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SUSTAINABILITY REPORT



• WE PUT OUR ENERGY BEHIND SUSTAINABILITY.®

WE ARE ALL CONNECTED BY WATER



SELECT is committed to a corporate strategy that supports the long-term viability of our business model in a manner that focuses on all stakeholders, including our people, our customers, our shareholders, the environment, and the communities in which we operate. Whether it's about uniting our teams around integrated water and chemistry solutions, creating sustainable partnerships with our customers, integrating large infrastructure networks, or being good stewards for our surrounding communities, our business is all about fostering connections. Whether it's molecules or pipelines or people, we are all connected by water.

We believe this focus will help our customers achieve their short-term and long-term environmental, social and governance (“ESG”) goals, help us attract and retain top talent, and further our efforts to generate strong investor returns. We believe our commitment to foster a culture of corporate responsibility is an important part of being a company with operations spanning the contiguous United States. Further, we believe being a good corporate steward is strategic to our growth in water and chemicals solutions and will better allow us to develop solutions that both address the needs of our customers and contribute to sustainable business practices.

As a service-oriented company, we compete with other providers based on various factors, including safety and operational performance, technological innovation, process efficiencies and reputational awareness. We have identified the following four priorities as part of our comprehensive corporate responsibility initiative: Environmental Consciousness; Health and Safety; Human Capital Management; and Community Outreach. We believe there is a strong link between these corporate responsibility initiatives and our ability to provide value to our stakeholders.

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About This Report

Overview

Our 2022 Sustainability Report highlights the policies, processes, procedures and performance by which Select meets Environmental, Social, and Governance (ESG) criteria, as well as how we aim to act as a force for good and promote sustainable development in the communities in which we operate. This report reviews the application of our Business Principles and supporting policies across our business. We include information in this report based on internal discussions, external stakeholder feedback, and consultations with third-party experts. Select regularly reports on our Environmental, Social, and Governance policies, procedures, and performance, both on our website and through our annual Sustainability Report.

Scope

This 2022 Sustainability Report covers data from January 1 to December 31, 2022, except as otherwise noted. Additional notes on our metrics outline the scope and methodologies of our reported data. The minimum boundary for reporting on social and environmental priorities is assets we own and operate. Accordingly, this report covers our owned and operated businesses and does not address the performance or operations of our suppliers, contractors and partners unless otherwise noted.

Disclaimer

This report contains forward-looking statements relating to Select's operations that are based on management's current expectations, estimates and projections about the oilfield services, water, chemicals, and other energy-related industries. These statements are not guarantees of future conduct or policy and are subject to certain risks, uncertainties, and other factors, many of which are beyond the Company's control, including government regulations, oil and gas prices and access to capital markets. See Forward-Looking Statements at the end of this report.

The actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed or forecasted in this report, may differ materially in the future. As with any projections or estimates, actual results or numbers may vary. Many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation but should not be considered guarantees. The statements of intention in this report speak only as of the date of this report. Select undertakes no obligation to update publicly any statements in this report.

This report contains terms used by the Global Reporting Initiative ("GRI"), Sustainability Accounting Standards Board ("SASB") and the Financial Stability Board's Task Force on Climate-related Financial Disclosures ("TCFD"), as well as information about how the disclosures in this report align with the recommendations of GRI, SASB and TCFD. In doing so, Select does not intend to endorse or adopt and is not endorsing or adopting these phrases or recommendations. In using these terms and referencing the recommendations, Select is not obligating itself to use the terms in the way defined by GRI, SASB and TCFD, nor is it obligating itself to comply with any specific recommendations or to provide any specific disclosure. Select makes no representation or warranty as to the GRI, SASB and TCFD's use or definition of specific terms or recommendations. For example, with respect to the use of the term material, individual companies are best suited to determine what information is material, under the long-standing U.S. Supreme Court definition of that term, and whether to disclose this information in U.S. Securities and Exchange Commission financial filings. As used in this report, the term "Select" and such terms as "the Company," "the corporation," "our," "its," "we" and "us" may refer to one or more of Select's consolidated subsidiaries or affiliates or to all of them taken as a whole, but unless stated otherwise they do not include entities that are not wholly owned by Select. All of these terms are used for convenience only and are not intended as a precise description of any of the separate companies, each of which manages its own affairs. All copyright, trademark and other intellectual property rights in all text, images and other materials contained in this report are the property of Select Water Solutions, Inc., or are included with the permission of the relevant owner.

To Our Stakeholders



At our core, Select is fundamentally dedicated to our vision to be the recognized leader and trusted partner in sustainable water management solutions. As we reflect on the achievements of 2022 and look ahead to the future, we are proud to report that Select has made significant strides in this commitment to sustainability and growth. Select was initially built to service the energy industry over the last fifteen years, and in that time we have refined our focus to become a technology leader, uniquely positioned as the only integrated full lifecycle water and chemistry company in the industry.

Our focus on sustainable value creation across our business is displayed in a number of notable recent accomplishments. During 2022, we:

- Closed on multiple acquisitions and organic growth projects that significantly increased our earnings power while meaningfully expanding our water recycling, gathering, storage and disposal capacities;
- Developed and closed the energy service industry's first sustainability-linked credit facility and meaningfully exceeded our initial annual water recycling and employee safety targets embedded in the facility, resulting in a lower borrowing rate; and
- Initiated our first-ever quarterly dividend during Q4 of 2022, reinforcing our dedication to delivering sustainable shareholder returns out of free cash flow.

These recent strategic efforts have meaningfully added to our operational and financial capabilities, while supplementing our sustainability initiatives as well. In 2022 alone, we expanded our daily recycling capabilities by over 400% to more than 3 million barrels per day, through a combination of both organic development and acquisitions, providing critical, sustainable solutions for traditional energy operations.

Operationally, our integrated infrastructure projects and innovative chemistry technologies have not only helped us grow our market share across all segments, but also rapidly led the industry towards sustainable recycling and reuse solutions. Considering a pro forma full year of our recent acquisitions, Select recycled 192 million barrels of produced water for reuse, or approximately 8 billion gallons of water. Put into perspective, this is equal to more than two months of total water usage of the city of Austin, TX. Approximately half of this came from our fixed facilities under long-term contracts, with the other half coming from active mobile operations. These recycling solutions provide critical sustainable solutions for the traditional energy industry, allowing it to continue to provide for our country's energy security and prosper as part of the energy transition in the years ahead, while contributing significantly to the global effort to combat climate change.

As we look towards the future, our commitment to sustainability will remain unwavering. We will continue to focus on expanding our expertise in sustainable water and chemical solutions across diverse applications, both within and beyond unconventional shale resource development and production. We will continue to invest in the development of new technologies and regulations that allow for the beneficial reuse of produced water for alternative uses beyond the traditional energy industry, which provides a tremendous long-term opportunity for the industry to contribute positively to the overall water lifecycle. Our efforts are aimed at meeting the global demand for clean, reliable, and affordable energy as part of a comprehensive energy transition.

In the first half of 2023, Select will undergo a corporate rebranding initiative, changing our name to Select Water Solutions, Inc. and



John Schmitz
Chairman, President & CEO

consolidating our various brands and DBAs. This rebranding reflects our dedication to sustainability and water management solutions, while enhancing our external communications with customers and other stakeholders, thereby maximizing brand recognition across our operations.

As we move into 2023, our growth opportunities include:

1. Expanding our infrastructure asset footprint through organic investments in recycling, pipelines, and system capacity, ensuring the integration of environmentally responsible technologies;
2. Boosting operating margins by focusing on internal efficiency efforts and capitalizing on easing cost inflation, while maintaining our commitment to sustainable practices; and
3. Finally, and most importantly, we expect 2023 to bring a large uplift in our free cash flow. Through the rebranding and streamlining of operations, systems integrations, and other working capital initiatives, we expect to deliver free cash flow of roughly two-thirds of our Adjusted EBITDA which will support our continued opportunities to invest in R&D and enhanced sustainability initiatives.

By successfully executing on the above objectives, we will not only comfortably fund our capital program promoting new sustainable initiatives and investments, but also offer additional flexibility and optionality around our commitment to shareholder returns through a strong cash position. In conclusion, we are excited about the future of Select and look forward to further executing our vision through operational execution, infrastructure investments, earnings growth, shareholder returns in 2023, all while maintaining our commitment to sustainability. We extend our gratitude to our more than 4,000 highly skilled and dedicated employees for their continued support as we embark on this journey under the banner of Select Water Solutions.

Sincerely,



Mission & Values

Every day, SELECT employees put our core values into action to improve operational excellence, safety, and the customer experience. These core values—Accountability, Continuous Improvement, and Teamwork are helping to align our efforts to accomplish our vision to be the recognized leader and trusted partner in sustainable water management solutions.

Our Mission

Delivering operational excellence and environmentally responsible water management solutions to industry leaders

Our Vision

Be the recognized leader and trusted partner in sustainable water management solutions



THIS IS HOW WE ACT



Accountability

Take ownership of my actions and their outcomes

Continuous Improvement

Embrace the necessity for change and commitment to continual growth and progress

Teamwork

Encourage and support a collaborative, safe, and engaged work environment

Our Company

Select Water Solutions, Inc. (“Select” or the “Company”), is a leading provider of sustainable water and chemical solutions to the energy industry in the United States (“U.S.”). We also develop, manufacture, and deliver a full suite of chemistry solutions for use in energy production operations. As a leader in the water solutions industry, we place the utmost importance on safe, environmentally responsible management of water throughout the lifecycle of a well. Additionally, we believe that responsibly managing water resources through our operations to help conserve and protect the environment in the communities in which we operate is paramount to our continued success.

Select supports every major unconventional shale basin in the U.S., operating through three primary segments: **Water Services**, **Water Infrastructure** and **Oilfield Chemicals**.

WATER SERVICES



Our Water Services segment, which contributed approximately 58% of our 2022 revenue, provides the complex logistical services needed to support new oil and gas well completions as well as ongoing production over the life of the well. These services include water transfer, flowback and well testing, water containment, fluids hauling, water monitoring and water network automation, as well as various on-site rental equipment and accommodation offerings. Through our patented WaterONE® automation services and our AquaView® software platform, our Water Services segment also provides extensive technology solutions that enable 24/7 monitoring and visibility for our customers into all of their water-related operations, including hydrographic mapping, water volume and quality monitoring, remote pit and tank monitoring, leak detection, asset and fuel tracking and automated-equipment services. We believe these technologies help our customers lower their operating costs, improve safety, and reduce the environmental footprint of their operations.



WATER INFRASTRUCTURE



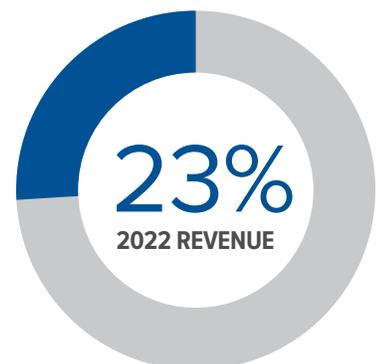
Our Water Infrastructure segment, which contributed approximately 19% of our 2022 revenue, develops, builds, and operates semi-permanent and permanent infrastructure solutions to support both new oil and gas well development and ongoing production activity, including water sourcing, distribution, recycling, gathering and disposal of water. As our customers seek sustainable long-term water management solutions, our fixed infrastructure offerings can provide interconnected pipeline and reuse solutions and economies of scale that help reduce capital expenditures, lease operating expenses and emissions over the life of a field's development. Water Infrastructure operations provide for both the delivery of, and the takeaway and reuse of water enabled by, a network of water sources, permanent pipeline infrastructure, semi-permanent pipeline infrastructure, fixed and mobile treatment and recycling facilities, earthen pits, and saltwater disposal wells ("SWDs"). We are actively building and expanding recycling facilities across multiple regions and will continue to focus on recycling opportunities in all of the areas that we operate. We view produced water as an alternative, sustainable non-potable water source that is naturally generated from sources below the water table in the course of oil and/or gas production, and we strive to reduce the amount of produced water being reinjected into SWDs over time, while also reducing the industry's need for fresh water.



OILFIELD CHEMICALS



Our Oilfield Chemicals segment, which contributed approximately 23% of our 2022 revenue, develops, manufactures, manages logistics and provides a full suite of completion chemical products, water treatment solutions and services utilized in well completion, stimulation, cementing and related production processes. Select is steadfast in ensuring its chemical manufacturing processes utilize environmentally sound practices in all of its operations. Our completion chemicals are sold primarily to energy producers and leading pressure-pumping service companies in the U.S. to support well stimulation and completion activities. Through our Water Treatment service line, we provide advanced water treatment solutions throughout the well lifecycle, as well as specialized stimulation flow assurance and integrity management, and post-treatment monitoring services in the U.S. land market. Our specialty chemicals advance water stewardship through sustainable applications such as water conditioning, water recycling, on-the-fly treatment and water reuse. Additionally, through our FluidMatch® and HYRC™ solutions, we provide comprehensive testing and analysis of our customer's application conditions, water composition, product chemistry and key performance requirements for well completion fluid-system design to reduce costs, increase production and enhance reservoir recoverability. This process may include water profiling, application and fluid assessment, treatment assessment, product selection, optimization, and customization.



Sustainability Materiality Assessment

In line with Select's sustainability strategy, we have identified a set of ESG focus areas that may have a material impact on our business during 2022. These focus areas were guided by the recommended disclosures laid out by the Task Force on Financial Climate-related Disclosures ("TCFD"), the topics recommended by the Sustainability Accounting Standards Board ("SASB") Sustainable Industry Classification System® ("SICS") for the Oil & Gas Services, Water Utilities and the Chemicals industries, and the reporting standards established by the Global Reporting Initiative ("GRI"). In addition to these guiding frameworks, our disclosures are underpinned by the UN Sustainable Development Goals ("SDGs"). The UN Sustainable Development Goals inform our activities and how we contribute to the communities and societies in which we operate. It is important to note that Select does not sit squarely within any single industry code and other inputs were considered to reflect the true nature of our business operations. Material issues were prioritized according to the economic, social, and environmental interests of stakeholders, as well as business impacts, such as revenue, costs, and reputation.

Any re-statements of information made from previous reporting periods will be explained accordingly in the Quantitative Performance Data on pages 42-44. The data included in this report has been collected based on Select's internal systems and processes and is not externally assured with the exception of targets related to Select's Sustainability-Linked Credit Facility which is reviewed by our 3rd party audit firm, Grant Thornton, who provides limited assurance on targets related to total recordable incident rate and produced water recycled. Grant Thornton's 2022 letter of limited assurance can be found on page 52 of this report.

As part of Select's Sustainability Reporting journey, we are researching issues on climate change to better understand risk and how to create value from opportunities. We are developing a thorough process for identifying and disclosing climate-related impacts, including risks and opportunities to the business. This assessment of material issues is a process that will continue to mature based on Select's strategy and economic conditions, as regulatory and global reporting standards evolve, and as new and better quality data becomes available.

In developing this report, Select engaged in a review to identify sustainability issues that affect our business. A third-party consultant, Pickering Energy Partners, supported us in developing and implementing a robust materiality assessment that balanced the critical importance of integrating both internal and external stakeholders throughout the process. Guidance was provided to us through all phases of the assessment, including feedback on the list of relevant Environmental, Social and Governance issues to be assessed, relevant stakeholder groups, and the qualitative and quantitative information needed to develop our Sustainability Reporting.

The term materiality as used in this Report is not based on the definition of materiality used in U.S. securities laws. Please see our SEC filings to find information about issues deemed to be material to our investors as defined by regulatory requirements.

