



2021 Sustainability Accounting Standards Board Report

At Newpark, we recognize the importance of sharing relevant sustainability information with our stakeholders. The Sustainability Accounting Standards Board Foundation (SASB) is an independent, nonprofit standard-setting organization that develops and maintains voluntary reporting standards that enable businesses around the world to identify, manage and communicate financially material sustainability information to their investors. Newpark proudly adopts this framework and we are excited to share our SASB disclosures for the 2021 reporting year.

This report provides data and information for Newpark’s global operations, including all wholly-owned subsidiaries pertaining to standards applicable to companies classified by SASB in the Oil and Gas – Services Industry as per SASB’s Sustainable Industry Classification System®.

Newpark is a worldwide provider of value-added products and related services serving a variety of industries, including:



OIL & GAS



UTILITIES



PIPELINE



RENEWABLES



PETROCHEMICAL



CONSTRUCTION

Key Features of Our Operations	
WHAT WE DO	WHAT WE DON'T DO
<ul style="list-style-type: none"> ✓ Provide drilling fluids and specialized chemical products ✓ Provide worksite access products and services ✓ Enhance customer environmental programs ✓ Serve customers in diversified end-markets ✓ Prioritize investment to expand our footprint in electrical transmission, geothermal, and other renewable energy markets 	<ul style="list-style-type: none"> ⊗ Own or operate oil or gas wells ⊗ Perform hydraulic fracturing ⊗ Operate or contract drilling rigs ⊗ Operate active rig sites ⊗ Flare produced hydrocarbon gasses

SASB Metrics:

Emissions Reduction Services and Fuels Management		
SASB TOPIC AND METRIC	CODE	DISCLOSURE AND ADDITIONAL INFORMATION
Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	EM-SV-110a.1	<p>On-road equipment and vehicles, which reflect Company-operated light-duty trucks to transport operations personnel to customer locations and heavy-duty trucks used to transport product in our Fluids Systems business, as well as product and construction equipment in our Site and Access Solutions business: approximately 850,000 gallons, 0% renewable</p> <p>Off-road equipment, which primarily reflects construction equipment utilized in our Site and Access Solutions business: approximately 130,000 gallons, 0% renewable.</p>
Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	EM-SV-110a.2	<p>We believe the unique lightweight design of our DURA-BASE® matting system provides a distinct environmental advantage for our customers as compared to alternative wood mat products in the market, by eliminating deforestation required to produce wood mat products and also reducing greenhouse gas emissions associated with product transportation. Our DURA-BASE® system is also 100% recyclable, which further reduces lifetime greenhouse gas creation, as compared to non-recyclable alternatives. As part of our ongoing efforts to enhance the environmental benefits of our product offering, we have developed a next-generation mat with further weight reduction that retains the same performance and durability of the original DURA-BASE® mat, which we expect will provide for additional logistical efficiencies and greenhouse gas reductions, among other benefits.</p> <p>In addition, we are focused on optimizing logistics to reduce greenhouse gas emissions associated with the product movements between Company locations, as well as between Newpark and customer worksites. More specifically, we significantly expanded the use of telematics technology for our U.S. vehicle fleet in 2021, enabling the tracking of vehicle data in real-time, improving efficiency and reducing fleet energy consumption and carbon emissions. Also, to maximize fleet utilization and minimize vehicle waiting time and reduce greenhouse gas emissions, we utilize local-based carriers for outbound deliveries and leverage brokers for warehouse-to-warehouse product moves.</p>

