior to the consummation of the merger, which may delay or prevent Axiall from undertaking business opportunities that may arise prior to consummation of the merger, and the resultant risk if the merger is not consummated;

the fact that the receipt of cash in exchange for Axiall shares pursuant to the merger will be a taxable transaction for U.S. federal income tax purposes;

the significant costs involved in connection with negotiating the merger agreement and consummating the merger, the substantial management time and effort required to effectuate the merger and the related disruption to Axiall's day-to-day operations during the pendency of the merger;

the potential negative effect of the pendency of the merger on Axiall's business, including uncertainty about the effect of the merger on Axiall's employees, customers and other parties, which may impair Axiall's ability to attract, retain and motivate key personnel, and could cause customers, suppliers and others to seek to change existing business relationships with Axiall;

the fact that Axiall's directors and executive officers have interests in the merger that are different from, or in addition to, the interests of Axiall's shareholders generally, as described below under *The Merger Interests of Axiall's Directors and Executive Officers in the Merger* beginning on page 55; and

the risk that there can be no assurance that all conditions to the parties' obligations to complete the merger will be satisfied on a timely basis and, as a result, it is possible that the merger may be delayed or may not be completed even if the merger agreement is adopted by Axiall's shareholders.

The factors listed above as supporting Axiall's Board's decisions were determined by the Board to outweigh the countervailing considerations and risks. The foregoing discussion of the Board's reasons for its recommendation is not meant to be exhaustive, but addresses the material factors considered by the Board in connection with its recommendation. In view of the wide variety of factors considered by the Board in connection with its evaluation of the merger and the complexity of these matters, the Board did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. Rather, the Board made its determination and recommendation based on the totality of the information presented to it, and the judgments of individual members of the Board may have been influenced to a greater or lesser degree by different factors. The factors, potential risks and uncertainties contained in this section contain information that is

forward-looking in nature and should be read in conjunction with the factors discussed in *Cautionary Note Regarding Forward-Looking Statements* .

Opinions of Axiall's Financial Advisors

Opinion of Morgan Stanley & Co. LLC

Axiall retained Morgan Stanley to provide it with financial advisory services in connection with the initial unsolicited acquisition proposal by Westlake, including, among other things, a possible business combination or merger of Axiall (such as the merger) or a similar transaction in which a third party would acquire a majority of Axiall shares. Axiall selected Morgan Stanley to act as its financial advisor based on Morgan Stanley's qualifications, expertise and reputation and Morgan Stanley's knowledge of the business and affairs of Axiall. As

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part of such engagement, Axiall's Board requested that Morgan Stanley evaluate the fairness, from a financial point of view, to the holders of Axiall shares of the \$33.00 per share merger consideration to be received pursuant to the merger agreement. Morgan Stanley rendered to Axiall's Board at its meeting on June 10, 2016 Morgan Stanley's oral opinion, subsequently confirmed by delivery of a written opinion, dated June 10, 2016, that, as of such date, and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by Morgan Stanley as set forth in its written opinion, the \$33.00 per share merger consideration to be received by the holders of Axiall shares pursuant to the merger agreement was fair, from a financial point of view, to such holders. Morgan Stanley's opinion did not address the relative merits of the merger as compared to any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The full text of the written opinion of Morgan Stanley delivered to Axiall's Board, dated June 10, 2016, is attached as Annex B and incorporated by reference into this proxy statement. The opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken by Morgan Stanley in rendering its opinion. Axiall's shareholders are urged to, and should, read the opinion carefully and in its entirety. Morgan Stanley's opinion is directed to Axiall's Board and addresses only the fairness, from a financial point of view, to Axiall's shareholders of the \$33.00 per share merger consideration to be received by such holders pursuant to the merger agreement as of the date of the opinion. Morgan Stanley's opinion does not address any other aspect of the transactions contemplated by the merger agreement and does not constitute a recommendation to Axiall's shareholders as to how to vote at the special meeting held in connection with the merger. The summary of Morgan Stanley's opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of Morgan Stanley's opinion.

For purposes of rendering its opinion, Morgan Stanley, among other things:

reviewed certain publicly available financial statements and other business and financial information of Axiall;

reviewed certain internal financial statements and other financial and operating data concerning Axiall;

reviewed certain financial forecasts prepared by the management of Axiall;

discussed the past and current operations and financial condition and the prospects of Axiall with senior executives of Axiall;

reviewed the reported prices and trading activity for Axiall shares;

compared the financial performance of Axiall and the prices and trading activity of Axiall shares with that of certain other publicly traded companies comparable with Axiall and their securities;

reviewed the financial terms, to the extent publicly available, of certain comparable acquisition transactions;

participated in certain discussions and negotiations among representatives of Axiall and Westlake and certain other parties and their financial and legal advisors;

reviewed a draft of the merger agreement dated as of June 10, 2016, a draft of the commitment letter from certain lenders to Westlake dated June 9, 2016 and certain related documents; and

performed such other analyses, reviewed such other information and considered such other factors as Morgan Stanley deemed appropriate.