Topics Deemed Material in our Assessment by Issue

Environmental

Water
Chemicals
Emissions & Energy
Environmental Impact
Climate Change
Waste

Social

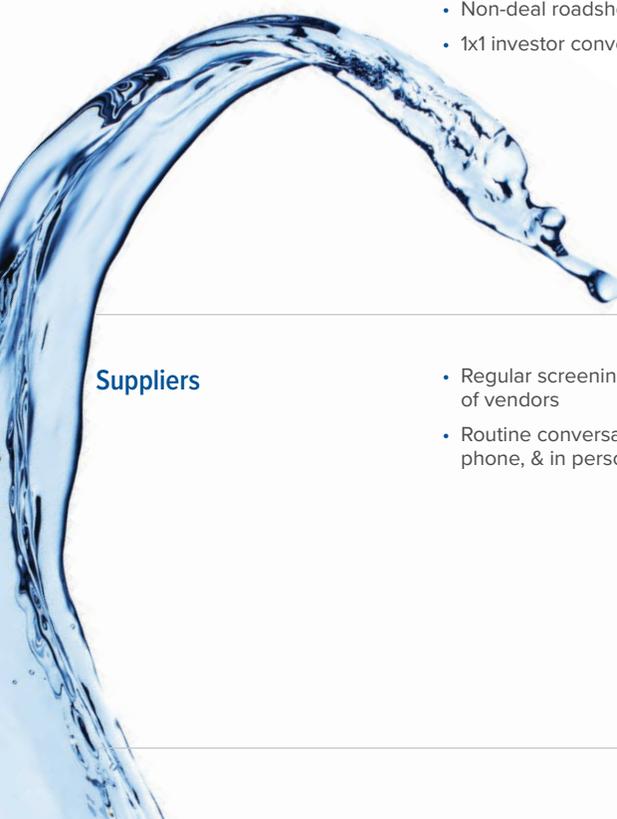
Health & Safety
Human Capital Management
Diversity & Inclusion
Supply Chain
Stakeholder Engagement
Community Involvement

Governance

Board Composition
ESG Management
Business Ethics
Risk Assessment & Strategy
Crisis Management
Cybersecurity

Stakeholder Engagement

	Form of Engagement	Frequency	Topics
Customers & Clients	<ul style="list-style-type: none"> • Direct engagement via sales teams • White papers, case studies, website content • Marketing and social media • Quarterly customer reviews • Industry conferences 	<ul style="list-style-type: none"> • Our operations teams are actively engaged with customers across hundreds of job sites every single day • Our sales and senior leadership teams engage with customers on their satisfaction 	<ul style="list-style-type: none"> • Water challenges/solutions • Landowner engagement • Natural disaster response • Water & chemistry integration • Increasing productivity and reducing costs • Creating social value • Customized chemistry • Safety performance • Technological innovation
Employees	<ul style="list-style-type: none"> • Job trainings • Employee satisfaction surveys • Performance evaluations • Town Halls • CEO Letters 	<ul style="list-style-type: none"> • Ongoing employee training and development opportunities • Semi-annual performance evaluations • Ongoing communication • Town Halls following quarterly earnings • Regular CEO Letters and/or upon notable news events 	<ul style="list-style-type: none"> • Job performance • Career development • Productivity • Work-life balance • Compensation and incentives • Company updates • Industry updates
Investors	<ul style="list-style-type: none"> • Earnings calls • Investor presentations • Investor conferences • Non-deal roadshows • 1x1 investor conversations 	<ul style="list-style-type: none"> • Ongoing engagement with investors • Quarterly calls on financial performance 	<ul style="list-style-type: none"> • Corporate strategy • M&A • Shareholder returns • Capital allocation strategy • Earnings and cashflow outlook • Investor engagement strategy • Valuation • Water management • ESG Initiatives • Business diversification • Energy transition
Suppliers	<ul style="list-style-type: none"> • Regular screening and evaluation of vendors • Routine conversations over email, phone, & in person with suppliers 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Community partnerships • Social value creation • Education • Partnering to raise awareness on water challenges and solutions • Impact on local communities



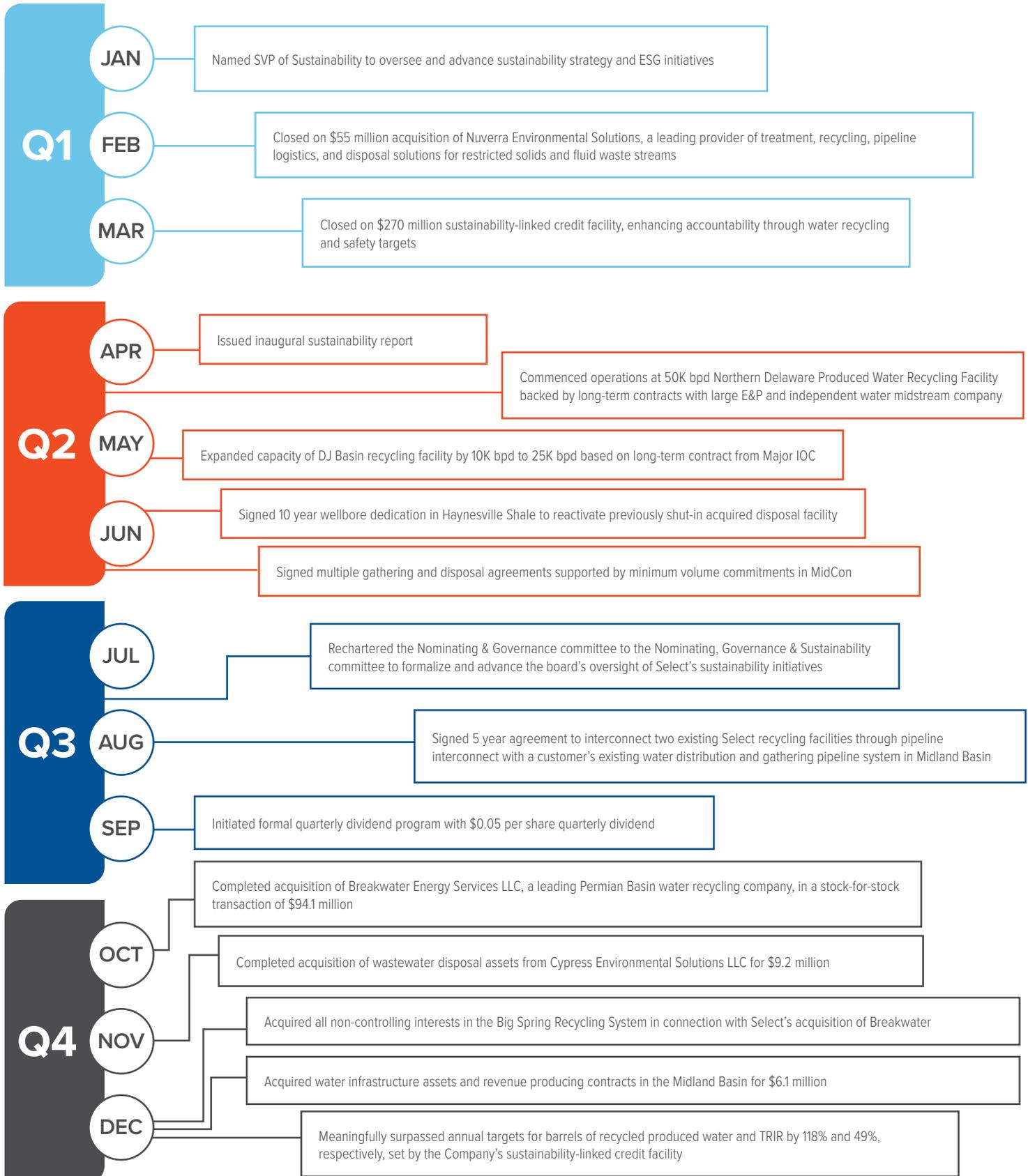
Stakeholder Engagement



	Form of Engagement	Frequency	Topics
Communities	<ul style="list-style-type: none"> • Volunteer events • Internship programs • Cookouts • Sponsorships • Charitable contributions • Landowner engagement 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Community partnerships • Social value creation • Education • Partnering to raise awareness on water challenges and solutions • Impact on local communities
Regulators	<ul style="list-style-type: none"> • Formal and informal bilateral meetings with public officials at all levels of government • Lobbying and other direct engagement in compliance with applicable laws and regulations • Intra-agency and intra-department coordination 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Water conservation • Water management • Beneficial reuse • Treatment & recycling • Safety performance
Industry Groups, Trade Associations, & NGOs	<ul style="list-style-type: none"> • Founding memberships • Participation in meetings • Committee participation • Leadership 	<ul style="list-style-type: none"> • Monthly • Quarterly • Annually 	<ul style="list-style-type: none"> • R&D and advancement of technology • Training Programs • Industry best practices • Standard setting • ESG frameworks

2022 Strategic Activity

Select is a leading provider of water and chemical management solutions, committed to advancing water sustainability, reducing emissions, and promoting safety. By upholding strict safety standards and incorporating risk management, we promote a secure working environment for our employees, partners, and clients. In essence, we strive for a sustainable, prosperous future through responsible and efficient practices.



Sustainability-Linked Credit Facility Update

In the first quarter of 2022, Select closed on a \$270 million Sustainability-Linked Credit Facility, a first of its kind facility in the energy services industry. Under the Sustainability-Linked Credit Facility, the interest rate margin and the facility fee rates for the facility are subject to upward or downward adjustments based on Select’s performance of specified sustainability targets and thresholds with respect to (i) total recordable incident rate (“TRIR”), as the Employee Health and Safety Metric, and (ii) barrels of produced water recycled at fixed facilities owned or operated by Select, as the Water Stewardship Metric. By setting key metrics by which we can both be held accountable to and execute on, we believe we can generate better long-term value for our stakeholders. In representation of our commitment to leading health and safety performance as well as water sustainability practices, Select meaningfully surpassed the KPI threshold and target levels for both TRIR and recycled produced water as outlined in our Sustainability-Linked Credit Facility during 2022. In doing so, Select is reinforcing both its mission of water stewardship and employee health and safety. As the first company in the energy services sector to enter into a sustainability-linked credit facility, we hope to encourage other companies to follow suit. The specific goals that we have committed to, as well as the updated performance against these metrics for 2022, are outlined below. Select’s 2022 performance against the threshold and target levels for the key sustainability metrics was reviewed by Grant Thornton LLP, an independent certified public accounting firm, based on limited assurance standards established by the AICPA. Grant Thornton’s 2022 letter of limited assurance with regards to the key sustainability metrics can be found on page 52 of this report.

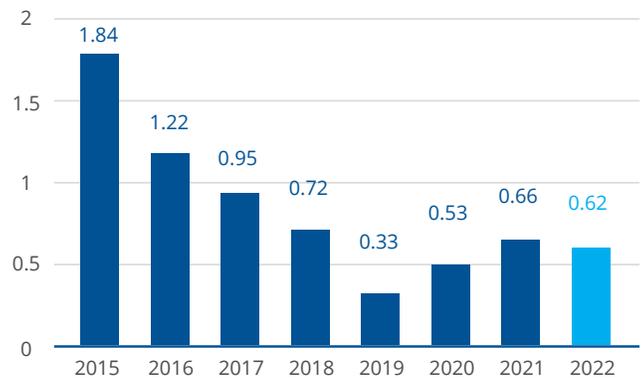
Total Recordable Incident Rate

Total Recordable Incident Rate (TRIR) for full-time employees, regular part time, temporary employees, and non-employee contractors (collectively, “employees”)

Select’s employees are the heart of what we do, and their safety and our team’s well-being is our first priority. All of our employees are trained in best-in-class worksite safety procedures as well as how to work safely with certified, properly maintained equipment. We believe that our customers select their operational partners based in part on the quality of their safety performance, compliance records and environmental, health and safety culture. We will continue to make investments to maintain our market leadership in this area.

The target is to achieve performance that is lower than the product of (i) the three-year trailing average of the following subsectors classifications as reported by the Bureau of Labor Statistics: Support Activities for Oil and Gas operations, Chemical Manufacturing, Truck Transportation, & Administrative and Support Services and (ii) 0.75 (1.21 Target for the year ended December 31, 2022).

TRIR 8 Years



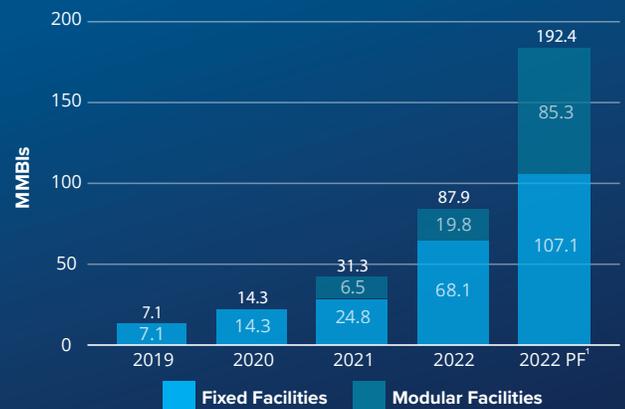
Barrels of Recycled Produced Water

As a leader in the water solutions industry, Select places the utmost importance on safe, environmentally responsible management of oilfield water throughout the lifecycle of a well. Additionally, we believe that responsibly managing water resources through our operations to help conserve and protect the environment in the communities in which we operate benefits all stakeholders.

The treatment and recycling of water significantly reduces the need for utilizing scarce fresh water or other groundwater sources by Select customers and reduces the need for wastewater disposal via injection wells. We have invested in, and will continue to invest in, various technologies as well as permanent and semi-permanent infrastructure to support the continued increase of produced water recycling as part of our operations.

The criteria establishes certain growth targets and thresholds for increasing the total barrels of produced water that Select recycles based upon the objective to more than double the total recycled volumes by 2025 relative to its 2021 baseline volumes. As can be seen in our 2022 performance, Select has significantly outpaced our recycling commitments, driven by significant customer demand growth supporting a number of new organic projects as well as our recent acquisition of Breakwater Energy Partners, a leading provider of commercial recycling solutions in the Permian Basin.

Barrels of Recycled Produced Water



	Fixed Facility Recycled Produced Water Volumes	TRIR
2022 Target	31 million barrels	1.21
2022 Result	68 million barrels	0.62
	118% Outperformance	49% Outperformance

1. Pro forma adjusted for full year contribution of recent Breakwater acquisition, which closed on November 1, 2022, and other related operations

Climate Change

Select recognizes the vital need to address the widespread impact climate change has on our planet. We are committed to ensuring the long-term success of our company by integrating risks and opportunities related to climate change and the global energy transition into our business strategy.

Climate Related Opportunities

We believe corporations have an important responsibility to continue to seek new opportunities and contribute positively to mitigating the impacts of climate change. We believe a continued focus on water as a continually available resource will shape future opportunities. We continue to see a tremendous amount of interest from our customer base around contracting new water infrastructure development, particularly around full life cycle solutions and have built upon our infrastructure asset footprint through organic investments around water recycling, gathering and distribution pipelines, environmentally-conscious waste disposal and enhancements to overall system capacity. We believe Select is well-positioned to support the energy industry in transforming existing produced water waste streams into an alternative sustainable source of usable water through significant investments in recycling facilities and chemical technologies. Water recycling not only alleviates demand for freshwater resources in water-stressed regions but also limits waste disposal which is particularly important in areas with seismicity concerns associated with underground injection. We will continue to collaborate with local, state and federal governments to encourage progress in these areas in compliance with relevant laws while forging partnerships with key stakeholders to improve responsible development advances.

Climate Related Risks

Physical Risk

Physical risks associated with climate change are those that arise as a result of changes in weather and climate. TCFD classifies risks into two categories: acute and chronic. Acute risks are event-driven, such as hazards relating to severe weather events. Acute risks that Select faces include hurricanes, flooding, winter storms, seismic events, and tornadoes. Chronic risks unfold over the long term as a result of shifts in climate patterns. The chronic risks we face might include supply chain disruption, scarcity of raw materials, and impacts to the water cycle. Water stress is both a risk and an opportunity for Select, given the water solutions we provide our customers. Select aims to monitor and mitigate these physical risks as part of our larger risk management strategy, which includes regular employee trainings, robust policies and procedures (for example our Storm Water Pollution Prevention Plan), regular interaction with regulatory agencies, as well as extensive insurance programs. We will continue to assess those physical risks most applicable to our business and operations as part of our strategic planning.

Transition Risk

Transition risks associated with climate change, as defined by TCFD, include those policy, legal, market, technology, financial, and reputational risks incurred as a result of the transition to a low-carbon economy. Trends in policy, consumer preferences, and automation are meaningfully impacting the energy sector. Select is proactively mitigating transition risk and capitalizing on opportunities related to the energy transition by decreasing emissions from legacy operations, increasing investments in pipeline infrastructure, water recycling facilities and automation technologies, diversifying our revenue streams beyond traditional oil and gas operations, investing in research and development around new beneficial reuse opportunities and actively engaging with universities, policymakers and other stakeholders around water resource management.



Water Management



As a public company primarily concentrating on water management and logistics within the energy industry, Select acknowledges our crucial role in responsibly handling water resources. This includes the expansion of our recycling initiatives to conserve water and safeguard the environment, which are essential for our sustained growth. We've seized the opportunity to revolutionize water management by utilizing our chemicals segment to create groundbreaking solutions for managing produced water. This approach bolsters our customers' capacity to reuse water and enhances the value of their operations. Established with a strong focus on water transfer using both temporary and permanent pipelines, Select aims to minimize dependence on conventional trucking services in the industry. This strategy considerably reduces emissions from semi-trucks transporting water and lessens truck traffic and congestion in the areas we serve. By employing our pipeline solutions in lieu of legacy trucking operations, we can eliminate over 3,800 truckloads of water during a single one well completion job. Further, with the advent of multi-well pad development, a single pad may encompass more than 10 wells at a single site location, resulting in even further efficiency and emissions reduction benefits through our pipeline logistics operational capabilities. Our current infrastructure boasts approximately 3,000 miles of permanent and temporary pipelines capable of delivering services across seven distinct operating regions across the U.S.

We provide comprehensive water distribution and takeaway solutions through a cooperative multi-stage process, customized to address individual customer requirements. Our internal team specializes in water sourcing and logistics and focuses on fostering positive landowner relations ensuring Select's water stewardship frameworks consider all stakeholders. Our committed workforce of over 4,000 employees guarantees timely project completion while committing that any challenges that surface during operations are met with a clear focus on safety and stewardship. To maintain our leadership in the industry, we adhere to strict safety standards, invest in cutting-edge equipment, and assemble and train an operations team with unparalleled experience.

Recognizing the competition for water resources across many competing sectors, we persistently work to fulfill customer requirements while simultaneously amplifying our focus on recycling and reusing produced water to limit the environmental footprint of the energy industry. Select seeks to decrease freshwater consumption and align our operations with customer and other stakeholder objectives. In 2022, on a full year pro forma basis for our recent acquisitions, we recycled around 192 million barrels, or approximately 8 billion gallons of produced water through our fixed and modular recycling facilities, as well as our mobile recycling solutions. In addition to our recycling operations, we also treated and conditioned another 229 million barrels, or approximately 17 billion gallons², of water for use in the well completion process, signifying substantial progress compared to 2021.