Water Management Services

SASB TOPIC AND METRIC	CODE	DISCLOSURE AND ADDITIONAL INFORMATION
(1) Total volume of fresh water handled in operations, (2) percentage recycled	EM-SV-140a.1	<p>As a manufacturer and provider of consumable products, the usage of fresh water in the execution of our services is very limited. However, we manufacture and sell blended water-based products, including specialized chemical additives used primarily within the oil and gas industry. We believe our water-based drilling fluids systems provide customers with environmentally sensitive alternatives to traditional oil-based drilling fluids systems commonly used in the industry.</p>
Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	EM-SV-140a.2	<p>A fundamental component of our Fluids Systems strategy includes providing our oil and gas industry customers with superior products and solutions that improve on industry best practices, while working in harmony with the environment to optimize resource management. More specifically to the management of finite water resources, we seek to develop technologies that enable our customers to reduce their consumption of water. We've recently introduced our Transition™ family of brine-tolerant, high-performance friction reducers, which allow our customers to utilize recycled water for pressure pumping applications and reduce their consumption of fresh water.</p> <p>In addition, we continue to pursue best practices within our manufacturing operations to minimize the consumption of fresh water, including the implementation of closed-loop systems to minimize our usage of fresh water.</p>

Chemicals Management

SASB TOPIC AND METRIC	CODE	DISCLOSURE AND ADDITIONAL INFORMATION
Volume of hydraulic fracturing fluids used, percentage hazardous	EM-SV-150a.1	As a provider of specialized chemical additives to the oil and gas industry, our operations do not use hydraulic fracturing fluid.
Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	EM-SV-150a.2	<p>A fundamental component of our Fluids Systems strategy includes providing customers in the oil and gas industry with superior products and solutions that improve on industry best practices, while working in harmony with the environment to optimize resource management. Our focus on environmental sustainability has been a driving force behind breakthroughs in our suite of product offerings, including the Evolution® family of high-performance water-based drilling fluid systems, which was first launched by Newpark more than a decade ago. Building on this technical leadership position, we launched our next generation of high-performance water-based drilling fluids systems in 2021, including Nviros™ and Hydros™, designed to lead the way in unconventional and conventional operations, respectively. These advanced fluids solutions provide an environmentally sensitive alternative to traditional oil-based drilling fluids, which helps to reduce the consumption of hydrocarbon-based products and associated emissions and waste, while optimizing drilling efficiency, and improving personnel health and safety. For additional information regarding the positive environmental impact of our water-based drilling fluid systems, click here.</p> <p>We also provide solutions to support the transition to renewable energy, having drilled hundreds of geothermal wells globally. Recent product advancements include our TerraTherm™ high-performance water-based drilling fluid system, designed specifically for the unique challenges of geothermal applications.</p>

Ecological Impact Management

SASB TOPIC AND METRIC	CODE	DISCLOSURE AND ADDITIONAL INFORMATION
Average disturbed acreage per (1) oil and (2) gas well site	EM-SV-160a.1	As a provider of consumable products to the oil and gas industry, and temporary worksite access solutions to electrical utilities and various other industries, the delivery of our products and services do not create any disturbed acreage. Conversely, a key purpose of our worksite access products is to help our customers avoid disturbed acreage, preventing soil compaction that negatively impacts the fertility of the land while also preventing the transport of invasive species between customer work sites.

<p>Discussion of strategy or plan to address risks and opportunities related to ecologic impact from core activities.</p>	<p>EM-SV-160a.2</p>	<p>A fundamental component of our Fluids Systems and Site and Access Solutions strategy includes providing our customers across industries with superior products and solutions that improve on respective industry best practices, while working in harmony with the environment to minimize ecological impact.</p> <p>In our Site and Access Solutions business, we manufacture, sell, and rent our recyclable DURA-BASE® advanced composite matting system. This matting system provides all-weather access to customer sites and enhances environmental protection, particularly for worksites with unstable and/or ecologically fragile ground conditions. Competitive products, including alternative wood mat products, are inherently less durable than our recyclable DURA-BASE® system, and consequently, leave unwanted debris on customer sites, negatively impacting the native environments. Wood mats are also susceptible to accelerating the spread of invasive species through attachment to mats transferred between work sites, highlighting another unique environmental benefit of the DURA-BASE system. At Newpark, our R&D efforts constantly aspire to further improve our sustainability baseline. Our product portfolio not only includes the DURA-BASE Advanced Composite Mats, but also includes the patented and ASTM 2715-9 certified EPZ Grounding System designed for enhanced safety and efficiency working on power line maintenance and construction projects. Additionally, we have initiatives underway to enhance our sustainable product portfolio, by increasing the usage of recycled materials in our manufacturing process. Replacing virgin resin with recycled content helps in all aspects of sustainability, reducing greenhouse gas emissions, total water consumption and solid landfill waste. For additional information regarding the positive environmental impact of our Site and Access Solutions products, click here.</p> <p>In our Fluids System business, we focus on developing state-of-the-art, high-performance water-based fluids systems which optimize efficiency while reducing the carbon footprint of our customers’ drilling operations. Building on the success of our Evolution® water-based fluid systems, first launched by Newpark more than a decade ago, we launched our next generation of high-performance water-based drilling fluids systems in 2021, including Nviro™ and Hydros™, designed to lead the way in unconventional and conventional drilling operations, respectively. Water-based systems provide a variety of ecological benefits, as well as health and safety advantages, as compared to traditional oil-based drilling fluids used in the oil and gas industry. For additional information regarding the positive environmental impact of our water-based drilling fluid systems, click here.</p>
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Workforce Health & Safety