In arriving at its opinion, Morgan Stanley assumed and relied upon, without independent verification, the accuracy and completeness of the information that was publicly available or supplied or otherwise made available to it by Axiall, and formed a substantial basis for its opinion. With respect to the financial forecasts, Morgan Stanley assumed that such financial forecasts had been reasonably prepared on bases reflecting the best

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currently available estimates and judgments of the management of Axiall at the time prepared of the future financial performance of Axiall. In addition, Morgan Stanley assumed that the merger would be consummated in accordance with the terms set forth in the merger agreement without any waiver, amendment or delay of any material terms or conditions, including, among other things, that Westlake would obtain financing in accordance with the terms set forth in the commitment letter, and that the final merger agreement did not differ in any material respects from the last draft of the merger agreement which was reviewed by Morgan Stanley. Morgan Stanley assumed that, in connection with the receipt of all the necessary governmental, regulatory or other approvals and consents required for the merger, no delays, limitations, conditions or restrictions would be imposed that would have a material adverse effect on the contemplated benefits expected to be derived in the merger. Morgan Stanley is not a legal, tax or regulatory advisor. Morgan Stanley is a financial advisor only and relied upon, without independent verification, the assessment of Axiall and its legal, tax or regulatory advisors with respect to legal, tax or regulatory matters. Morgan Stanley expressed no opinion with respect to the fairness of the amount or nature of the compensation to any of Axiall's officers, directors or employees, or any class of such persons, relative to the merger consideration to be received by Axiall's shareholders in the transaction. Morgan Stanley did not make any independent valuation or appraisal of the assets or liabilities of Axiall, nor was it furnished with any such valuations or appraisals. Morgan Stanley's opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to it, as of June 10, 2016. Events occurring after such date may affect Morgan Stanley's opinion and the assumptions used in preparing it, and Morgan Stanley did not assume any obligation to update, revise or reaffirm its opinion. Morgan Stanley's opinion was approved by a committee of Morgan Stanley investment banking and other professionals in accordance with its customary practice. No limitations were imposed by Axiall's Board upon Morgan Stanley with respect to the investigations made or procedures followed by it in rendering its opinion. Morgan Stanley did not recommend any specific amount or form of consideration to Axiall or that any specific amount or form of consideration constituted the only appropriate consideration for the merger.

Opinion of Barclays Capital Inc.

Axiall engaged Barclays to act as its financial advisor with respect to various unsolicited events relating to Axiall and any extraordinary transaction (including the merger) entered into as an alternative to such events. On June 10, 2016, Barclays rendered its oral opinion, which opinion was subsequently confirmed in a written opinion, dated June 10, 2016, to Axiall's Board, to the effect that, as of that date and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limits upon the review undertaken by Barclays as stated in its written opinion, the merger consideration of \$33.00 per Axiall share to be offered to the shareholders of Axiall in the merger was fair, from a financial point of view, to such shareholders.

The full text of Barclays' written opinion, dated as of June 10, 2016, is attached as Annex C to this proxy statement. Barclays' written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and qualifications and limitations upon the review undertaken by Barclays in rendering its opinion. Axiall encourages you to read the opinion carefully in its entirety. The following is a summary of Barclays' opinion. This summary is qualified in its entirety by reference to the full text of the opinion.

Barclays' opinion, the issuance of which was approved by Barclays' Valuation and Fairness Opinion Committee, is addressed to Axiall's Board, addresses only the fairness, from a financial point of view, of the merger consideration of \$33.00 per Axiall share to be offered to the shareholders of Axiall, and does not constitute a recommendation to any Axiall shareholder as to how such shareholder should vote with respect to the merger or any other matter. The terms of the merger were determined through arm's-length negotiations between Axiall and Westlake and were approved by Axiall's Board. Barclays did not recommend any specific amount or form of consideration to Axiall or that any specific amount or form of consideration constituted the only appropriate consideration for the merger. Barclays was

not requested to opine as to, and its opinion does not in any manner address, Axiall's underlying business decision to proceed with or effect the merger or the likelihood of the consummation of the merger. Barclays' opinion did not address the relative merits of the merger as

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compared to any other transaction or business strategy in which Axiall might engage. In addition, Barclays expressed no opinion on, and its opinion does not in any manner address, the fairness of the amount or the nature of any compensation to any officers, directors or employees of any parties to the merger, or any class of such persons, relative to the merger consideration of \$33.00 per Axiall share to be offered to the shareholders of Axiall in the merger. No limitations were imposed by Axiall's Board upon Barclays with respect to the investigations made or procedures followed by it in rendering its opinion.

In arriving at its opinion, Barclays, among other things:

reviewed and analyzed a draft of the merger agreement, dated as of June 10, 2016, and the specific terms of the merger;

reviewed and analyzed publicly available information concerning Axiall that Barclays believed to be relevant to its analysis, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2015 and Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2016;

reviewed and analyzed financial and operating information with respect to the business, operations and prospects of Axiall furnished to Barclays by Axiall, including financial forecasts of Axiall prepared by management of Axiall;

reviewed and analyzed a trading history of Axiall shares from 2011 to 2016 and a comparison of that trading history with those of other companies that Barclays deemed relevant;

reviewed and analyzed a comparison of the historical financial results and present financial condition of Axiall with those of other companies that Barclays deemed relevant;

reviewed and analyzed a comparison of the financial terms of the merger with the financial terms of certain other transactions that Barclays deemed relevant;

reviewed and analyzed the results of Barclays' efforts to solicit indications of interest and definitive proposals from third parties with respect to a sale of all or a part of Axiall;

reviewed and analyzed published estimates of independent research analysts with respect to the future financial performance and price targets of Axiall;

had discussions with the management of Axiall concerning its business, operations, assets, liabilities, financial condition and prospects; and