Select provides an extensive range of services designed to enhance efficiency, safety, and sustainability throughout the entire water management process. WaterONE[®] automation offers end-to-end automation of water transfer jobs with minimal human intervention, resulting in improved performance and safety. Our automation capabilities ensure a continuous supply and management of water for well completion operations, with trained operators installing and monitoring pipelines, pumps, tanks, manifolds, pressures, and handling water transportation, filtration, and in-line heating when needed. Flowback support services facilitate the transfer of flowback and produced water to centralized collection points and distribution via gathering pipelines to recycling facilities, disposal facilities, storage pits through our fluids handling and conditioning services.

Through our AquaView[®] technology platform, we have detailed visibility into Select's water supply chain and networks across the broad scope of our services and infrastructure assets and operations. The below sections detail various aspects of Select's business and the relevant volumetric key performance indicators associated with the various operations.

3.5
BILLION
GALLONS
Disposal Volumes

17.7
BILLION
GALLONS
Treated & Recycled Water Volumes²

11.2
BILLION
GALLONS
Water Sold

2.8
BILLION
GALLONS
Piped Water Volumes

2. Pro forma adjusted for full year contribution of recent Breakwater acquisition, which closed on November 1, 2022, and other related operations

Water Treatment and Recycling

Fixed Recycling Facilities

Commercial recycling facilities, utilizing various mechanical and chemical-based water treatment technologies, with the capability to tie in multiple operators and water networks to one of Select's specialized fixed facilities enabling us to accept, recycle, store, and market a regional supply of produced and flowback water streams. Often times our Fixed Recycling Facilities incorporate miles of produced & recycled water pipe and interact with our own disposal networks and assets. Select designs many of its Fixed Recycling Facilities utilizing similar components of its Modular Recycling Facility, such that Select's Fixed Recycling Facilities are set up for future expansion. Select's Fixed Recycling Facilities are typically underpinned by long-term customer contracts highlighting a dedicated commitment to sustainability and enduring stewardship.

Modular Recycling Facility

Single operator recycling systems utilizing various mechanical- and chemical-based water treatment technologies where Select owns and operates the recycling equipment and process to recycle produced and flowback water streams for operator reuse. Modular recycling facilities are built to suit and are more mobile in nature with shorter-term contracts than we traditionally see with our fixed recycling facilities.

Mobile Recycling

Single operator recycling systems utilizing chemical-based water treatment technologies where Select owns and operates the recycling equipment and process, including mobile chemical injection units, to recycle produced and flowback water streams for lower specification applications of operator reuse. Mobile Recycling operations offer quick deployment times as a highly mobile solution for shorter term solutions.



Water Treatment

Select employs cutting-edge water treatment technologies and coordinated teams to meet or exceed treatment specifications. These solutions can be designed to treat any water quality, whether fresh, brackish or produced, to limit particle and bacterial formation during storage and to enhance or ensure a desired water specification is maintained prior to water deployment in well completions. Select works with our customers to apply the most efficient and economic technology and solution to the correct application. These include a number of mechanical and chemical-based treatment technologies including, but not limited to, the following solutions:

Chemical Clarification reduces turbidity and produces clean brine through chemical/ physical clarification. This mobile solution can be deployed in just a few days.

Filtration is offered for both large and small particles, suitable for high and low water volumes during fracturing operations, prior to operations or during flowback. Our filtration services are scalable to meet the flow rate requirements of each job.

Aeration oxygenates stored water, preventing bacterial blooms from causing H₂S formation in a pit or tank. It also homogenizes water sources for reuse.

Conventional Biocides eliminates bacteria in stored water, pre-treats completions water on-the-go, and inhibits bacterial growth over the long term. It also provides treated water as an output while maintaining a small operational and environmental footprint.

Systemized Chlorine Dioxide (ClO₂) is on-the-go mobile treatment is used for produced and flowback water in tanks, pits, and ponds. This process uses chlorine dioxide (ClO₂) technology and neutralizes microorganisms, hydrogen sulfide (H₂S), iron sulfide, phenols, mercaptans, and polymers in surface water. It is often preferred for its smaller environmental footprint, lower power costs, and reduced manpower needs.

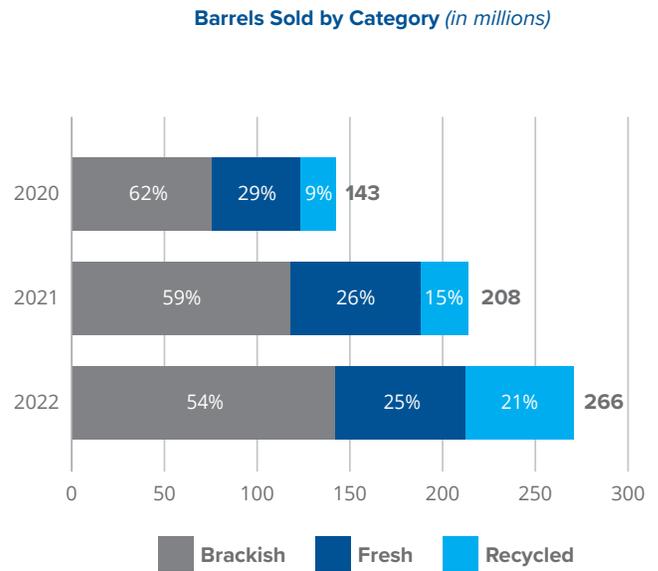
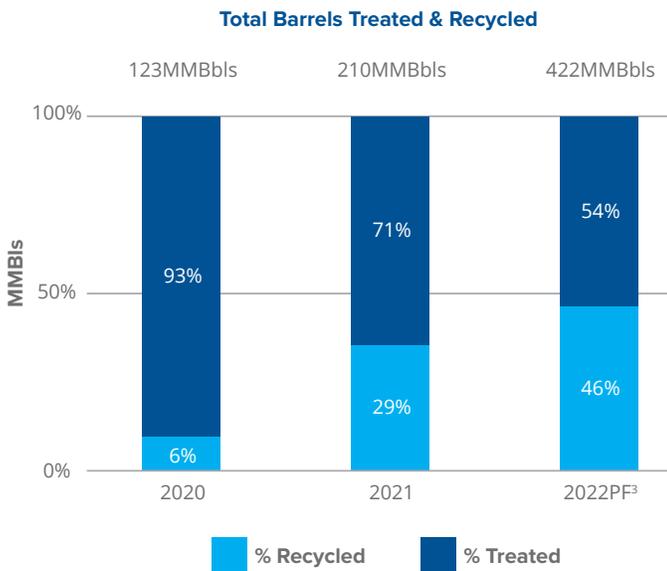
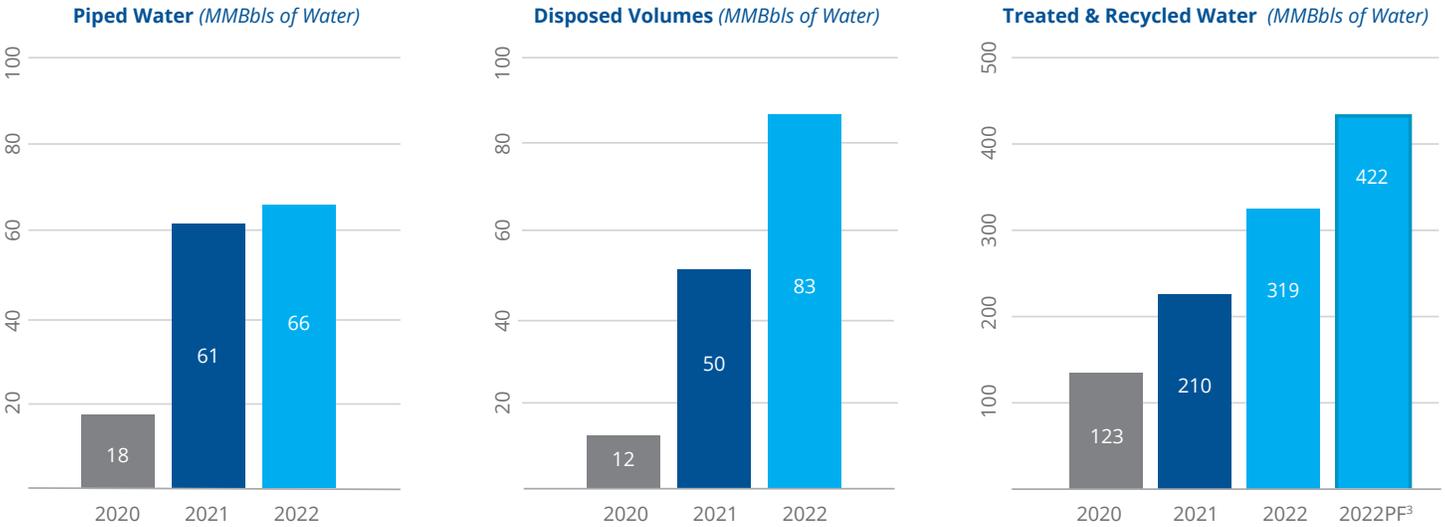
Piped Water

Select specializes in creating customized pipeline systems that are tailored to meet the unique needs of a customer's water network plan or to support Select's owned infrastructure operations. These pipelines can be temporary or permanent, surfaced or buried, depending on the operational requirements of a project. In addition, we offer pipe and pump selection services, allowing clients to choose pipelines over water trucking to reduce dust dispersion, traffic congestion, and operating costs. Our pipelines support both the distribution of source water volumes as well as the gathering and collection of wastewater volumes for delivery to recycling, storage and waste disposal facilities.

Disposed Water

Select's Disposal service line has strategically placed disposal facilities across major U.S. shale regions, with a disposal capacity of approximately 2 million barrels per day (bpd). These facilities, owned and operated by Select Water Solutions, cater to the disposal of wastewater and other non-hazardous oil and gas fluid waste. Each location is identified, designed and permitted with careful consideration of the environment, safety, and customer requirements by our geologists, landmen and engineers.

Water Management Key Performance Metrics



Water Risks & Opportunities

Select's operations confront various significant water-related risks, such as water scarcity, seismicity, water pollution, biodiversity impact, and regulatory shifts. Water scarcity, particularly freshwater scarcity, poses local, national, and global challenges. In water-intensive industries like energy, acute and chronic droughts can result in substantial business risks. To address these challenges, we proactively invest in networked infrastructure and recycling and advantageous reuse technologies, supplying solutions that support our customers' self-sufficiency in their operations.

The oil and gas industry generates substantial amounts of produced water daily. As the industry aims to reduce freshwater consumption and increase reliance on water generated from its own operations, produced water recycling becomes increasingly crucial. Select is well-positioned to support the industry in transforming this waste stream into an alternative sustainable source of usable water through significant investments in

recycling facilities and chemical technologies. Water recycling not only alleviates demand for freshwater resources in water-stressed regions, but also limits waste disposal, which is particularly important in areas with seismicity concerns associated with underground injection.

Furthermore, the trend in U.S. environmental regulation is towards more restrictions and limitations on activities affecting the environment. To mitigate risks and stay ahead of regulatory changes, we collaborate with local, state, and federal governments to encourage progress and compliance with relevant laws. We strive to forge partnerships with government officials to improve the responsible utilization of natural resources as oil and gas development advances. By integrating cutting-edge technology and innovative processes, we aim to lead the industry in sustainable water management and foster a cleaner, greener future for the energy sector.

3. Pro forma adjusted for full year contribution of recent Breakwater acquisition, which closed on November 1, 2022, and other related operations



Chemicals Management

Both our water and chemicals segments emphasize the importance of environmentally responsible methodologies. Operating under the Select Chemistry brand, our chemicals business is dedicated to eco-conscious chemistry, cutting-edge chemical processes, and our unwavering efforts to upgrade our practices through investment in research and development. We will also explore our interaction with various government organizations, the array of products and services we provide, and our domain expertise.

Select Chemistry is steadfast in implementing environmentally sound practices in all its operations. These practices encompass the use of non-detectable solvents, replacing nonylphenol ethoxylates with alcohol ethoxylates, and transitioning from crude oil-based materials to greener, natural gas-derived alternatives. Alongside these eco-friendly chemistry initiatives, we also concentrate on extending and effectively utilizing produced water. Our inventive chemical methods diminish the need for exhaustive reconditioning processes, facilitating enhanced water management and chemical solutions.

Select proactively collaborates with government entities across various levels, including local, state, and federal governments. This guarantees our operations conform to the applicable laws and regulations, fostering compliance in every aspect. Moreover, we endeavor to create partnerships with officials, endorsing the increasingly environmentally sustainable operations of the energy industry and responsible resource utilization.



Manufacturing

We manufacture our products at two primary facilities in Texas, with distribution locations across the U.S. Our state-of-the-art polymer manufacturing facilities utilize a fully automated process from raw to finished goods. With real-time process control to verify quality and safety, we efficiently produce products that perform consistently and reliably.

Water Treatment Chemistry

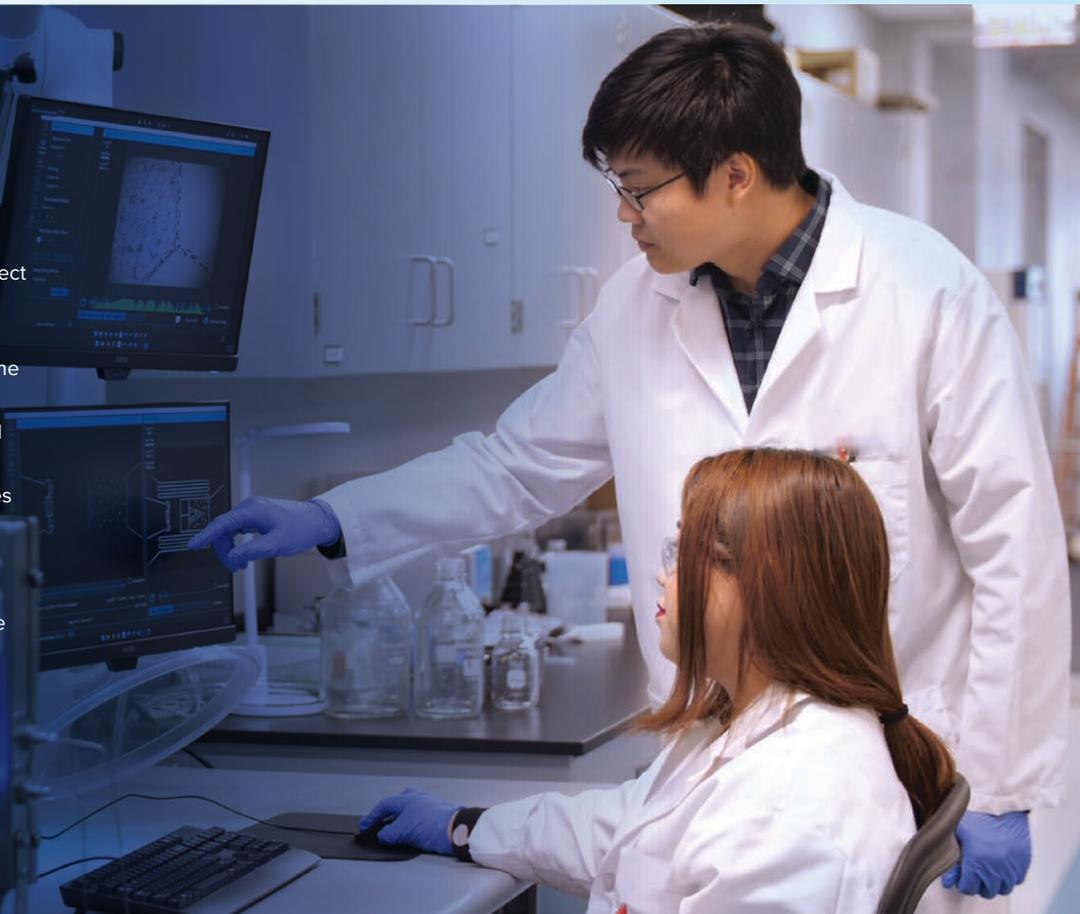
We provide a complete range of water treatment chemistries and treatment recommendations to optimize water quality, minimize contaminants, and enhance operational efficiency. Oilfield water treatment is selectively applied to meet water quality objectives for the frac chemistry and formation.

Field Service & Delivery

Going the last mile means an experienced in-house logistics team and field analysis to verify product performance, ensure compliance, remotely manage inventory and provide historical KPI reporting. The result is security of supply for our high performance chemistry.

Research & Development

Domain expertise is a critical component of Select Chemistry's operations. Boasting over 5,000 square feet of laboratory space in Houston and Midland, Texas, our laboratory teams possess the resources required to assess the performance of our customers' chemical application and well performance programs from start to finish. Our research and development teams identify issues from downhole to the tank battery, resulting in long-term cost savings for our customers. Additionally, our water and fluid laboratories leverage historical data combined with machine learning to deliver valuable, solution-focused operations.



Chemicals Management *(continued)*

Select Chemistry develops, manufactures and distributes an extensive assortment of products, services, and water treatment solutions, including specialized and proprietary chemistry products for well completion, stimulation, cementing, and other production and water recycling processes. Our

HYRC

fluidmatch

skilled chemists and research & development professionals work closely with clients to optimize their fracturing fluid systems through our FluidMatch® and HYRC™ solutions, ensuring outstanding quality and performance.