SASB TOPIC AND METRIC	CODE	DISCLOSURE AND ADDITIONAL INFORMATION
<p>(1) Total recordable incident rate (TRIR), (2) fatality rate (TFR), (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees</p>	EM-SV-320a.1	<p>Workforce Health & Safety statistics for all employee categories in 2021:</p> <ul style="list-style-type: none"> (1) TRIR: 0.51 (2) TFR: 0.00 (3) NMFR: Not Reported (4) TVIR: 0.88 (5) Average Hours of HSE Training: 17.5
<p>Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle</p>	EM-SV-320a.2	<p>Safety is not only one of our five Core Values at Newpark, it is considered the most important Core Value by the Board of Directors, executive management and the employees of the Company. Our safety Core Value reads “Protecting each other like family while sustaining the environment in which we work.”</p> <p>For more information regarding our safety culture and systems, including our executive oversight, click here.</p> <p>For more information regarding our Safety performance, click here.</p>

Business Ethics and Payments Transparency

SASB TOPIC AND METRIC	CODE	DISCLOSURE AND ADDITIONAL INFORMATION
<p>Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index</p>	<p>EM-SV-510a.1</p>	<p>We operate in two of the 20 lowest ranked countries within the Transparency International's Corruption Perception Index (Congo and Libya). Less than 0.5% of Newpark's 2021 consolidated revenue was generated from customer activities in these countries.</p>
<p>Description of the management system for prevention of corruption and bribery throughout the value chain</p>	<p>EM-SV-510a.2</p>	<p>Newpark is committed to conducting business in compliance with all applicable laws that prohibit bribery and corruption. Our Ethics and Compliance (E&C) Program and related policies are designed to communicate Newpark's culture of compliance and commitment to abiding by Anti-Corruption Laws to all of our employees and all parties we conduct our business with. Our E&C Program has been designed in accordance with industry best practices which are outlined in the U.S. Department of Justice's Evaluation of Corporate Compliance Programs and the Resource Guide to the U.S. Foreign Corrupt Practices Act.</p> <p>For more information regarding compliance policies and systems, including our executive oversight, click here.</p> <p>For more information regarding our Code of Business Ethics and Conduct, click here.</p> <p>For more information regarding our Third-Party Code of Conduct, click here.</p>