undertook such other studies, analyses and investigations as Barclays deemed appropriate. In arriving at its opinion, Barclays assumed and relied upon the accuracy and completeness of the financial and other information used by Barclays without any independent verification of such information (and did not assume responsibility or liability for any independent verification of such information). Barclays also relied upon the assurances of management of Axiall that they were not aware of any facts or circumstances that would make such information inaccurate or misleading in any material respect. With respect to the financial forecasts of Axiall, upon the advice of Axiall, Barclays assumed that such forecasts were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Axiall at the time such forecasts were prepared as to Axiall's future financial performance. In arriving at its opinion, Barclays assumed no responsibility for and expressed no view as to any such forecasts or estimates or the assumptions on which they were based. In arriving at its opinion, Barclays did not conduct a physical inspection of the properties and facilities of Axiall and did not make or obtain any evaluations or appraisals of the assets or liabilities of Axiall. Barclays' opinion was necessarily based upon market, economic and other conditions as they existed on, and could be evaluated as of, the date of its opinion. Barclays assumed no responsibility for updating or revising its opinion based on events or circumstances that may have occurred after June 10, 2016.

Barclays assumed that the executed merger agreement would conform in all material respects to the last draft reviewed by Barclays. In addition, Barclays assumed the accuracy of the representations and warranties

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contained in the merger agreement and all agreements related thereto. Barclays also assumed, upon the advice of Axiall, that all material governmental, regulatory and third party approvals, consents and releases for the merger would be obtained within the constraints contemplated by the merger agreement and that the merger would be consummated in accordance with the terms of the merger agreement without waiver, modification or amendment of any material term, condition or agreement thereof. Barclays did not express any opinion as to any tax or other consequences that might result from the merger, nor does its opinion address any legal, tax, regulatory or accounting matters, as to which it understood that Axiall had obtained such advice as Axiall deemed necessary from qualified professionals.

Summary of Financial Analyses

The following is a summary of the material financial analyses prepared by Morgan Stanley and Barclays (which we refer to as the Axiall financial advisors) in connection with the rendering of the Axiall financial advisors' respective oral opinions, subsequently confirmed by delivery of respective written opinions, dated June 10, 2016, to Axiall's Board and reviewed with the Board on June 10, 2016. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to summary description. The Axiall financial advisors arrived at their respective opinions based on the results of all analyses undertaken and assessed as a whole, and they did not ascribe a specific range of values to Axiall shares or draw, in isolation, conclusions from or with regard to, and did not attribute any particular weight to, any one factor or method of analysis, but rather made qualitative judgments as to the significance and relevance of each analysis and factor relative to all other analyses and factors performed and considered by it and in the context of the circumstances of the particular transaction. Accordingly, the summary set forth below does not purport to be a complete description of the financial analyses performed or factors considered by, and underlying the opinions of, the Axiall financial advisors, nor does the order of the financial analyses described represent the relative importance or weight given to those financial analyses by either of the Axiall financial advisors. The analyses listed in the tables and described below must be considered as a whole; considering any portion of such analyses and of the factors considered, without considering all analyses and factors, could create a misleading or incomplete view of the process underlying the Axiall financial advisors' respective opinions. In addition, in rendering their opinions, the Axiall financial advisors may have given various analyses and factors more or less weight than other analyses and factors, and may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of implied valuations resulting from any particular analysis described below should not be taken to be Morgan Stanley's or Barclays's view of the actual value of Axiall.

In performing their financial analyses, summarized below, the Axiall financial advisors considered industry performance, general business, economic, market and financial conditions and other matters existing as of the date of their respective opinions, many of which are beyond Morgan Stanley's, Barclays' and Axiall's control. The assumptions and estimates contained in the financial analyses and the ranges of implied valuations resulting from any particular analysis are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than those suggested by such analyses. In addition, financial analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Accordingly, the assumptions and estimates used in, and the results derived from, the financial analyses are inherently subject to substantial uncertainty.

The type and amount of consideration payable in the merger was determined by Westlake and Axiall, rather than by any financial advisor, and was approved by Axiall's Board. The decision by Axiall to enter into the merger agreement was solely that of Axiall's Board. As described above under *The Merger Reasons for Recommending the Adoption of the Merger Agreement* , the Axiall financial advisors' analyses were only one of the many factors considered by the

Board in its evaluation of the merger and should not be viewed as determinative of the views of the Board or management with respect to the merger or the \$33.00 per share merger consideration.

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As described below under *The Merger Prospective Financial Information*, Axiall developed and provided certain management forecasts to the Axiall financial advisors in connection with their analysis of the merger, including the Initial Forecast and the Forecast. Both Morgan Stanley and Barclays referred to the Initial Forecast and the Forecast in connection with their presentations made to Axiall's Board at its meeting on June 10, 2016 at which the Board approved the merger agreement. Morgan Stanley's financial analyses included the Forecast (but also referred to the Initial Forecast in a section of its presentation that was for reference purposes only and was not relied upon by Morgan Stanley for purposes of its valuation); Barclays' financial analyses included both the Initial Forecast and the Forecast. As described below under *The Merger Prospective Financial Information*, each of the forecasts included three cases—Management Cases A, B and C, in the case of the Forecast, and Management Cases A, B and C (Initial), in the case of the Initial Forecast. Due to the inherent challenges in estimating future commodity and similar market prices, Axiall management instructed the Axiall financial advisors to take each of Management Cases A, B and C, in the case of the Forecast, into equal consideration, and, to the extent the Initial Forecast was to be used by a financial advisor in its analysis, to take each of Management Cases A, B and C (Initial), in the case of the Initial Forecast, into equal consideration for the purpose of their analyses.