During 2022, Select continued to increase the overall volumes of product shipped, while concurrently decreasing the percentage of hazardous products shipped relative to total volumes. While

volumes remain below pre-COVID levels in terms of gross volumes shipped, our Chemicals segment achieved all time high levels of revenue during 2022. This continued revenue and profitability growth in spite of reduced volumes is driven by Select's continued focus on producing customized proprietary chemistries, while decreasing the volume of commoditized, lower margin products we manufacture and distribute. This continued strategic shift has allowed us to grow our revenues and maximize our profitability potential, while reducing our overall footprint, including waste production, on a relative basis per revenue dollar generated.

Amount of Hazardous Chemicals Shipped Compared to Total Shipped



Chemicals Risks & Opportunities

Select is aware that risks are an intrinsic part of oilfield chemical operations, but we have established procedures to minimize those risks and emphasize safety. In this section, we delve into some of the main challenges we face, such as raw material availability, the environmental ramifications of spills, and facility emergencies. We will also discuss the potential growth prospects presented by the Green Chemistry market.

To address supply chain risks, we prioritize the integration of a diverse supply chain with numerous vendors, ensuring that potential limitations can be counterbalanced. In recent years, we have procured most of our raw materials from domestic vendors, allowing for improved control and enhanced supplier relationships. The remaining materials are sourced from vendors mainly in India, China, and other countries, enabling us to access raw materials that may be scarce domestically. As we continue to diversify our supply chain, we have reduced our dependence on certain countries, including China, mitigating potential disruptions from political or regulatory risks.

Effective safety management practices are in place to tackle the repercussions of environmental spills and facility emergencies. Our chemical business prioritizes the health and safety of all employees, adhering to Hazardous Waste Contingency Plans (HWCP) and Storm Water Pollution Prevention Plans (SWPPP). These plans undergo continuous evaluation and are updated as required, ensuring employees are well-versed in emergency procedures and risk mitigation strategies.

We are actively developing strategies for the potential opportunities and market demand presented by the Green Chemistry sector. As customers increasingly demand and are prepared to pay the 'green premiums' associated with eco-friendly manufacturing and chemical engineering, we remain committed to investing in research, development, manufacturing, and procuring chemical products that abide by Green Chemistry principles.



Environmental Impacts of Supply Chain

At Select, our supplier qualification process begins with our technical team, who provide us with information on the products we need to support our operations. From there, our VP of Supply Chain and their team personally evaluate potential vendors against a range of criteria. In addition to assessing their ESG and sustainability programs, other criteria may include historical and technical approval, lead time, packaging, quality of program, the vendor’s ability to offer multiple products, whether they are the sole source, value and pricing, ability to meet demand, financial stability, historical performance, and their ESG and sustainability programs.

Our supplier identification and qualification process is essential to our success. By thoroughly evaluating potential vendors based on a variety of criteria, we can ensure that we work with suppliers who share our commitment to quality, sustainability, and responsibility. We are always looking for new ways to enhance our supplier qualification process and to build strong, long-lasting relationships with our vendors.

At Select, we are also committed to engaging with suppliers in the United States, where feasible, and to reducing our reliance on vendors based in China. Currently, our supply chain is 83% centered in the United States and only 5% in China, and the remaining 12% from other countries outside of North America. Furthermore, we prioritize working with businesses owned or operated by individuals who come from underrepresented demographics in our industry. We recognize that the chemicals industry has significant barriers to entry, and that large corporations represent much of the industry. That’s why we try to partner with smaller vendors when it’s feasible and economically viable, though we will always maintain a primary focus on stability and surety of our supply chain.

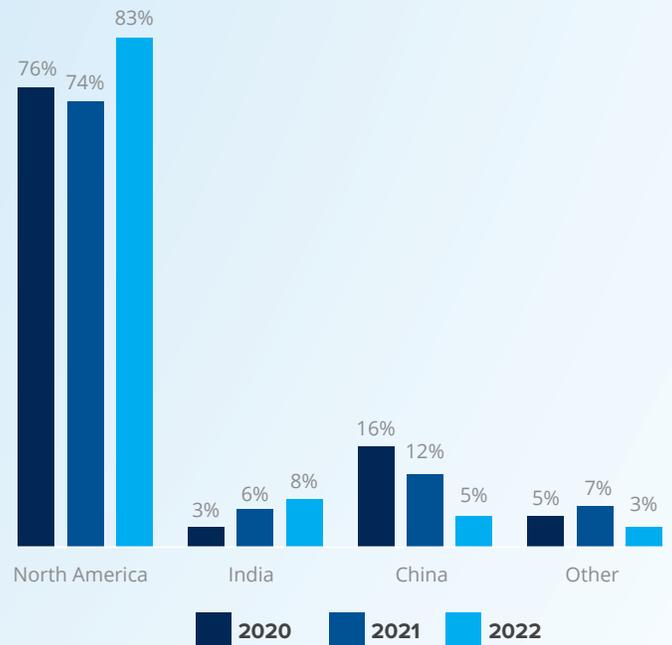
We are committed to promoting sustainability and creating long-term environmental, social, and economic benefits for stakeholders across our operational supply chain. Our commitment to environmental stewardship ensures that our suppliers comply with applicable laws and regulations.

We also seek to promote greater environmental responsibility by encouraging our suppliers to undertake initiatives such as responsible waste management and disposal, reduction of greenhouse gas and other emissions harmful to the environment, and conservation of non-renewable natural resources. In order to ensure compliance, suppliers must comply and adhere to all applicable environmental laws in their respective countries/jurisdictions.

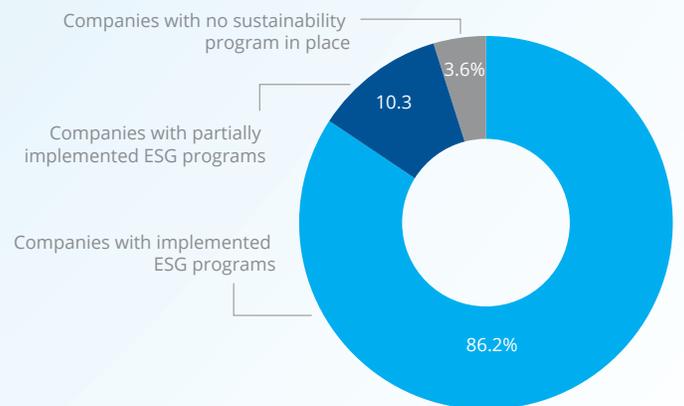
To further enhance sustainability practices in the supply chain, Select administers an inquiry to all material vendors.⁴ Recently, we’ve included sustainability questions around practices and policies. On the environmental side, suppliers are asked whether they have a policy on energy emissions management. This helps Select to identify suppliers who share its commitment to environmental stewardship and sustainability.

Select’s Environmental Supply Chain policy and supplier code of conduct are essential to promoting long-term sustainability and environmental stewardship. By reviewing suppliers’ compliance with applicable laws and regulations, and by encouraging them to undertake initiatives to promote greater environmental responsibility, Select hopes to take further steps in the future to reduce its environmental impact and create long-term value for its stakeholders.

Chemical Supply Chain Sourcing by Region



Amount of Chemicals Sourced from Companies with Active Sustainability Programs



4. Select classifies “material vendors” as vendors with >\$250K annual spend

How We View Our Role in Client Waste Management

Annually, our clients are tasked with managing nearly 25 billion barrels, or more than 1 trillion gallons, of flowback and produced water per year, according to Rystad Energy. Historically, this flowback and produced water has been deemed a wastewater stream and usually collected, managed and ultimately disposed of, primarily in underground wastewater injection wells. While Select operates a broad portfolio of wastewater disposal facilities, with approximately 2 million barrels per day of permitted disposal capacity across the U.S., we have concentrated in recent years on transforming this traditionally perceived waste stream into a valuable resource. We anticipate a growing reliance on specialized water solutions companies like ours to manage flowback and produced water in a cost-effective and environmentally friendly manner. Select is committed to pioneering water and chemical solutions that align with the sustainability objectives of all parties involved.

In 2022, through the acquisition of Breakwater, we incorporated multiple additional commercial recycling facilities backed by long-term contracts into our operations. Following the Breakwater acquisition, Select has a total daily operational recycling capacity of approximately 3 million barrels per day. To support the management of our produced water recycling operations, Select has approximately 13 million barrels of produced water storage capacity to supplement our operations.

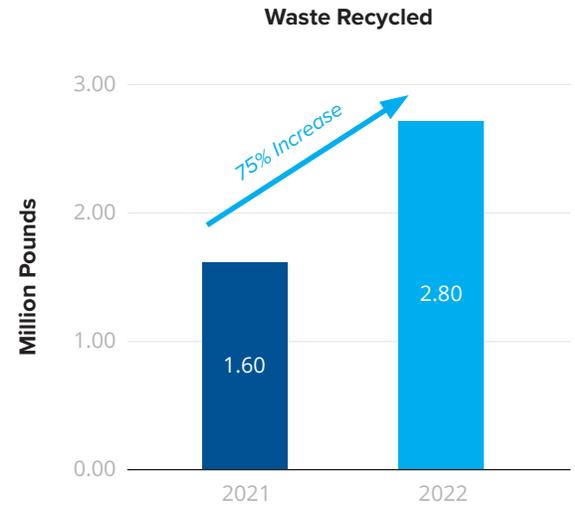
Sustainable Waste Management

Select's Environmental Management Plan integrates eco-conscious waste solutions and management. We believe that effective waste management starts with pollution prevention and can be achieved through a hierarchy of processes designed to reduce, reuse, recycle, recover, treat, or responsibly dispose of waste materials.

Key waste minimization steps include:

- Source Reduction – generating less waste through efficient operational practices
- Reuse – maintaining ownership of materials and products capable of further use in their original form, such as chemical containers, barrels, or drums
- Recycling/Recovery – transforming waste into useful materials or extracting energy from waste
- Responsible Disposal – disposing of waste according to acceptable methods based on the waste's composition and chemical properties

Recognizing the significant impact of hazardous waste on our environment, we strive to eliminate or minimize its generation. Select implements a hazardous waste minimization program aimed at reducing the use of hazardous chemicals and waste production, mitigating the environmental consequences of hazardous waste generation, promoting worker health and safety around hazardous chemicals, and lowering costs associated with hazardous waste generation and disposal.



Energy Use & Emissions Management

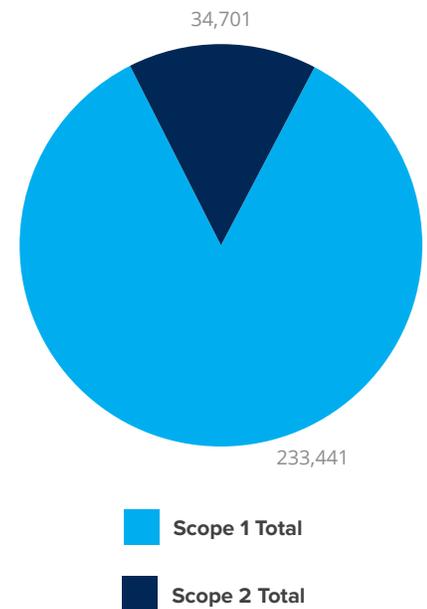
As Select continues to evolve, we are intensifying our commitment to address the risks and opportunities related to emissions. Our strategy is multifaceted, encompassing the deployment of innovative technology, effective fuel management, and ongoing enhancements to our operations. We are strategically investing in equipment automation, ventless flowback programs, emission mitigation technologies, electric pumps, and fuel management strategies with the goal of decreasing our emissions footprint and promoting a more sustainable future.

Our commitment to environmental responsibility is reflected in our rigorous focus on energy conservation, water reuse, emissions reduction, adherence to regulatory requirements, and proactive preparation for growing regulatory supervision. Over the past few years, we have implemented a variety of policies and procedures designed to curb emissions within our operations. Notably, we have made substantial investments in technologies that reduce emissions from our vehicle and equipment fleet, in addition to pioneering solutions that lower emissions within our clients' operations.

2022 marks a significant milestone for Select as it is the first year we are publicly releasing our emissions data, utilizing EPA guidance and calculation methodologies. This represents our ongoing commitment to transparency and accountability. As we continue our journey, we remain dedicated to broadening our efforts in operational efficiency and emission reduction, carrying these commitments into 2023 and beyond.

Select considers energy consumption across the Company as a function of electricity, propane, natural gas, and diesel used in our operations. Reducing our energy usage is a top priority. However, with our recent acquisition activities, we have significantly expanded the scope and footprint of the business. Throughout 2022, we've integrated and consolidated these businesses, which will reduce our energy usage over time and provide us with better visibility into our overall energy consumption for future reporting.

2022 Emissions (Metric Tons CO₂e)⁵



Emissions Risks and Opportunities

As climate change concerns arising from greenhouse gas (GHG) emissions gain attention from governments, scientists, the media and the general public, political and regulatory risks increase. In the U.S., the Clean Air Act and comparable state laws restrict air pollutant emissions through air emissions standards, construction and operating permit programs, and other compliance standards. Although comprehensive climate change legislation has not been implemented at the federal level, federal regulatory initiatives have focused on permit reviews for GHG emissions from large stationary sources, monitoring and reporting of GHG emissions, and reducing methane emissions from oil and gas production through limitations on venting and flaring and the implementation of leak detection and repair requirements.

To proactively prepare for increasing regulatory oversight of emissions, we are reviewing ways to improve the real-time capture of our own emissions data and are implementing initiatives and investing in technology that increases efficiency, reduces emissions, and enables us to better monitor and track our own emissions.

Throughout 2022, we continued to address emissions-related risks by investing in equipment automation, ventless flowback programs, emission mitigation technologies, electric pumps, and fuel management strategies.

Air Quality Compliance Initiatives

Various governmental agencies mandate that we obtain specific permits, licenses, and certificates related to our operations. These laws and regulations include the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, the Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act, and other similar laws addressing hazardous substances releases into the environment. As part of our air emissions management program and in accordance with our previously disclosed agreement regarding the Clean Air Act, we have established a Clean Air Act Compliance Program. This program ensures that (1) our fleet vehicles operate in compliance with environmental emissions requirements, (2) our employees receive training on Clean Air Act requirements and understand the environmental implications of violating these regulations, and (3) employees who report potential environmental misconduct are protected from retaliation.

To reduce emissions associated with our operations, we have implemented several measures, including alerts to decrease vehicle idling, switching from red dye diesel to low sulfur diesel which burns cleaner, and replacing some vehicles with semi-permanent trailers that minimize the need for additional trucks and improve cooling efficiency for employees in the field. These measures continue to be a focus as we strive for further emission reductions in 2023 and beyond.

⁵ Select's 2022 Scope 1 and 2 emissions data represents the consolidated figures comprised of all recently acquired companies on an as reported basis consistent with our financial disclosures.

Emissions Reduction Technology



Automation through WaterOne®

Select is increasingly focused on automation services, which has remained a priority in 2022 and the coming years. WaterOne® is our comprehensive suite of automated water transfer and treatment solutions, which can be monitored and adjusted in real-time without requiring employees to physically visit job locations. Automation enhances the efficiency of water services equipment, consumes less fuel than non-automated equipment, and allows for faster responses to potential or actual fluid releases. Automated systems like WaterOne® are more cost-effective than non-automated systems, reduce the manpower required by our operations, and help prevent the release of contaminated fluids into the environment.



Ventless Flowback Operations

Select's Flowback and Well Testing business unit has utilized a reengineered ventless flowback operation design that allows for increased capacity. This ventless flowback solution improves operational efficiency, achieves flow rates of up to 500 barrels per hour, and complies with regulatory emission guidelines. By using this solution, we can capture and repurpose, sell, or destroy all produced gas, significantly reducing atmospheric emissions. Our ventless flowback solution has helped operators maintain high production rates while adhering to environmental and safety standards. Throughout the year we continued to deploy and improve upon this technology to provide ongoing benefits to our customers.

Emission Mitigation Technologies

Select is the sole provider and exclusive distributor in the U.S. for Emission Rx, an innovative emission mitigation technology provider. Emission Rx designs enclosed combustors with multiple ignition points and introduces oxygen to fully incinerate waste gas produced during oil and gas operations. This is crucial in areas with limited gas processing or takeaway capacity, where companies have historically relied on flaring waste gas on-site. Emission Rx offers a solution that enables the continued production of hydrocarbon products while adapting to evolving regulatory standards. In future years we plan to expand our collaboration with Emission Rx to further mitigate emissions and provide innovative solutions for our customers.



Electric Pumps

Throughout our operations, we offer a diverse range of pumps, including sophisticated electric pumps (E-pumps), which bring a new level of control and efficiency to water transfer operations, while concurrently reducing the emissions generated from diesel or natural gas powered equipment. These electric pumps can be seamlessly integrated into pipeline systems, promoting optimal fluid management. As a seasoned partner in the design, construction, and operation of fluid network systems, Select leverages the capabilities of E-pumps to enhance the reliability and efficiency of pipeline systems. Through the use of these advanced e-pump solutions, we are committed to helping our customers achieve higher operational efficiency, precise control, and ultimately, reduced emissions in their fluid management systems.



Fuel Management

Select employs strategies to address emissions-related risks not only through the initiatives outlined above but also through effective fuel management. In this regard, we are significantly reducing trucking requirements in our operations, upgrading and maintaining our vehicle fleet, creating fuel islands on sites, and optimizing routes to reduce truck miles driven.