Management of the Legal and Regulatory Environment

SASB TOPIC AND METRIC	CODE	DISCLOSURE AND ADDITIONAL INFORMATION
<p>Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry</p>	<p>EM-SV-530a.1</p>	<p>While there are no significant identified regulatory risks that directly impact Newpark, the majority of our revenues are derived from customers in the oil and gas industry. Our Board of Directors, including the Environmental, Social and Governance (ESG) Committee, oversee our ESG program, including oversight of any material climate-related risks and opportunities. In recent years, there has been an increasing awareness of the role that fossil fuels play in climate change, leading to a groundswell of support to reduce global reliance on these non-renewal energy sources. Recognizing that the world’s energy transition initiatives could take decades to achieve, Newpark’s long-term strategy, approved by our Board of Directors, includes key elements focused on addressing the financial risks and capitalizing on the opportunities that the energy transition may provide our Company.</p> <p><u>Commitment to Contributing to Our Customers’ Sustainability Initiatives:</u> Long before sustainability was at the forefront of most people’s minds, Newpark developed a reputation for providing environmentally friendly technologies to our customers, including our fully recyclable DURA-BASE® matting system and our Evolution® water-based drilling fluids system. We remain firmly committed to furthering this reputation, as we strive to deliver innovative solutions to our customers that provide superior results while working safely and in harmony with the environment and leaving a positive impact on the communities where we work.</p> <p><u>Commitment to Expanding our Business Outside of Oil and Gas Markets, including Targeted Renewable Energy Sectors:</u> As part of our strategy, we’ve identified and prioritized several end-markets that will serve to further diversify our revenue stream and provide long-term growth opportunities as the global energy transition progresses. These end-markets include electrical utilities, solar, wind, as well as geothermal drilling. In 2021, approximately 80% of our capital investments and 100% of our business acquisition investment was directed to non-E&P markets. We are pleased with our strategic progress, generating approximately \$150 million of our 2021 revenues (an increase of approximately 50% from 2020) from electrical utilities and other non-E&P markets, and we seek to build upon that success going forward. As part of our commitment to this strategic initiative, we’ve also recently added relevant industry expertise to our Board of Directors. In 2021, Michael A. Lewis joined our Board of Directors after retiring from Pacific Gas and Electric Corporation (PG&E). Michael brings over 34 years of electric operations experience, including the role as both Interim President and as Senior Vice President, Electric Operations of PG&E, and previously serving as Duke Energy’s Senior Vice President and Chief Distribution Officer, responsible for their distribution operations across six states. We believe that his extensive career in the electric utility industry and deep knowledge of the industry’s approach to environmental sustainability provide a unique perspective to our Board. In March 2022, Claudia M. Meer, co-founder of</p>

		CoreMax Consulting, a woman-owned consulting firm focusing on clean energy strategic advisory services, joined our Board of Directors. Ms. Meer has extensive cleantech and energy transition experience, most recently serving as Chief Investment Officer and Chief Financial Officer from July 2019 to September 2020 of AlphaStruxure, an EaaS joint venture between The Carlyle Group and Schneider Electric, formed to develop and fund clean energy infrastructure.
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Critical Incident Risk Management

SASB TOPIC AND METRIC	CODE	DISCLOSURE AND ADDITIONAL INFORMATION
Description of management systems used to identify and mitigate catastrophic and tail-end risks	EM-SV-540a.1	Our Board of Directors, as a whole and through its committees, retains responsibility for overseeing our Company's processes for assessing and managing risk, while it is management's responsibility to manage risk on a day-to-day basis. The evolving landscape of risks to the Company, along with identified mitigations, results of audits of related mitigation processes and procedures, and emergency response plans, are reported to the Board of Directors on an annual basis. Additionally, the Company utilizes reporting software and assessment procedures that allow for the evaluation, identification and control of existing potential workplace health, safety, and environmental risks to ensure that risk controls are implemented and communicated to stakeholders. For additional information, see item EM-SV-320a.2.

Activity Metrics

Number of active rig sites	EM-SV-000.A	Newpark does not own, lease or operate any rig sites.
Number of active well sites	EM-SV-000.B	Newpark does not own, lease or operate any well sites.
Total amount of drilling performed	EM-SV-000.C	Newpark does not perform drilling operations
Total number of hours worked by all employees	EM-SV-000.D	Total estimated 2021 hours worked: 4,282,807

This report contains forward-looking statements, and actual results could differ materially. Risk factors that could cause actual results to differ are set forth in the "Risk Factors" section and throughout our 2021 Annual Report on Form 10-K. These risk factors are subject to update by our future filings and submissions with the U.S. Securities and Exchange Commission and earnings releases. Strategies, plans, and goals described in this report are aspirational and are based on numerous assumptions that we believe are reasonable but are open to a wide range of uncertainties and business risks. Statements regarding Newpark's business and activities may be based on standards for measuring progress that are still developing and on assumptions that are subject to change in the future.