The summary set forth below does not purport to be a complete description of the financial analyses performed or factors considered by, and underlying the opinions of, the Axiall financial advisors, nor does the order of the financial analyses described represent the relative importance or weight given to those financial analyses by either of the Axiall financial advisors. Certain financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses, the tables must be read together with the text of each summary as the tables alone do not constitute a complete description of the financial analyses. Considering the data in the tables below without considering all financial analyses or factors or the full narrative description of such analyses or factors, including the methodologies and assumptions underlying such analyses or factors, could create a misleading or incomplete view of the process underlying such financial analyses and the Axiall financial advisors' respective opinions. Please see Annex B and Annex C of this proxy statement for the full text of the opinions of Morgan Stanley and Barclays, respectively.

Discounted Cash Flow Analysis

Each of the Axiall financial advisors separately conducted a discounted cash flow analysis for the purpose of determining an implied equity value per share for Axiall shares. A discounted cash flow analysis is a method of evaluating an asset using estimates of the future unlevered free cash flows generated by the asset and taking into consideration the time value of money with respect to those future cash flows by calculating their present value. The unlevered free cash flows or free cash flows refer to a calculation of the future cash flows of an asset without including in such calculation any debt servicing costs. For purposes of the foregoing calculation, stock-based compensation is treated as a cash expense. Present value refers to the current value of one or more future cash payments from an asset, which current value is referred to as that asset's cash flows, and is obtained by discounting those cash flows back to the present using a discount rate that takes into account estimates of risk, the opportunity cost of capital and other appropriate factors. Terminal value refers to the capitalized value of all cash flows from an asset for periods beyond the final forecast period. EV or AV refers to aggregate enterprise value, calculated as market capitalization plus book value of total debt, plus non-controlling interest (as appropriate for the company being analyzed), less cash, cash equivalents and marketable securities. EBITDA as used herein refers to earnings before interest, taxes, depreciation and amortization, adjusted to exclude nonrecurring and other similar items and one-time charges; for Axiall, such adjusted EBITDA would include the adjustments under Adjusted EBITDA described below under *The Merger Prospective Financial Information*. Certain of the foregoing terms are used throughout this summary of financial analyses.

Each of the Axiall financial advisors separately performed a discounted cash flow analysis of Axiall using information contained in the Forecast and public filings to calculate ranges of the implied value of Axiall as of March 31, 2016. Each of the Axiall financial advisors defined unlevered free cash flows as adjusted earnings

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before interest and taxes, less taxes, plus depreciation and amortization, less capital expenditures, less the difference between permanent and temporary book taxes, less pension contributions, less integration and restructuring costs and other adjustments, less Taiwan Chlorine Industries, Ltd. minority share payments and less increases in net working capital and other assets and liabilities (in each case based on the Forecast provided by Axiall management to the Axiall financial advisors). Barclays also performed a discounted cash flow analysis of Axiall using information contained in the Initial Forecast and public filings to calculate ranges of implied value of Axiall as of March 31, 2016. For this purpose, unlevered free cash flows were based on the Initial Forecast provided by Axiall management to the Axiall financial advisors.

Morgan Stanley calculated a range of implied values per Axiall share based on the estimated future cash flows contained in the Forecast during the calendar years 2016 through 2020. Using the definition of unlevered free cash flows set forth above, Morgan Stanley then calculated a terminal value for Axiall as of December 31, 2020 by applying a range of perpetual growth rates from 0.0% to 1.0%, derived based on Morgan Stanley's experience and professional judgment, and by using an average cost of capital of 7.5% to 8.8%, which was calculated based on the average levered beta and capital structure of Axiall's peers. To calculate an implied aggregate value for Axiall, the unlevered free cash flows were discounted to March 31, 2016 using a discount rate of 8.6% calculated based on Axiall's current cost of capital, and the terminal value was discounted to March 31, 2016 using a range of discount rates from 7.5% to 8.8%, which was calculated as set forth above. Morgan Stanley then adjusted the total implied aggregate value ranges by Axiall's total debt, non-controlling interest and cash and cash equivalents based on the consolidated balance sheet of Axiall as of March 31, 2016 and divided the resulting implied total equity value ranges by Axiall's fully diluted shares outstanding (calculated using the treasury stock method), all as provided by Axiall management.

Based on the foregoing analysis, Morgan Stanley derived the following range of implied equity values per Axiall share as of March 31, 2016, in each case as compared to the \$33.00 per share merger consideration:

Forecast Scenario	Implied Per Share Value
Management Case A	\$24.26 - 39.18
Management Case B	\$27.13 - 42.42
Management Case C	\$13.92 - 25.80

- Plus, at the high end of the range, \$1.71 for the value of the Lotte Option – the theoretical mean value of Axiall's option to acquire the remaining 38% ownership of its joint venture with Lotte Chemical Corp., less capital charge.

Morgan Stanley also performed a sensitivity analysis, based on the Forecast, showing how the implied equity values per Axiall share as of March 31, 2016 for each of Management Cases A, B and C change in response to hypothetical changes in certain variables set forth below. Such sensitivity analysis uses a midpoint discounted cash flow case that assumes a perpetual growth rate of 0.5%, a discount rate of 8.6% for unlevered free cash flows and a discount rate of 8.2% for the terminal value.