Significantly Reducing Trucking Requirements

Select was developed with a focus on water transfer through temporary and permanent pipelines, which can substantially reduce the industry's use of traditional trucking services for water transfer operations. An average well in the Permian Basin may use as much as 500,000 barrels of water when being completed. Over the course of a single three-mile water transfer job, our services displace the need for approximately 4,000 trucks that would travel about 24,000 miles, using approximately 4,000 gallons of diesel fuel and the related emissions. A multi-well pad completion can intensify the demand for water at a single location by a factor of up to 10x or more, resulting in an even greater emissions reduction opportunity from Select's mobile pipeline logistics solutions for larger, more complex development programs.

With approximately 3,000 miles of permanent and temporary pipelines operational across the U.S., we are actively transporting millions of barrels of water via permanent and temporary pipeline solutions every single day. Combined, we believe our water transfer operations are significantly more efficient than traditional trucking transportation services, greatly reducing carbon emissions and environmental dangers associated with increased truck traffic in the communities where we operate.

Fleet Overview and Optimization

Select continues to take a comprehensive approach to achieve our environmental goals, which includes upgrading and maintaining our vehicle fleet as well as consolidating acquisitions made throughout prior years to better understand our emissions profile.

Throughout 2022, we continued to implement additional initiatives aimed at reducing fleet-related emissions, such as:

- Utilizing advanced telematics to reduce idle fuel usage across the entire fleet, allowing for optimized efficiency analytics and idling alerts and notifications
- Vehicle management programs designed to cycle out vehicles based on age and fuel efficiency
- Replacing several vehicles with semi-permanent trailers that reduce the need for additional trucks traveling to and idling on a job, and cool more efficiently for employee use while in the field
- Evaluating the integration of hybrid retrofits on a portion of our fleet to increase fuel mileage and reduce emissions

Fuel Islands

Select prioritizes fuel purchasing through private fuel islands that are located at our operational facilities. This allows company vehicles to be filled on-site throughout the ordinary course of operations without having to drive to retail fuel stations. By providing fuel islands on a majority of sites, we believe we can reduce overall miles driven, which reduces our costs, decreases emissions, and minimizes the associated risk of unnecessary accidents. We aim to increase the proportion of fuel consumed by our vehicles from these fuel islands, excluding the impact of our recent acquisitions.

Route Optimization

In addition to fleet optimization and reducing idle miles driven by installing fuel islands, Select uses technology to optimize the routes driven by our employees. Shorter distances on roads with slower speed limits can increase fuel economy. Additionally, our industry often operates on temporary or non-paved lease roads, which can require additional planning and consideration due to the inaccessibility of many of these roads on traditional GPS systems. Whether the impacts are large or small, we are continually focusing on reducing our emissions footprint to be a better environmental steward.



Environmental Impact and Responsibility

Communities rely on sustainable environmental and waste management strategies for their wellbeing. At Select, we recognize the critical importance of protecting the environment, particularly concerning the potential contamination of land, surface water, or groundwater due to hydrocarbon waste and wastewater. As such, we implement policies and procedures to minimize adverse impacts on people’s health and preserve local ecosystems’ diversity.

Our facility and yard managers establish environmental processes and performance indicators to track progress. These processes assign responsibility for meeting objectives and are subject to review by operations managers, the Environmental, Health, and Safety (EHS) department, and management.

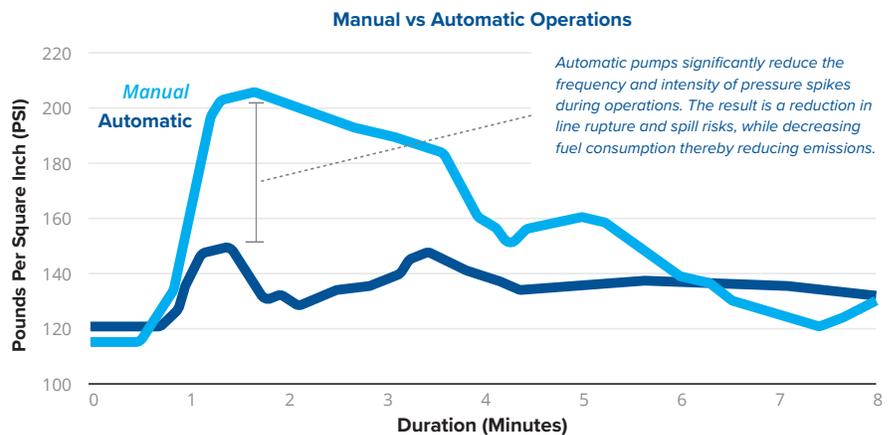
Additionally, Select’s operational technology and infrastructure solutions inherently reduce our client’s impact on the environment. During 2022, we recycled and treated a record 422 million barrels of produced water on a proforma basis, with 46% of these total treated volumes coming from our recycling facilities, up from 26% in 2021. This both decreases the need for additional fresh water purchases as well as reduces trucking demand for production wastewater hauling for disposal.

Automation Case Study

Select utilizes proprietary automation technology to minimize operator errors and limit equipment wear and tear, enhancing operational efficiency and extending the lifespan of our hardware. Our commitment to minimizing environmental impact is also evident in the substantial decrease in spills as a percentage of water handled year over year. Since 2020, we’ve achieved a notable 40% decrease in barrels spilled per barrels handled, attesting to our continuous improvement efforts. However, our approach to automation isn’t narrowly focused on mitigating a single point of failure. We’ve implemented this technology across a range of equipment at the field level, including storage and frac tank monitoring systems, pumps and boosters, and manifolds and valving.

As indicated in the adjacent chart demonstrating a representative case study of water transfer operations via 12-inch hose and 600hp automated pumping solutions, our automation technology significantly reduces pressure spikes in the system during operational startup.

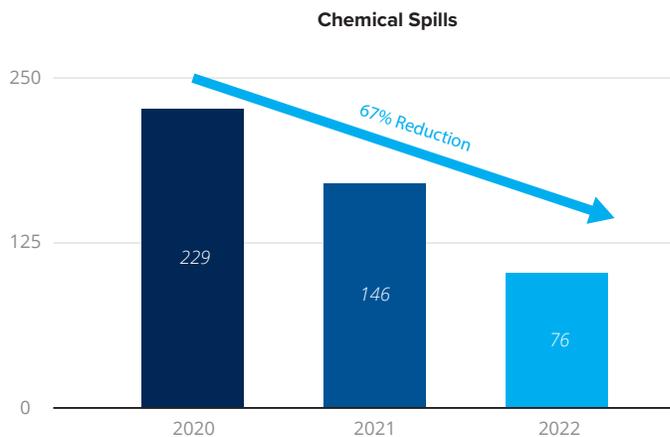
This comprehensive deployment not only helps prevent blowouts or overpressure, but also guards against overflows and overfill and more efficiently manages fuel consumption, resulting in reduced risk of spills and reduced emissions. These solutions are ever more critical as the industry shifts its environmental risk from transporting fresh water towards transporting produced water for reuse opportunities.



Spill Prevention, Management & Mitigation

Select employs a Spill Prevention, Control, and Countermeasure (“SPCC”) plan to train personnel on the necessary actions during fluid, chemical, or hydrocarbon spills. This comprehensive spill management strategy forms the foundation for site-specific SPCC plans, enabling continuous development and improvement.

We have also significantly invested in our patented WaterONE® and AquaView® suite of proprietary hardware and software applications, designed for measuring, monitoring, and automating water services throughout the well lifecycle. Select automated solutions are monitored 24/7 at our centralized command center, providing visibility for our customers into all water-related operations, reducing operating costs, increasing safety, minimizing spill risks, and lowering the environmental footprint of all operations. These technologies not only provide risk mitigation around our water supply chain, but also support our chemical business, including our manufacturing operations. Our investments in environmental risk mediation and technology can be seen in our continued decrease in spills, notably a 67% reduction in chemical spills since 2020.



Biodiversity

Select is committed to promoting sustainability and creating long-term environmental, social, and economic benefits for stakeholders across its portfolio companies' supply chain. Our environmental supply chain policy and supplier code of conduct seek to ensure that suppliers comply with applicable laws and regulations, and encourage them to undertake initiatives to promote greater environmental responsibility, including responsible waste management and disposal, reduction of greenhouse gas and other emissions harmful to the environment, and conservation of non-renewable natural resources. We also have a Spill Prevention, Control, and Countermeasure plan to inform and train personnel of the necessary actions to take in the event of a fluid, chemical or hydrocarbon spill, as well as invested significantly in our patented WaterONE® and AquaView® suite of proprietary hardware and software applications for measuring, monitoring, and automating our water services throughout the well lifecycle. Additionally, Select has policies and procedures in place to avoid or minimize adverse impacts on the health and wellbeing of people, and to protect the diversity of local ecosystems. We also have secondary containment solutions designed to reduce the risk and environmental impact of potential spills. Although there are significant water-related risks in our customers' operations, we offer cost-effective, customizable solutions that result in limited environmental and biodiversity impact, reduce the risk of spills, and promote the long-term sustainability of our operations.

Health & Safety

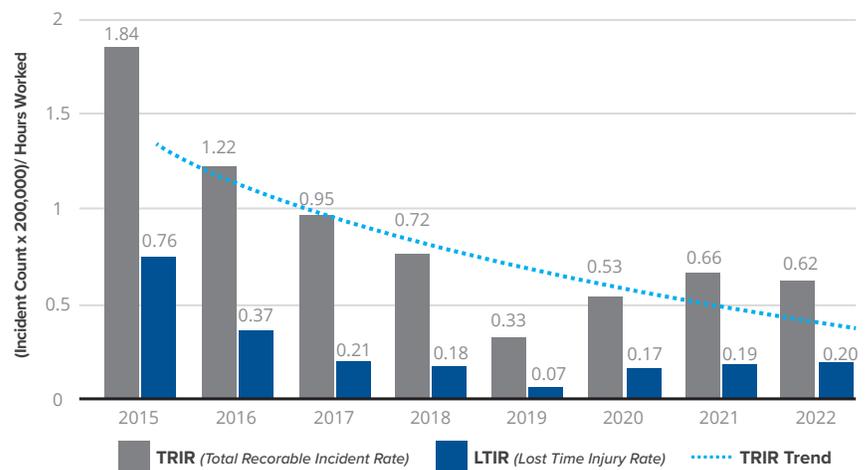
At Select, the safety and well-being of our employees is of utmost importance. As the backbone of our organization, our employees remain the most important asset we have as a company. We ensure that all employees are trained in up-to-date worksite safety procedures and equipped with certified, properly maintained tools and equipment applicable for the task at hand. We remain dedicated to investing in technology that minimizes risks, reduces incident rates, and delivers comprehensive training and reporting capabilities.

Our commitment to maintaining a safety-first culture extends to preserving the environment and nurturing our relationships with the communities where we operate. We emphasize the safe execution of our operations, provide regular and recurring employee safety training, and develop various safety programs aimed at establishing Select as a leader in safety standards and performance in the industry. Furthermore, our employee safety recognition program encourages employees to adhere to strict safety standards.

We actively engage with federal, state, local, and tribal governments, as well as community organizations, to ensure that our operations comply with legal requirements and community expectations. When our employees identify an elevated safety risk, we act swiftly to address the issue through communication, coordination, and, if necessary, policy, procedural, and training modifications. We recognize that our customers choose their operational partners based on safety and compliance records, and we remain committed to investing in our market leadership in this area. To reinforce Select's dedication to safety performance, safety targets are incorporated into executive and operational management's incentive compensation programs. We have also integrated TRIR targets into our sustainability-linked credit facility framework, aiming to outperform industry averages by 25% or more.

Select continues to invest in becoming a market leader in safety by adopting technology that minimizes risk, reduces incident rates, and offers robust training and reporting capabilities. As we have recently made several acquisitions, we expect some variability in our short-term safety metrics. However, we are fully committed to implementing and integrating Select's best-in-class safety practices and procedures across all acquired operations during 2023.

65% Improvement in Key Safety Metrics



Safety Campaigns

To align with our core values around continuous improvement, Select institutes regular safety campaigns to reestablish our daily commitment to safety as an organization. The “90 for 90” campaign, launched in late 2022, serves as a reminder to employees that spending an additional 90 seconds assessing their work environment before commencing each task can help create and reinforce safe routines, enabling 90 days of incident-free work. We believe that a company's safety culture is established through employee habits, which are formed by consistently repeating routines with positive, safe outcomes.

Stop Work Authority

Select recognizes the right to work in a safe environment as the foundation of our behavior-based safety program. As a result, all employees have the responsibility, authority, and obligation to stop work when they believe unsafe conditions or behaviors may endanger themselves, co-workers, contractors, customers, or the public. Our Stop Work Authority (SWA) policy is designed to prevent injuries, and all employees are trained on SWA policies and procedures during new hire orientation and annual refresher courses. All SWA interventions are documented, reviewed by management, and followed up to determine their effectiveness and identify root causes for future safe processes.



Safety Recognition Program

Launched in 2016, our Safety Recognition Program (SRP) aims to enhance our safety culture by offering positive recognition and rewards for proactive participation. The five-tier medallion system acknowledges employees who demonstrate commitment to a safe work environment and exhibit safety leadership. Nominees are evaluated and awarded based on their level of safety leadership, and recipients of all five tiers of medallions are eligible to participate in the Annual SRP Event, where they have a chance to win various prizes. The Valiant medallion honors an employee who goes above and beyond to safeguard life and property by performing a remarkable act of safety.



In 2022, the SRP distributed 1,104 medallions to acknowledge the exceptional dedication of 643 employees throughout our organization who showcased an unwavering commitment to the principles of a safe work environment.

This program leverages the competitive spirit of our field personnel by presenting Safety Medallions for exemplary actions performed throughout the year, actively embodying our safety principles. As employees receive additional medallions, they are rewarded with progressively larger monetary awards. Moreover, those who earn all five levels of medallions are invited to our corporate offices to meet with leadership. Each invitee leaves with an award and are eligible for a chance to win the coveted grand prize—a brand-new full-size pickup truck.

A Program Where Everyone Wins

In 2022, we acknowledged the achievement of 29 employees who successfully attained all tiers of medallions, making them eligible for the grand prize selection. Ultimately, the prestigious honor was awarded to Rene Hernandez-Ledezma.



2022 Winner
RENE HERNANDEZ-LEDEZMA
CDL DRIVER, SOUTH TEXAS

Rene, a dedicated CDL Driver based at our Dilley, Texas facility, has been an integral part of the Select team for over a decade. Throughout his tenure, he has consistently demonstrated an exceptional commitment to safety and attention to detail. Rene helped drive a change in the safety culture in his region where employees had deprioritized and retracted from a mentality of continuous reporting and improvement. Despite this, Rene continued to lead by example by pointing out unsafe practices at the yard and his meticulous inspection of the truck and load before beginning every trip.

As a CDL driver, Rene is on the front lines of safety, and his efforts have had a profound impact on his region's safety performance. This example ultimately resonated throughout the Company, with Rene ultimately receiving the recognition of operations leadership for his dedicated support to operating safely every day.

Learning Management System

The Select Learning Management System (the “LMS”) enhances our employee operating and safety training. The LMS has several applications and is tailored to respond to training logistical challenges associated with having geographically diverse operations, complementing instructor-led training, and giving our employees opportunities to be successful. Our Safety Leadership Seminar (the “SLS”) was created internally for employees and supervisors to help them take the next step in becoming a safety leader. The LMS and SLS provide our employees with an awareness of all the latest safety processes and initiatives we implement across the organization.



New Hire Onboarding

Once new hires complete the first phase of the onboarding process consisting of fundamental safety training requirements, they participate in a rotational program where they work alongside their mentor in various business operations like our Completions operations and Rig Up/Rig Down operations. Additionally, specialized trainings may be required such as CPR certifications, first aid and AED training, heavy machine operator certifications and defensive driver trainings. Once the employees complete their onboarding programs, they are formally evaluated by their supervisor and given performance feedback. Select has a time-based evaluation process to monitor the new hires with mandatory 30 day check-ins over their first 180 days on the job, including by their direct supervisor, facility manager and EHS representative. These check-ins focus on both operational knowledge and performance as well as organizational fit and employee satisfaction.

Additionally, post-pandemic evolving trends in the broader labor workforce in the U.S. have resulted in Select onboarding an increasing number of employees from roles outside of our current industry. To ensure all new employees, and in particular those new to the industry, receive the additional training needed to ensure their success, we have significantly increased the amount of training hours dedicated to short service employees. During 2022, training hours for all employees increased by nearly 180%, while training hours for short service employees increased by approximately 400%.

Safe Driving Technology

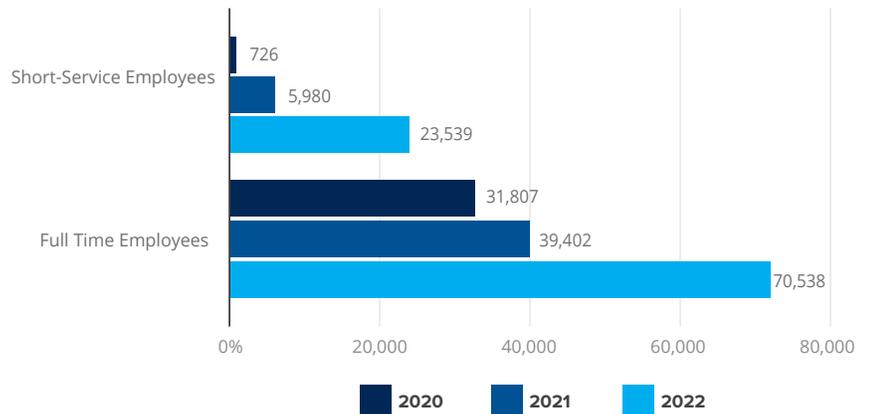
We have initiated a program to implement safe driving technology in all of our company-provided vehicles and we intend to continue to invest in and expand this program going forward. This technology utilizes artificial intelligence to detect dangerous driving behaviors and provides real time audio coaching which guides our employees on driving improvements, as well as an alert system used to help monitor journey management, speed, distracted driving, seat belt use, acceleration, braking, and turning. This technology not only helps prevent accidents, but it also assists the Company in understanding what safety issues drivers face most so that our training can be tailored to be as effective as possible.

