



To all our Stakeholders

Smart Sand is excited to announce that we support the United Nations' Paris Accord objective of carbon-neutral operations by 2050 and plan to voluntarily align our strategies, goals and reporting efforts to do our part in supporting this global initiative. Simultaneously, **Smart Sand** will launch a formal Environmental, Social and Governance (ESG) program. Our website provides details that articulate our ESG goals. We look forward to telling our story, one in which we have already made progress on most of the United Nations Sustainable Development goals.

Environmental Performance

Smart Sand is committed to operating in a sustainable and environmentally responsible manner, minimizing our impact on the communities where we live and work. In 2014 **Smart Sand** joined the Wisconsin Green Tier program, a marquee public/private partnership with the Wisconsin Department of Natural Resources. We crafted a plan to exceed legal requirements and to improve our facility from an environmental perspective. We are also a member of the Wisconsin Sustainable Business Council's Green Masters Program. For five years we have maintained ISO 9001/14001-2015 certifications. The 14001 registration means that our sand is produced under documented, audited procedures, and that environmental performance is maintained.

Social Impact

Smart Sand improves social value by focusing on; our employees, our Customers, our communities and our vendors.

Our Employees: We provide excellent employment opportunities with good wages and generous benefits. We work closely with MSHA - Mine Safety & Health Administration, the regulatory agency that shares our priority to keep employees safe. We promote from within, train constantly and hire with a passion for diversity. The majority of our workforce holds some equity in the company in the form of shares and most employees participate in our 401k program.

Our Customers: Each interaction our customers is focused on Mine to Wellsite Solutions. Together we partner to provide long term sustainable ESG outcomes.

Our Communities: Our operations cover much of North America. We are active in the same communities in which our employees live and which we operate. **Smart Sand** contributed financially and with volunteer hours to numerous organizations, including food pantries and schools. Being a contributor and partner in the community is consistent with our philosophy of making the world a better place.

Our Vendors: We rely on our partners. Mutually beneficial relationships drive our business, each of our vendors is treated with respect and trust. Establishing and maintaining solid vendor relationships keeps us operating reliably and efficiently while providing increased employment and economic value in our communities.

Governance

Every employee has signed our code of conduct. This code covers a lot of areas, but overall provides the framework by which we ensure ethical and fair operations for our employees, our customers and our communities.

Our Board guides all aspects of our business and is both independent and diverse. **Smart Sand** has always encouraged "open doors" management. Since 2015, all employees have the opportunity of using a third-party whistleblower hotline anonymously and free of repercussion. We believe that serving our stakeholders responsibly, with a focus on quality, sustainability, safety and the environment are good business. I'm looking forward this year to telling you more about our sustainability achievements and vision for the future.

Respectfully yours,

Charles E. Young, CEO
Smart Sand Inc.