Variable	Sensitivity Range	Change in Implied Per Share Value
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		Management Case A	Management Case B	Management Case C
Terminal Value Discount				
Rate	(0.50%)	\$ 3.60	\$ 3.68	\$ 2.86
Perpetual Growth Rate	0.50%	\$ 2.97	\$ 3.04	\$ 2.36
Terminal Year EBITDA	\$50 million	\$ 4.43	\$ 4.42	\$ 4.43
Caustic Price	\$10/short ton	\$ 2.13	\$ 2.12	\$ 2.13
PVC Margin	1 cent per pound	\$ 2.22	\$ 2.21	\$ 2.22

Barclays did not use a sensitivity analysis for purposes of the delivery of its fairness opinion.

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Barclays, in performing its discounted cash flow analysis, applied discount rates ranging from 8.5% to 10.0%, derived based on Barclays' experience and professional judgment using the average unlevered beta and capital structure of Axiall's peers, to after-tax unlevered free cash flows expected to be generated by Axiall during the calendar years 2016 through 2020 using the definition of unlevered free cash flows set forth above. Barclays also calculated a range of terminal values for Axiall by applying perpetual growth rates of 1.0% to 2.0% (derived based on Barclays' experience and professional judgment) to the estimated unlevered free cash flow of Axiall during 2020. The present values of the unlevered free cash flows and range of terminal values were then adjusted for Axiall's net debt as of March 31, 2016, as determined from Axiall's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2016 (determined by total debt and non-controlling interest, less cash and cash equivalents).

Based on the foregoing analysis, Barclays derived the following range of implied equity values per Axiall share as of March 31, 2016 based on estimated future cash flows contained in the Forecast, rounded to the nearest dollar, in each case as compared to the \$33.00 per share merger consideration:

Forecast Scenario	Implied Per Share Value
Management Case A	\$22 38
Management Case B	\$25 41
Management Case C	\$12 25

Barclays also derived the following range of implied equity values per Axiall share as of March 31, 2016 based on the estimated future cash flows contained in the Initial Forecast, using the same methodology, rounded to the nearest dollar, in each case as compared to the \$33.00 per share merger consideration:

Forecast Scenario	Implied Per Share Value
Management Case A (Initial)	\$29 48
Management Case B (Initial)	\$32 51
Management Case C (Initial)	\$20 35

Discounted Equity Value Analysis

In connection with the delivery of Morgan Stanley's fairness opinion, Morgan Stanley also performed a discounted equity value analysis, which is designed to provide insight into a theoretical estimate of future implied value of a company's common equity as a function of such company's estimated future earnings and a theoretical range of trading multiples. The resulting estimated future implied value is subsequently discounted back to the present day at the company's cost of equity in order to arrive at an illustrative estimate of the present value for the company's theoretical future implied stock price.

For this analysis, Morgan Stanley calculated a theoretical future value range of implied share prices for Axiall as of December 31, 2019 and subsequently discounted such theoretical future value range to arrive at an illustrative present value range of implied share prices for Axiall as of March 31, 2016. To calculate the theoretical future implied aggregate value range, Morgan Stanley used Axiall's estimated 2020 EBITDA, as reflected in the Forecast, and applied an NTM EBITDA multiple range of 6.0x to 7.0x, derived by Morgan Stanley using its experience and professional

judgment. Morgan Stanley then adjusted the theoretical future implied aggregate value range by Axiall's total debt, non-controlling interest and cash and cash equivalents based on the estimated consolidated balance sheet of Axiall as of December 31, 2019, as reflected in the Forecast. Morgan Stanley then calculated the estimated future dividends for the calendar years 2016 through 2019, as reflected in the Forecast. To calculate the present value range as of March 31, 2016, Morgan Stanley applied a cost of equity of 10.3%, in the case of estimated future share price, and 13.3%, in the case of estimated future dividends based on its experience and professional judgment.

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Based on the foregoing analysis, Morgan Stanley derived the following range of implied equity values per Axiall share as of March 31, 2016 based on estimated future cash flows contained in the Forecast, in each case as compared to the \$33.00 per share merger consideration:

Forecast Scenario	Implied Per	
	Share Value	
Management Case A	\$27.46	33.43
Management Case B	\$28.95	34.90
Management Case C	\$20.86	26.13

1. Plus, at the high end of the range, \$1.71 for the value of the Lotte Option.

Morgan Stanley observed the discounted equity analysis was an illustrative analysis only and not a prediction of future trading.

Barclays did not use a discounted equity value analysis for purposes of delivering its fairness opinion.

Selected Comparable Trading Analysis

The Axiall financial advisors reviewed certain financial information, valuation multiples and market trading data relating to Axiall and selected publicly traded companies that each Axiall financial advisor believed, based on its experience with companies in the chemicals industry, to be similar to Axiall's current operations for purposes of this analysis. Financial data of the selected companies were based on McGraw Hill Financial Inc.'s S&P Capital IQ financial information and analysis, in the case of Morgan Stanley, and FactSet Research Systems, Inc. financial information and analysis, in the case of Barclays, and Wall Street research consensus estimates (the Street Case), public filings and other publicly available information. Financial data of Axiall was based on the Forecast and the Street Case, as indicated, and share data as provided to the Axiall financial advisors by Axiall management.

Morgan Stanley reviewed data, including AV as a multiple of estimated calendar years 2016 and 2017 EBITDA, of Axiall and each of the following two selected publicly traded companies in the chemicals industry (which we refer to as the Morgan Stanley-selected Axiall comparable companies), the operations of which Morgan Stanley deemed similar for purposes of this analysis, based on its professional judgment and experience, to Axiall:

Westlake Chemical Corporation

Olin Corporation

With respect to the Morgan Stanley-selected Axiall comparable companies, the information Morgan Stanley presented to Axiall's Board included multiples of AV to estimated EBITDA for calendar years 2016 and 2017 (which we refer to as AV / 2016E EBITDA and AV / 2017E EBITDA, respectively).