Select has invested millions of dollars in recent years to develop its Distracted Driving Technology Initiative. Currently, 88% of the overall vehicle fleet is outfitted with safe driving technology. As we continue to implement Select’s best practices across all of our recently acquired operations, we expect to have safe driving technology implemented in 100% of Select’s company vehicles during 2023. Since initiating our Distracted Driving Technology Initiative in 2018, we have seen a 50% reduction in at-fault auto incidents and a 69% reduction in the relative incident rate, even with a concurrent 50%+ growth in vehicle fleet size associated with our organizational growth.

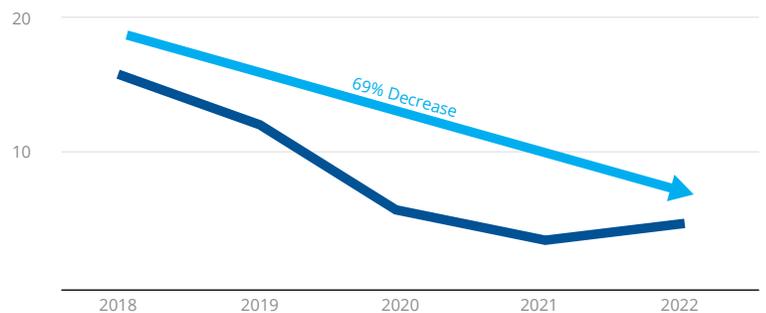
Severity Index

Select’s Severity Index System is a proprietary system that resulted from years of internal research and data analysis by the Company that we believe fills a significant gap in current external industry reporting standards. The Index is an internal metric to calculate operating risk based on the probability of occurrence within the Company and industry. It differentiates consequences between people, environment, assets and reputation and measures not only the severity and probability of the outcome of an incident, but also identifies the potential severity and outcomes that were avoided.

Employee Hours on EHS Specific Training



Auto Incidents per 100 Vehicles



Human Capital Management

Select is dedicated to fostering a strong organizational culture that emphasizes employee relations and prioritizes human capital as a vital component of the Company's success. As of December 31, 2022, we employed around 4,100 individuals across the Company. Our Human Capital Management approach focuses on attracting, developing, and retaining highly qualified staff at every level, with the understanding that exceptional customer service relies heavily on employee engagement and retention. Consequently, we are committed to creating a productive, collaborative work environment that empowers our employees to thrive and grow.

Central to our business strategy is our ACT culture, which encompasses Accountability, Continuous Improvement, and Teamwork. These core values drive our vision of becoming a recognized leader and trusted partner in sustainable water management solutions. Through our employee-centric video series "This is How We ACT," we aim to showcase a dynamic and inclusive team working towards a common goal, promoting operational excellence, safety, and superior customer experience.

Our human capital management endeavors are overseen by top management, who regularly review personnel data, including turnover and talent acquisition metrics. Demographics, promotion metrics, cross-training, and succession planning information are always considered by the Board of Directors, ensuring that human capital management remains a priority at the highest levels of the organization.

Attracting and Recruiting Talent

To attract top talent and meet the needs of our employees, Select offers a competitive benefits package to regular, full-time employees. This package includes health benefits such as medical, dental, and vision coverage; paid time off including vacation and personal leave policies; welfare benefits such as life and accident insurance; an employee assistance program; and a qualified defined contribution plan with employer matching benefits for eligible employees. We also provide resources for professional development, including training, feedback, and regular performance reviews from supervisors. Our industry-leading safety record makes our Select an attractive place to work, setting us apart from competitors and drawing talented individuals to our team.

Employee Spotlight Jessica Bennett



Jessica Bennett is a Region Vice President of Operations and Sales overseeing the Northeast region and has been an instrumental force in shaping Select's growth and success. Her career at Select began in 2010, joining as a result of an acquisition and marking the start of an impressive trajectory. Jessica has held a variety of roles of increasing responsibility over the years. Jessica takes great pride in the region's remarkable growth, which has expanded from 35 people to over 800 through a combination of organic expansion and acquisitions. One metric she is particularly proud is maintaining one of the highest retention rates of managers during her tenure.

"I've learned that true strength doesn't come from physical power, but from the ability to inspire and collaborate," said Jessica Bennett. "I believe in nurturing a culture where every voice is valued, ideas are celebrated, and success is a team effort."

Jessica's accomplishments at Select are noteworthy, including her contributions to transform the Environmental, Health, and Safety (EHS) performance of the Northeast region. Through collaborative efforts, she has helped develop one of the strongest EHS teams in the Company nationwide. Her impact has extended beyond the Northeast, as other regions have adopted her practices and successfully implemented them. She takes pride in being part of an organization that not only keeps up with the latest trends but also establishes them.



Retaining & Developing Talent

Select continuously strives to reduce turnover and increase employee engagement by implementing various initiatives aimed at fostering employee satisfaction and loyalty. We periodically conduct employee engagement surveys to gather feedback and guide retention efforts. In 2022, we reduced turnover for the third year in a row, with an annual turnover rate of approximately 12% for employees with a tenure of one year or more as compared to 17% during 2021. Lower turnover is achieved through employee-centric initiatives aimed at establishing an attractive culture for long-term employment, creating a sense of belonging and value within the organization.

In addition to attracting talent externally, Select recognizes the importance of promoting and developing talent from within. We offer a wide range of professional development courses, leadership training and development programs, and mentorship opportunities to help our employees advance their personal and professional growth. By investing in the development of our workforce, we can better serve our customers, maintain a strong company culture, and facilitate long-term succession planning within the organization.

Our online employee job portal makes it easy for employees to apply for open internal positions, whether it be a change of location, a promotion, or a new position in a different service line or functional area. We also regularly send electronic communications internally highlighting promotional opportunities, emphasizing the importance of career progression and mobility within the Company.



The Ignite Future Leaders in Training Seminar is a two-day course during which employees explore their potential by engaging in exercises aimed at improving their communication, leadership, and problem-solving skills.





Diversity & Inclusion

Select acknowledges the numerous benefits of cultivating a diverse and inclusive workforce, which positively impacts recruitment, job satisfaction, work performance, morale, and overall company success. We are committed to fostering an environment that not only values diversity but also actively promotes it in every aspect of our operations.

Approximately 51% of our workforce, including 35% of employees in management positions, are comprised of individuals from historically underrepresented racial or ethnic backgrounds. While 12% of our overall workforce is female, women represent 44% of our corporate employees. We celebrate these achievements and continue to strive for strengthened diversity within our organization.

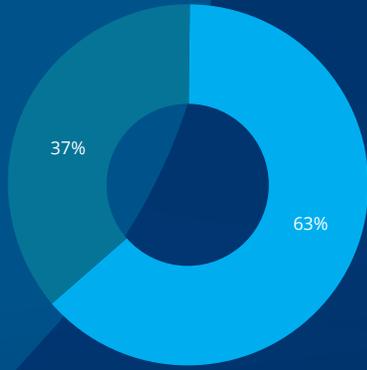
Our commitment to diversity and inclusion is reflected in our recruitment strategies. We collaborate with organizations and services specifically designed for underrepresented groups, ensuring that our talent pool is rich with diverse perspectives and experiences. Job postings include a clear statement on our dedication to diversity and inclusion, and we actively analyze the language and terms used in job descriptions to eliminate bias and improve diversity. Select is dedicated to maintaining accessible facilities for people with disabilities, ensuring equal opportunities for all employees. We continually evaluate our workspaces and implement necessary adjustments to promote an inclusive and welcoming environment. Our diversity and inclusion initiatives extend to employee training and development programs. We provide resources such as handbooks, procedures, and training in multiple languages, catering to the diverse needs of our workforce.

Our leadership team is committed to promoting diversity and inclusion at every level of the organization. We encourage our leaders to engage in open dialogue and actively participate in diversity initiatives. By fostering a culture of inclusivity, we ensure that all employees feel valued, respected, and supported. Select actively works to create an inclusive company culture, where employees from all backgrounds feel welcome and valued. We encourage celebration of cultural events and milestones, allowing employees to share their unique experiences and perspectives, thereby enriching our collective understanding and appreciation of diversity.

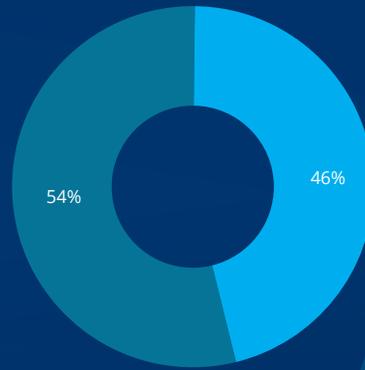
Through our approach to diversity and inclusion, we aim to create a workplace that not only values the differences among our employees but also leverages these unique perspectives to drive innovation, creativity, and overall success. By maintaining a steadfast commitment to diversity and inclusion, we ensure that Select remains an industry leader and an employer of choice for talented individuals from all walks of life.



2022 Gender & Ethnic Diversity
All Employees



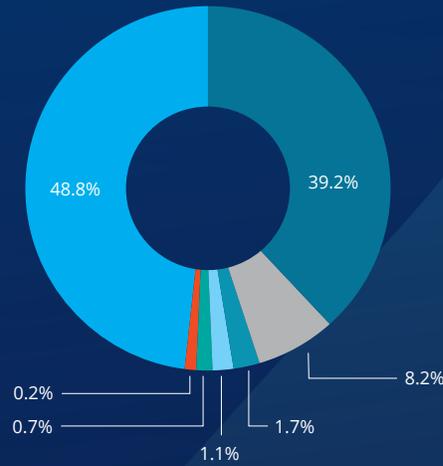
2022 Gender & Ethnic Diversity
Management



■ Ethnic & Gender Diverse Employees
■ Non-Ethnic & Gender Diverse Employees

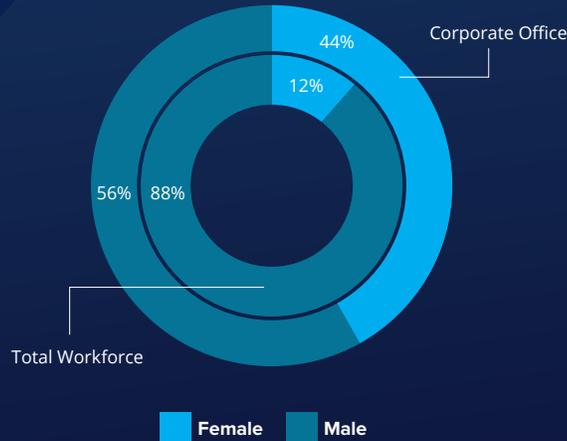
■ Ethnic & Gender Diverse Employees in Management
■ Non-Ethnic & Gender Diverse Employees in Management

2022 Ethnic Diversity



■ White (not Hispanic or Latino) ■ Hispanic or Latino ■ American Indian or Alaska Native ■ Asian
■ Black or African American ■ Two or More Races ■ Native Hawaiian or Other Pacific Islander

Gender Diversity



■ Female ■ Male

Social Impacts of Supply Chain

Select is committed to promoting sustainability and creating long-term environmental, social, and economic benefits for stakeholders across the Company's supply chain. As part of this commitment, Select administers an inquiry to all material vendors, including questions around sustainability practices and policies, to ensure that its suppliers comply with applicable laws and regulations, and encourage them to undertake initiatives to promote greater environmental responsibility.

On the social side, Select asks its suppliers if they have an active health and safety policy. This helps Select to identify suppliers who share its commitment to social improvement and sustainability. Select believes that social responsibility is a crucial aspect of the supply chain, and as such, suppliers must comply with all applicable laws and regulations, in accordance with the principles of the International Labor Organization, the UN Global Compact and the UN Universal Declaration of Human Rights. This includes complying with the Select's values pertaining to human rights, including non-discrimination, equal protection, no forced labor or child labor, no corporal punishment, freedom of association, respect for indigenous land, stakeholder engagement, maximum working hours, and minimum living wage, among others.

In addition, we recognize the importance of community development and strive to partner with federal, state, local and tribal governments and communities to improve the education, cultural, economic, and social well-being of the communities in which we operate. The Company also provides its employees with a living wage, at a minimum, to support the human right to acceptable living conditions.

Select understands that procurement performance improvement is a continuous process and recognizes the contribution of its suppliers in its journey to become more sustainable. Therefore, the Company requires that each supplier has the responsibility for maintaining a healthy, safe, and environmentally-conscious workplace by following health, safety and environmental laws, rules and regulations, and reporting accidents, injuries, and unsafe equipment, practices or conditions.



Active Community Engagement

As a company operating in various communities throughout the United States, Select values the hospitality of the local communities we call home. We are dedicated to being an exemplary neighbor by adhering to strict environmental standards, promoting workplace safety, and contributing to the communities where we operate.

Select collaborates with numerous non-profit organizations and industry groups centered on environmental and social causes.

Boys and Girls Clubs

Select supports Boys and Girls Clubs across the U.S., particularly in Cooke County, Texas, where the Company was founded. Our CEO, John Schmitz, donated \$2.5 million to fund local clubs and facilities, reflecting our commitment to community support.

United Way

Select matches employee contributions to local United Way organizations dollar for dollar through an annual campaign. The donations support various local organizations, including Camp Sweeney, Home Hospice of Cooke County, and VISTO, among others.



GEAR (Gain Education & Access Results) Program

Launched in 2015 in partnership with Gainesville (Texas) Independent School District, the GEAR Program offers internships for local high school students in various disciplines such as accounting, human resources, operations, IT, and marketing. Select and GEAR also provide scholarship opportunities for interns to pursue higher education.

Select actively participates in several industry groups and state coalitions, focusing on environmental and social initiatives as well as the energy sector including:

American Chemical Society (“ACS”)

The Oilfield Chemistry Roundtable (“OCR”) of the ACS Green Chemistry Institute is a joint effort between the ACS Green Chemistry Institute® and companies in the oil and gas sector. Its primary objective is to promote and advance the principles of green chemistry and engineering within the industry. Select is a founding member and continues to support this coalition with employees serving on its board.

Energy Workforce & Technology Council

This national trade association in the energy technology and services sector represents a substantial workforce of over 600,000 professionals involved in the technology-driven energy value chain. The primary objective of the council is to champion member policy priorities and foster targeted workforce development programs for the entirety of the oilfield services sector.

Oklahoma Produced Water for 2060

This organization focused on the use of education and incentives to achieve goals while supporting the state’s growth and prosperity.

Oilfield Water Stewardship Council

Select is a founding member of this community, comprised of upstream, midstream, and service companies united in their mission to promote water stewardship within the oil and gas industry. By collaborating and working together, this community aims to drive forward sustainable practices and initiatives related to water management in the sector.

Permian Basin Water Management Council

The council’s primary is promoting water stewardship within the Permian Basin while offering valuable guidance to its members on various water-related matters. These include staying informed about legislative updates, as well as addressing emerging concerns within the water management industry. By providing expert advice and keeping members aware of current and future water topics, the council plays a vital role in driving responsible and sustainable water practices in the region.

Society of Petroleum Engineers (“SPE”)

The Society of Petroleum Engineers is a not-for-profit professional association dedicated

to the oil and gas exploration and production industry. With a membership exceeding 124,800 professionals across 134 countries, SPE serves as a global platform for industry engagement. Select proudly contributes to the SPE’s Water Life Cycles and Strategy committee by having its members actively participate in the sub-committees and workshops.

Texas Produced Water Consortium

The goal is to bring together information and resources to study the economics and technologies related to beneficial uses of produced water, including environmental and public health considerations.

National Alliance of Water Innovation (“NAWI”)

NAWI is a research program supported by the U.S. Department of Energy in partnership with the California Department of Water Resources and multiple regional associations.

Colorado Oil & Gas Association (“COGA”)

Oklahoma Petroleum Alliance
New Mexico Oil & Gas Association
Texas Commission on Water



Active Community Engagement *(continued)*

By dedicating our time and resources, we actively contribute to the development of strong communities and create an improved environment for our employees, customers, and communities at large. In today's world, where the demands for high-performance solutions are more crucial than ever, we recognize the importance of meeting these demands while actively embracing environmentally responsible practices within the communities we serve. Select steadfastly maintains its commitment to delivering solutions that align with these principles.

Community & Landowner Relations

Select believes it must take a proactive role in creating a dialogue with landowners, communities, operators, local agencies, and state agencies in areas where oil and gas activities occur. We view each of these constituents as a partner to our company and have identified the following areas of focus as we foster these partnerships: minimize our footprint; drive top-level performance while holding our team to a higher standard; strengthen our partnerships with landowners and customers in the areas in which we operate; minimize downtime and disruption; and cultivate long-term relationships with landowners and our customers to expedite resolution of issues in an efficient manner.