Company	AV / 2016E EBITDA	AV / 2017E EBITDA
Westlake Chemical Corporation	5.5x	5.7x
Olin Corporation	7.8x	6.9x
Mean	6.7x	6.3x

Based on this analysis and its professional judgment, Morgan Stanley derived the reference ranges of financial multiples set forth in the table below and applied these ranges to estimated EBITDA in the Forecast for Axiall for calendar years 2016 and 2017 contained in Management Cases A, B, and C and in the Street Case, and to the average annual EBITDA of (a) actual EBITDA for Axiall for calendar years 2013 through 2015 and

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(b) estimated EBITDA for Axiall for calendar years 2016 and 2017 contained in Management Case A, which is the middle case. Based on the number of outstanding Axiall shares on a fully-diluted basis and Axiall's net debt, the analysis indicated the following implied per share reference ranges for Axiall shares, in each case as compared to the \$33.00 per share merger consideration:

Ratio	Metric	Reference Range		Implied Per Share Value	
Management Cases	AV / 2016E EBITDA	6.0x	7.5x	\$ 8.87	15.39
Street Case	AV / 2016E EBITDA	6.0x	7.5x	\$ 8.76	15.25
Management Case A	AV / 2017E EBITDA	5.75x	6.75x	\$21.13	27.79
Management Case B	AV / 2017E EBITDA	5.75x	6.75x	\$26.64	34.26
Management Case C	AV / 2017E EBITDA	5.75x	6.75x	\$14.67	20.22
Street Case	AV / 2017E EBITDA	5.75x	6.75x	\$13.45	18.79
Management Case A	AV / 2013 - 2017E EBITDA	5.5x	6.5x	\$16.74	22.92

Barclays reviewed data, including EV as a multiple of estimated calendar years 2016 and 2017 EBITDA, of Axiall and each of the following five selected publicly traded companies in the chemicals industry (which we refer to as the Barclays-selected Axiall comparable companies), the operations of which Barclays deemed similar for purposes of this analysis, based on its professional judgment and experience, to Axiall, labelling such companies as either Tier I or Tier II:

Westlake Chemical Corporation (Tier I)

Olin Corporation (Tier I)

Eastman Chemical Company (Tier II)

LyondellBasell Industries N.V. (Tier II)

Huntsman Corporation (Tier II)

With respect to the Barclays-selected Axiall comparable companies, the information Barclays presented to Axiall's Board included multiples of EV to EBITDA for 2016 and 2017 (which we refer to as EV / 2016E EBITDA and EV / 2017E EBITDA, respectively):

Company	EV / 2016E EBITDA	EV / 2017E EBITDA
Westlake Chemical Corporation	5.5x	5.7x
Olin Corporation	7.8x	6.9x

Tier I Mean	6.7x	6.3x
Eastman Chemical Company	8.1x	7.7x
LyondellBasell Industries N.V.	6.0x	6.2x
Huntsman Corporation	7.3x	6.8x
Tier II Mean	7.1x	6.9x
Tier II Median	7.3x	6.8x
Total Mean	6.9x	6.7x
Total Median	7.3x	6.8x

Based on this analysis and its professional judgment, Barclays derived the reference ranges of financial multiples set forth in the table below and applied these ranges to estimated EBITDA for Axiall for calendar years 2016 and 2017 contained in Management Case A (as provided by Axiall management to Barclays in the Initial Forecast and the Forecast) and in the Street Case, and to the average annual EBITDA of (1) actual EBITDA for Axiall for calendar years 2013 through 2015 and (2) estimated EBITDA for Axiall for calendar years 2016 and 2017 contained in Management Case A. Based on the number of outstanding Axiall shares on a fully-diluted

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basis and Axiall's net debt, the analysis indicated the following implied per share reference ranges for Axiall shares, rounded to the nearest dollar, in each case as compared to the \$33.00 per share merger consideration:

Ratio	Metric	Reference Range		Implied Per Share Value	
Management Case A	EV / 2016E EBITDA	6.0x	7.5x	\$ 9	15
Management Case A	EV / 2017E EBITDA	5.75x	6.75x	\$21	28
Management Case A (Initial)	EV / 2016E EBITDA	6.0x	7.5x	\$ 8	12
Management Case A (Initial)	EV / 2017E EBITDA	5.75x	6.75x	\$25	33
Street Case	EV / 2016E EBITDA	6.0x	7.5x	\$ 9	15
Street Case	EV / 2017E EBITDA	5.75x	6.75x	\$13	19
Management Case A	Mid-Cycle EV / 2013 - 2017E EBITDA	5.5x	6.5x	\$17	23

Precedent Transactions Analysis

The Axiall financial advisors performed a precedent transactions analysis, which is designed to imply a value of a company based on publicly available financial terms of selected transactions that involve companies in the chlor-alkali chemicals sector. In connection with its analysis, the Axiall financial advisors compared publicly available statistics for select transactions involving producers of chlor-alkali chemicals announced between October 2004 and October 2015, including whether chlor-alkali prices were at a peak, mid-cycle or at a trough in the business cycle at the time the transaction was announced.

For each transaction listed below, the Axiall financial advisors divided EV by the target company's EBITDA for the 12-month period prior to the announcement of the transaction (referred to as "LTM EBITDA").

Selected Chlor-Alkali Chemicals Company Transactions (Target / Acquiror)

Precedent Transactions	Cycle	EV/ LTM EBITDA
Pioneer Companies, Inc. / Olin Corporation	Peak	4.4x
Peak Mean		4.4x
Vinnolit GmbH & Co. KG / Westlake Chemical Corporation	Mid-cycle	6.0x
Commodity Chemicals Business (PPG Industries, Inc.) / Georgia Gulf Corporation	Mid-cycle	5.1x
K.A. Steel Chemicals Inc. / Olin Corporation	Mid-cycle	10.6x
Georgia Gulf Corporation / Westlake Chemical Corporation	Mid-cycle	8.0x
PVC and Chlor-Alkali Activities (Tessenderlo Chemie NV) / INEOS ChlorVinyls (Kerling plc)	Mid-cycle	5.3x
Sunbelt Chlor-Alkali Partnership / Olin Corporation	Mid-cycle	5.0x
	Mid-cycle	5.4x

Vulcan Materials Company / Occidental Chemical Corporation		
Mid-Cycle Mean		6.5x
Mid-Cycle Median		5.4x
Canexus Corporation / Superior Plus Corp.	Trough	8.5x
Chlorine Value Chain Business (Dow Chemical Company) / Olin Corporation	Trough	7.8x
Trough Mean		8.2x
Trough Median		8.2x
Total Mean		6.6x
Total Median		5.7x

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Based on this analysis and their professional judgment, each of the Axiall financial advisors derived a reference range of EBITDA Multiples of 8.0x to 9.0x corresponding to a trough in the chlor-alkali business cycle and applied this range to Axiall's LTM EBITDA as of March 31, 2016. Each of the Axiall financial advisors also derived a reference range of EBITDA Multiples of 6.0x to 8.0x corresponding to the mid-cycle of the chlor-alkali business cycle and applied this range to the average annual EBITDA of (1) actual EBITDA for Axiall for calendar years 2013 through 2015 and (2) estimated EBITDA for Axiall for calendar years 2016 and 2017 contained in Management Case A of the Forecast, which is the middle case.

Based on the number of outstanding Axiall shares on a fully diluted basis and Axiall's net debt, the analysis indicated the following implied per share reference range for Axiall shares, rounded to the nearest dollar, in each case as compared to the \$33.00 per share merger consideration:

Ratio	Reference Range		Implied Per Share Value	
Trough EV / LTM EBITDA	8.0x	9.0x	\$17	22
Mid-Cycle EV to 2013 - 2017E EBITDA (Management Case A)	6.0x	8.0x	\$20	32

Other Analyses

The analyses and data described below were presented to Axiall's Board for informational/reference purposes only and did not provide the basis for, and were not otherwise material to, the rendering of the Axiall financial advisors' opinions.

Historical Trading Range Analysis

The Axiall financial advisors reviewed the historical unaffected trading range of Axiall shares for the 52-week period ended January 28, 2016, which was the last trading day prior to disclosure of Westlake's unsolicited proposal. The Axiall financial advisors noted that, during such period, the maximum closing price for Axiall shares was \$49 and the minimum closing price for Axiall shares was \$9, each rounded to the nearest dollar, as compared to the \$33.00 per share merger consideration.

The historical trading range was presented for reference purposes only, and was not relied upon for valuation purposes.

Analyst Price Targets

The Axiall financial advisors reviewed publicly available equity research analysts' 12-month share price targets as of January 28, 2016, which was the last trading day prior to disclosure of Westlake's unsolicited proposal, on an undiscounted basis for Axiall shares. The Axiall financial advisors noted that the price targets issued by those research analysts with publicly available price targets ranged from approximately \$19 to \$33 per Axiall share, as compared to the \$33.00 per share merger consideration.

The analysts' price targets were presented for reference purposes only, and were not relied upon for valuation purposes.

Outside-In Sum-of-the-Parts Analysis

Morgan Stanley performed an analysis of Axiall on an outside-in sum-of-the-parts basis by performing a separate selected comparable company analysis for the following four businesses of Axiall, in each case based upon market data as of June 8, 2016:

Chlorovinyls (excluding Compounding)

Compounding

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Building Products

Corporate and Other

For purposes of this analysis, Morgan Stanley reviewed certain financial information for each of Axiall's four business segments and financial information and public market multiples for the following publicly-traded (1) chlorovinyls companies: Olin Corporation and Westlake Chemical Corporation, (2) compounding companies: PolyOne Corporation and A. Schulman, Inc., and (3) building products companies: PGT, Inc., Ply Gem Holdings, Inc., Quanex Building Products Corporation and Trex Company, Inc. (collectively, the "Axiall selected segment companies"), which, in the exercise of its professional judgment, Morgan Stanley deemed to be relevant to its analysis. After deriving reference ranges of multiples and then ranges of implied equity value on an aggregate basis by subtracting net debt and non-current liabilities and adding cash, Morgan Stanley determined a range of implied equity values per share of \$12.44 to \$17.90 (\$14.68 to \$20.43 after taking into account the value of certain assets and options related to the Lotte joint venture), as compared to the \$33.00 per share merger consideration.

Morgan Stanley presented the outside-in sum-of-the-parts analysis for reference purposes only and did not rely upon it for valuation purposes.

Barclays did not present an outside-in sum-of-the-parts analysis.