Grant-a-Wish

Embracing the philosophy that employees are also to be served, rather than just managed, our Grant-A-Wish Program, established in 2020, is an employee-centric initiative that assists in crisis situations, facilitates personal growth, and improves life experiences. The program is funded by employee donations through payroll deductions with an annual company match. In 2022, there was a total of 17 wishes granted to fellow employees or their families for a total of 40 wishes granted since the program's inception. This program has helped show employees that their colleagues and the Company care about their well-being outside of the workplace.

Community Cookouts

Select operates a nationwide fleet of cooking trailers and teams, delivering meals to customers, partners, and communities. These cookout gatherings foster a sense of community and unity in support of public safety organizations, little leagues, and areas impacted by disasters.

Salvation Army of Midland

Select has worked with Salvation Army in Midland to promote events and donate funds toward its mission to provide comprehensive and compassionate assistance to individuals and families in need within the local community. The Salvation Army in Midland aims to offer various programs and services, including shelter and housing assistance, food distribution, clothing provision, utility assistance, emergency financial aid, and support for disaster relief efforts.

Emergency Relief Funds

In times of local disaster, we strive to support the community in its recovery by establishing a dedicated funding account and dedicating our manpower to aid in the relief efforts. An instance of this commitment was observed in the aftermath of Hurricane Harvey in Houston, where we contributed recovery funds generated from employee donations along with a company match to multiple organizations in the affected area. Moreover, our employees volunteered countless hours of service to assist in the recovery endeavors. Similarly, when devastating tornadoes struck El Reno, Oklahoma in 2019, we organized recovery and assistance initiatives for our affected employees and extended our support to the broader local community.



Governance Structure & Oversight

Select's Board of Directors consists of 7 members, including 6 independent Directors and the Company's President and Chief Executive Officer ("CEO"). The Board's primary responsibility is to exercise its business judgment in the best interests of the Company and its investors, ensuring effective oversight of the Company's activities to benefit investors, employees, customers, and other stakeholders.

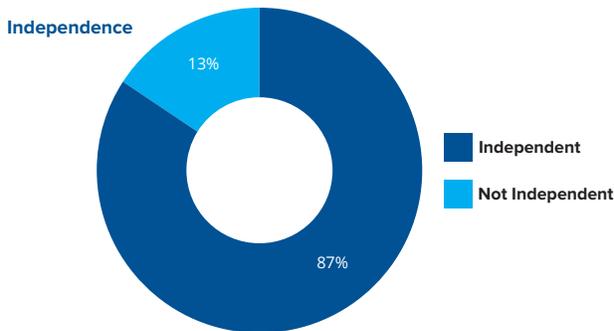
Corporate governance is viewed by Select as a vital component of long-term value creation. The Board recognizes its role as the shareholders' representative within the boardroom. The Board's oversight responsibilities encompass reviewing and periodically approving long-term strategic and business unit plans, monitoring the Company's performance against such plans, assessing potential risks facing the Company and ensuring management has plans in place to address such risks, including appropriate insurance coverage.

Furthermore, the Board is responsible for evaluating the performance of the Company's CEO and taking necessary action, including replacement if warranted, and holding management accountable for corporate conduct, including compliance with the Company's Corporate Code of Business

Conduct and Ethics, applicable laws, rules, and regulations, implementing effective internal controls over financial reporting, fostering a culture where good environmental stewardship and safety are ingrained in employees' daily activities, and ensuring proper management oversight. Select's various company policies are available to view and download at selectwater.com/governance-documents.

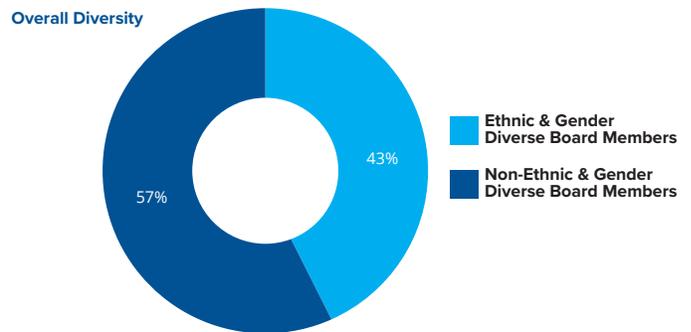
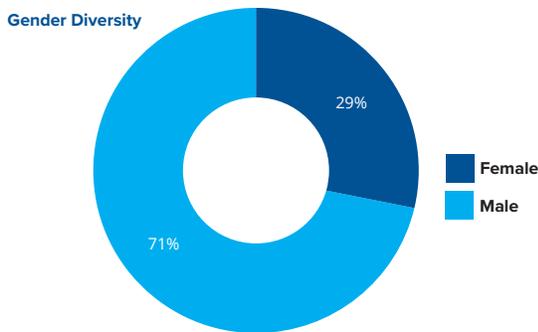
The Board also focuses on implementing corporate governance best practices in compliance with both the letter and spirit of applicable regulations, periodically evaluating the overall effectiveness of the Board and its committees, providing for Board refreshment over the long term, reviewing succession plans with a particular focus on CEO succession planning, and establishing and administering executive compensation policies and practices that align pay with long-term performance.

The Board and its standing committees have adopted Corporate Governance Guidelines to assist in executing these responsibilities. The Board periodically reviews these Guidelines to incorporate evolving trends and best practices in corporate governance.



Diversity

In 2022, Select's Board of Directors increased ethnic and gender representation, reaffirming its commitment to diverse perspectives and to overseeing an organization dedicated to fostering a culture that values diverse experiences, equitable treatment, and inclusive behavior.



On November 4, 2022, Robin Fielder was appointed as an independent director by the Board, based upon the recommendation of the Nominating, Governance and Sustainability Committee. With her appointment to the Board, Ms. Fielder also joined the Audit Committee and the Nominating, Governance and Sustainability Committee, contributing her expertise to these key operational areas.

Ms. Fielder's appointment to the board followed the decision by David Baldwin, a respected member of our Board, to step down, effective immediately from the Board on November 3, 2022. His resignation was not due to any disputes or disagreements concerning the Company's operations, policies, or practices.

Later, on February 24, 2023, the Company and Robert V. Delaney reached a mutual agreement, deciding that Mr. Delaney would not stand for re-election as a director at the Annual Meeting, which meant he would retire from the Board at the expiration of his term. Similar to Mr. Baldwin's departure, Mr. Delaney's decision was unrelated to any discord with the Company regarding its operations, policies, or practices.

Consequently, these changes resulted in the Board's formal size evolving from eight members in 2022 to seven in 2023, reflecting our commitment to maintaining a focused and effective governance structure.

Committees

Select’s Board of Directors has three committees – the Audit Committee, the Compensation Committee, and the Nominating, Governance & Sustainability Committee.

	Audit Committee	Compensation Committee	Nominating, Governance & Sustainability Committee
John D Schmitz*			
Gayle L. Burleson			
Richard A. Burnett**			
Luis Fernando-Moreno			
Robin H. Fielder			
Troy W. Thacker			
Douglas J. Wall			

■ Committee Chairperson
 □ Committee Member
 *Chairman of the Board
 **Lead Independent Director

Audit Committee

The Committee’s main objectives are to assist the Board in overseeing the Company’s financial statements, compliance with legal and regulatory requirements, and the performance of the independent registered public accounting firm and internal audit function. Additionally, the Committee prepares an annual Audit Committee Report for the Company’s proxy statement and carries out other tasks assigned by the Board.

The Committee has the authority to conduct investigations, retain legal counsel, accounting experts, and other advisors, and delegate responsibilities to its Chairman, members, or subcommittees as needed. The Company provides appropriate funding for the Committee to carry out its duties effectively.

Compensation Committee

The Compensation Committee oversees the Company’s compensation approach for all employees, manages compensation-related risks, and review and approve executive officers’ and directors’ compensations. The Committee also discusses the Compensation Discussion and Analysis (“CD&A”) and produces the Compensation Committee Report, as required.

Additionally, the Committee oversees human capital management, evaluates compensation competitiveness, sets compensation for executive officers and directors, and reviews and approves the compensation structure for all other employees. It also ensures compliance with applicable laws and regulations affecting compensation and benefits. The Committee also reviews and approves incentive compensation and equity-based plans, as well as employment agreements, severance arrangements, and change in control arrangements for executive officers. It also monitors compliance with stock ownership guidelines and periodically reviews director compensation.

Furthermore, the Committee discusses the CD&A with senior management and prepares the Compensation Committee Report. It reviews the frequency of stockholder advisory votes on executive compensation and considers adjustments to the Company’s executive compensation policies and practices based on vote results.

Nominating, Governance & Sustainability Committee

The Nominating, Governance & Sustainability Committee plays a vital role in shaping and overseeing the Company’s corporate governance practices, as well as its environmental, social, and governance and sustainability initiatives.

Corporate Governance

The Committee is responsible for advising the Board and making recommendations regarding appropriate corporate governance practices. This includes preparing and recommending corporate governance guidelines for Board adoption, and periodically reviewing and reassessing their adequacy. The Committee also monitors the Company’s compliance programs and Corporate Code of Business Conduct and Ethics, ensuring that the organization adheres to high ethical standards and best practices.

In addition, the Committee assists the Board in identifying qualified individuals to become Board members, recommending director nominees for election or appointment based on the criteria approved by the Board. The nomination process aims to ensure that the Board consists of individuals with diverse backgrounds, skills, and experiences that contribute to effective decision-making and the long-term success of the Company. The Committee advises on the appropriate composition of the Board and its committees, and leads the annual performance evaluation of the Board, its committees, and management, ensuring that all parties are effectively fulfilling their responsibilities and working towards the long-term success of the Company.

ESG and Sustainability

The Committee oversees the Company’s ESG and sustainability activities and practices by periodically reviewing the Company’s strategy, initiatives, and policies. This involves working closely with the Company’s SVP of Sustainability and other members of management responsible for significant ESG and sustainability initiatives, receiving updates on their progress, and ensuring that they are aligned with the overall corporate strategy.

The Committee assesses the effectiveness of the Company’s sustainability policies in managing risks and capitalizing on opportunities related to ESG issues. This encompasses evaluating the Company’s commitment to environmental stewardship, social responsibility, and ethical governance. By actively overseeing the Company’s ESG and sustainability efforts, the Committee helps promote responsible corporate citizenship, enhance stakeholder trust, and contribute to the long-term success of the organization.

In summary, the Nominating, Governance & Sustainability Committee plays a crucial role in ensuring that the Company upholds strong corporate governance practices, including the nomination process, while also addressing vital ESG and sustainability matters. By doing so, the Committee helps to create a foundation for the Company’s long-term growth and stability, fostering a culture of responsibility and trust among all stakeholders.



Human Rights Commitment

Select is dedicated to conducting business in a manner that respects all human rights. We actively promote and encourage respect for individuals and fundamental freedoms for everyone, without discrimination. Our commitment extends to partnering with personnel, business parties, and stakeholders directly linked to our operations who share these principles. This commitment is demonstrated in our employment practices through our Code of Conduct, Equal Employment Opportunity Employer Policy, Anti-Harassment Policy, and our policies on employee safety and security.

Our human resources department monitors and reviews metrics on employee demographics, such as sex, age, and ethnicity, to ensure fair treatment for both current and prospective employees. Select offers multiple channels for individuals to anonymously raise concerns, including the 24-hour Employee Hotline, Whistleblower Hotline, and Environmental Health & Safety Hotline, which promote swift and confidential resolution without fear of retaliation.

Select expects employees, contractors, business partners, and subsidiaries to uphold the Company's respect for human rights by adhering to our policy statement. The board approves and oversees this policy, with implementation determined by cross-functional team members from legal, compliance, and human resources departments. Employees can report human rights violations or concerns to any level of leadership within the Company, including human resources, legal, or compliance, through the Company's whistleblower hotline or its online whistleblower reporting system.

Our human rights values include:

1. **Non-Discrimination:** All individuals are entitled to the same human rights without discrimination based on age, race, sex, gender identification, sexual orientation, national origin, ethnicity, color, religion, military service, veteran status, disability, or any other status protected by applicable law.
2. **Equal Protection:** Individuals have the right to a remedy and equal protection under the law if their human rights are violated.
3. **Forced Labor & Child Labor:** Everyone has the right to safe, fair, ethical, and humane working conditions, including freedom from forced labor, compulsory labor, child labor, modern forms of slavery, bonded labor, and any form of human trafficking.
4. **Humane Treatment:** No person shall be subjected to cruel, inhumane, or degrading treatment or punishment.
5. **Freedom of Association.**
6. **Indigenous Land Rights:** The Company respects the inherent rights of indigenous peoples, which derive from their political, economic, and social structures, and from their cultures, spiritual traditions, histories, and philosophies, particularly their rights to their lands, territories, and resources.
7. **Stakeholder Engagement:** We believe that local issues are best addressed at the local level. When appropriate, we engage with a wide range of civil society and stakeholders on human rights issues related to our business.

Anti-Corruption & Bribery

Select and its representatives, including directors, officers, and employees, must follow the United States Foreign Corrupt Practices Act ("FCPA"). This act prohibits U.S. companies from using bribes or other unethical means to gain business advantages with foreign government officials or political parties.

Select does not allow any payments or gifts from its funds or assets to be made for the benefit of domestic or foreign government representatives, labor unions, or current or prospective customers or suppliers, with the intent of obtaining improper actions or commercial benefits.

This policy applies to both direct and indirect payments and aims to prevent bribes, kickbacks, or any other form of payoff. Everyone at Select is expected to treat customers, suppliers, competitors, and colleagues fairly. They should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of facts, or any unfair dealing practices. Bribes or kickbacks are strictly prohibited.

Select is committed to establishing honest business relationships and upholding the highest level of integrity. The Company has clear definitions of bribery, facilitation payments, and conflicts of interest, and it adheres to all anti-corruption laws in the countries where it operates. Managers, executives, and the Audit Committee are responsible for enforcing compliance with these policies. Regular risk assessments and reviews are carried out to identify and mitigate bribery and corruption risks. Employees receive training and must annually acknowledge the anti-corruption and anti-bribery policies outlined in the Code of Conduct and employee handbook.

Employees who have concerns about bribery or corruption can report them through various channels, including their direct supervisor, any manager they're comfortable with, the Company's General Counsel, or an anonymous whistleblower hotline. This open approach ensures that employees feel secure in raising concerns and maintaining Select's commitment to ethical business practices.

Anti-Harassment & Non-Discrimination

Select values employee diversity and is committed to equal employment opportunities for everyone, regardless of age, race, sex, gender identification, sexual orientation, national origin, ethnicity, color, religion, military service, veteran status, disability, or any other status protected by applicable law. The Company seeks partners with non-discriminatory practices, making decisions based on individuals' abilities.

Respect in the workplace is a top priority at Select, and harassment is not tolerated. The Company maintains a harassment-free environment, and employees experiencing harassment should report it to the Human Resources Department. The department is responsible for investigating and resolving harassment complaints while maintaining confidentiality as much as possible.

Select is dedicated to equal opportunity and fostering an inclusive workforce. Equal opportunity practices extend to all employment aspects, including recruitment, hiring, compensation, benefits, transfers, termination, and participation in company programs.

Under the Americans with Disabilities Act (ADA), Select has a responsibility to reasonably accommodate qualified individuals with disabilities, provided it does not cause undue hardship.

Whistleblower

Select is dedicated to complying with all relevant securities laws, regulations, accounting standards, controls, and audit practices. The Company has a Whistleblower Policy outlining principles, procedures, and grievance mechanisms. Employees with concerns about accounting or compliance matters are encouraged to discuss them with their direct supervisor or another trusted manager. If employees are not satisfied with these channels, they can report complaints to the Audit Committee.

Whistleblower complaints are forwarded to the chief Human Resources, Legal, and Financial officers and reviewed quarterly with the Audit Committee. Employees reporting good faith concerns should not worry about facing retaliation or negative consequences. The Company ensures no employee will be penalized, harassed, or threatened for raising legitimate concerns.

The policy allows any employee to submit a good faith complaint without fearing dismissal or retaliation. Select is committed to compliance with all applicable laws, rules, regulations, standards, and policies. The Audit Committee oversees employee concerns in this area. This policy extends to third parties, including suppliers and customers. Whistleblower mechanisms and processes are regularly communicated and available in the employee handbook and on the Company's website.





Crisis & Risk Management

Risk Management

Risk assessment and oversight play a crucial role in our governance and management processes, ensuring that potential challenges are identified and addressed effectively. The Board actively promotes a culture that weaves risk management into our corporate strategy and daily business activities to maintain a proactive approach in addressing potential issues.

In order to identify and assess risks, management holds regular meetings and organizes strategic planning and review sessions throughout the year. These sessions are designed to facilitate in-depth discussions and analyses of the various risks that the Company may face, enabling us to make informed decisions about our future direction. As part of an ongoing dialogue, senior management presents their findings to the Board during regular meetings, highlighting specific business functions, operations, or strategies that may be impacted by these risks, and outlining the steps taken to mitigate or eliminate them.

Instead of establishing a separate risk management committee, the Board has opted to directly oversee risk assessment and management through its collective expertise and experience. This approach allows for streamlined decision-making and a more comprehensive understanding of the risks and opportunities that the Company encounters.