Taxable Equivalent Analysis

Morgan Stanley used the analysis described above under "Precedent Transactions Analysis", to derive the following implied per share reference range for Axiall shares as of March 31, 2016, based on hypothetical adjustments to the tax rate or the taxable equivalent value applied to the Commodity Chemicals Business (PPG Industries, Inc.) / Georgia Gulf Corporation and the Chlorine Value Chain Business (Dow Chemical Company) / Olin Corporation transactions which have the effect of increasing their effective multiples. When applying these increased multiples to the precedent transaction analysis, Morgan Stanley derived an increased reference range of EBITDA Multiples of 7.9x to 12.5x corresponding to a trough in the chlor-alkali business cycle and applied this range to Axiall's LTM EBITDA as of March 31, 2016. Based on the number of outstanding Axiall shares on a fully-diluted basis and Axiall's net debt, the analysis indicated the following implied per share reference range for Axiall shares, as compared to the \$33.00 per share merger consideration:

Ratio	Reference Range	Implied Per Share Value
AV / LTM EBITDA	7.9x 12.5x	\$17.04 36.97

Morgan Stanley presented a taxable equivalent analysis for reference purposes only and did not rely upon it for valuation purposes.

Barclays did not present a taxable equivalent analysis.

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For the information of Axiall's Board, Morgan Stanley used the same analysis described above under *Discounted Cash Flow Analysis* to derive the following range of implied equity values per Axiall share as of March 31, 2016 based on the estimated future cash flows contained in the Initial Forecast, as compared to the \$33.00 per share merger consideration:

Forecast Scenario	Implied Per Share Value	
Management Case A (Initial)	\$31.90	49.65
Management Case B (Initial)	\$34.80	52.95
Management Case C (Initial)	\$21.51	36.20

Note:

1. Plus, at the high end of the range, \$1.71 for the value of the Lotte Option.

Morgan Stanley provided the discounted cash flow analysis based on the Initial Forecast for reference purposes only and did not rely upon it for valuation purposes.

General

Axiall's Board retained Morgan Stanley based upon Morgan Stanley's qualifications, experience and expertise. Morgan Stanley is an internationally recognized investment banking and advisory firm. Morgan Stanley, as part of its investment banking and financial advisory business, is continuously engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate, estate and other purposes.

Barclays is an internationally recognized investment banking firm and, as part of its investment banking activities, is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. Axiall's Board selected Barclays because of its qualifications, reputation and experience in the valuation of businesses and securities in connection with mergers and acquisitions generally.

As compensation for its services relating to its engagement, Axiall has agreed to pay Morgan Stanley a fee of approximately \$22.7 million in the aggregate, \$2.5 million of which was payable upon Morgan Stanley's engagement as financial advisor, \$1 million of which was payable upon the rendering of its opinion and approximately \$19.2 million of which is contingent upon the consummation of the merger, against which the fees paid to Morgan Stanley in connection with its engagement and opinion will be credited. Axiall has also agreed to reimburse Morgan Stanley for its expenses incurred in performing its services. In addition, Axiall has agreed to indemnify Morgan Stanley and its affiliates, their respective directors, officers, agents and employees and each person, if any, controlling Morgan Stanley or any of its affiliates against certain liabilities and expenses, including certain liabilities under the federal securities laws, related to or arising out of Morgan Stanley's engagement. In the two years prior to the date of Morgan Stanley's opinion, in addition to the current engagement, Morgan Stanley and its affiliates have provided

financial advisory services for Axiall and have received aggregate fees of between \$2 million and \$3 million in connection with such services. Also in 2012, Morgan Stanley represented Westlake in its unsolicited proposal to acquire Axiall, and Axiall's Board was aware of this at the time of its January 27, 2016 meeting to consider Westlake's proposal that it acquire Axiall at a price of \$20.00 per share. In the two years prior to the date of Morgan Stanley's opinion, Morgan Stanley and its affiliates have provided financial advisory and financing services to Westlake and have received aggregate fees of between \$1 million and \$2 million in connection with such services. Morgan Stanley may also seek to provide

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financial advisory and/or financing services to Westlake and/or their respective affiliates on unrelated matters, subject to the terms of Morgan Stanley's engagement letter with Axiall, in the future and expects to receive fees for the rendering of these services.

Morgan Stanley is a global financial services firm engaged in the securities, investment management and individual wealth management businesses. Its securities business is engaged in securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trading, prime brokerage, as well as providing investment banking, financing and financial advisory services. Morgan Stanley, its affiliates, directors and officers may at any time invest on a principal basis or manage funds that invest, hold long or short positions, finance positions, and may trade or otherwise structure and effect transactions, for their own account or the accounts of its customers, in debt or equity securities or loans of Axiall, Westlake or any other company, or any currency or commodity, that may be involved in this transaction, or any related derivative instrument.

Barclays is acting as financial advisor to Axiall in connection with the merger. As compensation for its services in connection with the merger, Axiall agreed to pay Barclays a fee of \$250,000 upon Barclays' engagement as financial advisor and \$1 million upon the delivery of Barclays' opinion. Axiall has also agreed to pay Barclays a fee estimated to be approximately \$22.7 million upon consummation of the merger, against which the fees paid to Barclays in connection with its engagement and opinion will be credited. In addition, Axiall has agreed to reimburse Barclays reasonable expenses and indemnify Barclays for certain liabilities that may arise out of its engagement and the rendering of Barclays' opinion. At the time of Barclays' engagement in March 2016, Barclays informed Axiall management that, as part of Barclays' ongoing investment banking coverage efforts in the chemicals industry, the Barclays coverage team (including some of the personnel working on the Axiall engagement) met on a regular