The Board takes responsibility for monitoring and evaluating the Company's strategic risk exposure, ensuring that potential challenges are effectively addressed. In order to support the Board in this capacity, the Audit Committee plays a vital role in overseeing major financial risk exposures and reviewing the actions taken by management to monitor and control these exposures. Additionally, the Audit Committee remains vigilant in ensuring compliance with legal and regulatory requirements, scrutinizing any related-person transactions and providing approval or disapproval as necessary.

By embracing this comprehensive approach to risk assessment and oversight, we aim to foster a resilient and adaptable organization that can navigate an ever-changing business landscape while maintaining the highest standards of integrity and performance.

Crisis Management

The Committee for Safety Oversight is in charge of managing emergency preparedness and response initiatives. When a significant incident arises, the management team collaborates with relevant internal parties to evaluate disciplinary measures, training programs, and corrective actions needed to effectively tackle the issue.

In case of a potential crisis, it is brought to the forefront during our management meetings held every two weeks. These sessions include the participation of key personnel, such as Executives, EVPs, SVPs, Human Resources, and the VP of EHS. Each meeting spans about 2-3 hours, has a defined agenda and serves as a platform to examine emerging concerns, trends, and potential risks that may influence the organization's safety practices.

By fostering transparent communication and active teamwork among the various stakeholders, the Committee for Safety Oversight ensures that the organization remains well-prepared to address emergencies and uphold a secure work environment for all employees.

Cybersecurity

Cyberattacks and their implications for data security and privacy are material ESG risks, particularly for companies using personally identifiable information and protected health information. Select deploys a variety of security measures to fortify the integrity and continued reliability of our information security. The Board and management team are engaged in information security/cybersecurity strategies and the review process. Policies, procedures, and communication and training campaigns inform employees of the importance of information security and cybersecurity, potential threats, and appropriate actions. Additionally, we have engaged a third party to manage, detect, and respond to cybersecurity threats. Employees receive quarterly cybersecurity trainings including phishing campaigns and general awareness campaigns.

In addition to internal and external structures and oversight, Select has a variety of cybersecurity-related policies and procedures. These policies and procedures are established and maintained and reviewed annually by our IT Steering Committee. Additionally, Select holds a cybersecurity insurance policy.

Information Security

Select has an Information Security Policy in place that establishes rules and expectations regarding user privacy and ensures that IT practices are compliant with regulatory and external requirements relevant to IT. Information security involves safeguarding our data, applications, networks, and computer systems from unauthorized access, alteration, or destruction.

Electronic files created, sent, received, or stored on systems owned, leased, administered, or otherwise under Select 's custody and control are not considered private. IT support employees may access them at any time without the knowledge of the user or owner. To manage systems and enforce security, Select may log, review, and utilize any information stored on or passing through its systems. Additionally, user activities such as dialed phone numbers and visited websites may be monitored.

Select is committed to protecting the privacy and security of information entrusted to it by third parties for business purposes. Customer account information is confidential, and access is strictly limited based on the business need for access. Users must not attempt to access data or programs on Select systems without proper authorization or explicit consent.

Acknowledgment of IT Policies for employees, IT policies related to users are included in the Employee Handbook, and all new employees must sign an acknowledgment form. For contractors, the requirement to comply with IT policies is stated in all contracts. IT policies are available to all company personnel on SharePoint. When logging on to company resources, users must acknowledge via the sign-on page that they have read and understood Select 's computer security policies and procedures.

Policy Compliance and Revisions all IT policies must be reviewed regularly, at least annually, to determine if any changes have occurred that impact the regulations applicable to the IT environment. Updates should be made as deemed necessary to ensure ongoing compliance. When policy updates are made, they should be distributed to the relevant parties: user-related policies to all personnel and IT-related policies to IT staff.

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Electronic files created, sent, received, or stored on systems owned, leased, administered, or otherwise under Select 's custody and control are not considered private. IT support employees may access them at any time without the knowledge of the user or owner. To manage systems and enforce security, Select may log, review, and utilize any information stored on or passing through its systems. Additionally, user activities such as dialed phone numbers and visited websites may be monitored.

Physical Security Measures

To protect the confidentiality, integrity, and availability of its Information Resources, Select aims to prevent unauthorized physical access, tampering, and theft of these systems and the facilities housing them, while ensuring authorized access. The following measures are established:

- All physical security systems must comply with applicable regulations, including building codes and fire prevention codes.
- Documentation and management of physical access to restricted facilities are required.
- Access to Information Resources facilities should be granted only to Select support personnel and contractors whose job responsibilities necessitate access.
- Access requests must be approved by the appropriate Technology Management personnel.
- Access codes must not be shared and should be reprogrammed when an employee with access is terminated or at least annually.

Technology management will review access granted to each individual regularly for appropriateness and make necessary changes to ensure proper security and safeguarding of company assets.



Data Center Security

Select adheres to its Data Center Security Policy, which establishes the guidelines for granting, controlling, monitoring, and removing physical access to the data center. Violations of this policy may result in disciplinary actions, including termination for employees and temporaries, and termination of employment relations for contractors or consultants.

Environmental Protection Measures

To protect Select's information resources from environmental hazards that could potentially result in data loss or unavailability, the following environmental controls should be implemented where applicable:

- Dedicated air temperature control
- Backup power (uninterruptible power supply)
- Raised flooring or racks
- Fire prevention and extinguishing system
- Smoke detectors

Regularly, the measures protecting Select's information resources against adverse environmental factors will be reviewed and assessed. Changes will be made as necessary to ensure proper system protections are in place and operate effectively to defend against power failures, fluctuations, and other environmental hazards.

Incident Management

Effective incident management is crucial to minimize the impact of incidents that may disrupt or threaten the normal operation of a business. Therefore, the Company must implement an efficient system to track, monitor, and analyze incidents. This system must also include escalation procedures to ensure that identified incidents receive the appropriate support and are resolved in the most efficient and effective manner possible. In addition, audit trails must be in place to properly track any noted incident.

All incidents must be reported to the IT Department Help Desk, and users should be advised on what constitutes an incident and the process for reporting. This is necessary to ensure that incidents are documented in Select's ticketing system and reviewed by the IT Department to determine the appropriate actions that need to be taken. Incidents deemed by the IT Department to be of high impact must be categorized as such within the system.

The appropriate technical resources must be assigned for monitoring any damage caused by a security incident, and to ensure that any vulnerabilities are eliminated or minimized where possible. Select management must determine whether law enforcement needs to be notified, whether a widespread communication to the entire user community is required, the content of the communication, and how best to distribute the communication. The technical resource is responsible for initiating, completing, and documenting the incident investigation, with assistance from management where necessary. Furthermore, the technical resource must inform the user who reported the incident, as well as others in the user community if needed, of the final disposition.

For operational incidents, such as the dysfunction of hardware or software resulting in an interruption of business processes and productivity, it should be reported to the IT Support personnel. Critical incidents should be prioritized, and resolution steps must be documented. If incident resolution involves changes to hardware or software components, configuration, coding, workflow, etc., the change management policy must be followed to ensure that changes are implemented in a controlled and structured manner.

Select must ensure that its incident management system is consistently reviewed and updated to identify and mitigate potential risks to its operations. It is essential that employees are aware of incident management protocols, the importance of reporting incidents, and the procedures to follow in case of an incident to reduce the impact on the organization's day-to-day operations.

Vendor Data & Access

Select takes vendor selection and management seriously to ensure that all vendors comply with applicable policies, practice standards, and agreements. Before consideration, all potential vendors must go through a thorough vetting process. Vendor agreements and contracts should include non-disclosure clauses and specify the information that vendors should have access to, how information is to be protected, and acceptable methods for the return, destruction, or disposal of information in the vendor's possession at the end of the contract. Vendors must use information and information resources only for the purpose of the business agreement and must not use it for their own purposes or divulge it to others. Vendor access must be uniquely identifiable, and password management must comply with our Password Policy.

Contracts for technology related services, software or hardware must be reviewed and approved by technology management. Third party agreements should include agreed-upon security controls, protection of intellectual property rights, copyright assignment and collaborative work, and the right to monitor and revoke user activity as appropriate. Any entities that may potentially offer IT related services to Select must be reviewed and approved by technology management.

To establish expectations, documented agreements such as contracts or service level agreements must be established with all IT contractors and external service providers, and they must be approved by the Legal Department. Contractors or third parties do not have rights to remove any information from the Company.

All contractual agreements should specify the right to audit work carried out by the external party, provide details of licensing arrangements, and define the ownership of intellectual property rights. Audits may be performed by Select, an independent agent of Select, or contracted by the service provider (SOC Audit). IT must oblige all contractors to comply with good practice for information security, provide information about security incidents, maintain the confidentiality of information gained in the course of work, protect the integrity of information used, ensure the availability of information and systems, limit access to the assets of the organization to authorized staff, meet legal and regulatory requirements, assure the quality and accuracy of work performed, and return or destroy information, software, or equipment at an agreed point to technology management.

Contact Us

Thank you for reviewing Select's 2022 Sustainability Report. The following Appendix contains additional quantitative and qualitative data and index references and disclosures referred to within or applicable to this Report. We appreciate your interest in Select and welcome any feedback on how we can continue to improve our sustainability disclosures. Please direct any questions or comments on this report, or topics related to our corporate responsibility and sustainability disclosures to sustainability@selectwater.com.

Quantitative Performance Data

Report Metric	Unit	SASB Services (SV)	SASB Water Utilities (WU)	SASB Chemicals (CH)	GRI Code	2018	2019	2020	2021	2022
Financial										
Revenue	\$M USD					1,529	1,292	605	765	1,387
Our Company										
Employees	#					5,300	3,857	2,012	3,078	4,034
Total number of hours worked by all employees	Hours	EM-SV-000.D				N/A	12,038,375	5,285,458	4,805,207	11,254,340
Total number of hours worked by all subcontractors	Hours	EM-SV-000.D				N/A	8,402,326	1,997,061	233,742	741,034
Environmental										
Water										
Total Barrels Sold	Million Barrels (MMBbls)	EM-SV-140a.1	EM-WU-000.C		303-5	N/A	N/A	143	208	266
% Fresh Water Sold	Percentage (%)					N/A	N/A	29%	26%	25%
% Brackish Water Sold	Percentage (%)					N/A	N/A	62%	59%	54%
% Recycled Water Sold	Percentage (%)		EM-WU-440a.2			N/A	N/A	9%	15%	21%
Total Treated and Recycled Water Volumes ⁶	Million Barrels (MMBbls)	EM-SV-140a.1			303-5	N/A	N/A	123	210	422*
% Recycled	Percentage (%)					N/A	N/A	6%	29%	46%
% Treated	Percentage (%)					N/A	N/A	93%	71%	54%
Total Piped Water Volumes	Million Barrels (MMBbls)	EM-SV-140a.1			303-5	N/A	N/A	18	61	66
% Distribution Pipeline Volume	Percentage (%)					N/A	N/A	67%	85%	61%
% Gathered Pipeline Volume	Percentage (%)					N/A	N/A	33%	15%	39%
Total Water Disposed (SWD)	Million Barrels (MMBbls)	EM-SV-140a.1			303-5	N/A	N/A	12	50	83
Chemicals Management										
Percentage of products that have undergone a hazard assessment	Percentage (%)			RT-CH-410b.2		100%	100%	100%	100%	100%
Volume shipped	Million Pounds				306-3	N/A	349	225	271	304
Percentage hazardous	Percentage (%)				306-3	N/A	21%	26%	28%	24%
Percentage non-hazardous	Percentage (%)				306-3	N/A	79%	74%	72%	76%
Waste										
Waste Total	Metric Tons				306-3			192	3,679	3,934
Waste Recycled Total	Million Pounds				306-3	0	0	4	2	3
Hazardous Waste	Metric Tons			RT-CH-150a.1	306-3			2	5	158
Hazardous Waste Recycled	Million Pounds			RT-CH-150a.1	306-3	0.07	0.27	0.20	0.06	0.24
Emissions										
Scope 1 Emissions Total	Metric Tons CO2e			RT-CH-110a.1	305-1					237,140
Scope 1 Emission Intensity	Tons CO2e/Revenue \$M				305-4					171
Scope 1 Emissions Constituent Breakdown: Tons of Carbon	Metric Tons CO2e				305-1					233,546
Scope 1 Emissions Constituent Breakdown: Tons of Methane	Metric Tons CO2e				305-1					285
Scope 1 Emissions Constituent Breakdown: Tons of Nitrous Oxide	Metric Tons CO2e				305-1					3,310

6. 2022 Total Treated and Recycled Water Volumes are pro forma for recent acquisitions and other related operations. 2022 Total Treated and Recycled Water Volumes on an as reported basis unadjusted for recent acquisitions are 319 MMBbls.

Quantitative Performance Data

(continued)

Report Metric	Unit	SASB Services (SV)	SASB Water Utilities (WU)	SASB Chemicals (CH)	GRI Code	2018	2019	2020	2021	2022
Emissions (continued)										
Scope 2 Emissions: Total	Metric Tons CO2e				305-2					35,566
Scope 2 Emissions Intensity	Tons CO2e/Revenue \$M				305-4					26
Scope 2 Emissions: Tons of Carbon	Metric Tons CO2				305-2					35,390
Scope 2 Emissions: Tons of Methane	Metric Tons CH4				305-2					65
Scope 2 Emissions: Tons of Nitrous Oxide	Metric Tons N2O				305-2					111
Total GHG Intensity	Scope 1 + 2 / Revenue \$M				305-4					197
Other Air Emissions										
NOx Emissions	Metric Tons			RT-CH-120a.1	305-7					5,814
SOx Emissions	Metric Tons			RT-CH-120a.1	305-7					382
VOC Emissions	Metric Tons			RT-CH-120a.1	305-7					475
Energy										
Energy Use Total	GJ	EM-SV-110a.1	EM-WU-130a.1	RT-CH-130a.1	302-1					3,686,556
Renewable Energy Used	Percentage									4%
Energy Intensity	Total Energy Used GJ / Revenue \$M USD				302-3					2,658
Electricity Used Total	GJ		EM-WU-130a.1	RT-CH-130a.1	302-1					309,786
Renewable Electricity Used	Percentage		EM-WU-130a.1	RT-CH-130a.1						31%
Total fuel consumed ⁷	GJ	EM-SV-110a.1				N/A	N/A	N/A	2,018,721	3,376,770
Percentage used by on-road equipment ⁷	Percentage (%)	EM-SV-110a.1				N/A	N/A	N/A	71%	64%
Percentage used by off-road equipment ⁷	Percentage (%)	EM-SV-110a.1				N/A	N/A	N/A	29%	36%
Percentage Renewable Fuel ⁷	Percentage (%)	EM-SV-110a.1				N/A	N/A	N/A	3%	2%
Total consumed - gasoline ⁷	GJ	EM-SV-110a.1				N/A	N/A	N/A	636,729	577,282
Gasoline used by on-road equipment ⁷	GJ	EM-SV-110a.1				N/A	N/A	N/A	636,729	577,282
Gasoline used by off-road equipment ⁷	GJ	EM-SV-110a.1				N/A	N/A	N/A	0	0
Total fuel consumed- diesel ⁷	GJ	EM-SV-110a.1				N/A	N/A	N/A	1,381,992	2,799,488
Diesel used by on-road equipment ⁷	GJ	EM-SV-110a.1				N/A	N/A	N/A	774,237	1,568,396
Diesel used by off-road equipment ⁷	GJ	EM-SV-110a.1				N/A	N/A	N/A	607,754	1,231,092
Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	Percentage (%)	EM-SV-110a.3				N/A	N/A	N/A	10%	10%
Environmental Impact										
Chemical Spills	#	EM-EP-160a.2			304-2	135	451	229	146	76
Oil Spills (Including Diesel & Oil)	#	EM-EP-160a.2			304-2	60	69	21	23	42
Water Spills (Including Produced & Blended)	#	EM-EP-160a.2			304-2	221	284	95	123	229
Combined Spills	#	EM-EP-160a.2			304-2	416	804	345	292	347
Chemical Spills	bbbs	EM-EP-160a.2			304-2	300	797	220	249	257
Oil Spills (Including Diesel & Oil)	bbbs	EM-EP-160a.2			304-2	340	128	4	100	1,522
Water Spills (Including Produced & Blended)	bbbs	EM-EP-160a.2			304-2	70,309	28,439	12,084	14,905	29,396
Combined Spills	bbbs	EM-EP-160a.2			304-2	70949	29364	12308	15254	31,175

⁷ 2021 fuel data has been recalculated to reflect recent acquisition activity and other operational updates. The recalculation incorporates changes in the organizational structure and operational parameters that have occurred since publication of our inaugural report, ensuring that the data more accurately represents the status of the organization during that period.

Quantitative Performance Data

(continued)

Report Metric	Unit	SASB Services (SV)	SASB Water Utilities (WU)	SASB Chemicals (CH)	GRI Code	2018	2019	2020	2021	2022
Social										
Health & Safety										
Combined: Total Recordable Incident Rate (TRIR)	Rate	EM-SV-320a.1			403-9	0.70	0.33	0.53	0.66	0.62
Combined: Lost Time Injury Rate (LTIR)	Rate	EM-SV-320a.1				0.18	0.07	0.17	0.20	0.20
Combined: Total Vehicle Incident Rate (TVIR)	Rate	EM-SV-320a.1				0.92	0.31	0.88	0.82	0.45
Combined: Fatalities	#				403-9	0	1	0	1	0
Combined: Fatality Rate	Rate				403-9	0.000	0.008	0.000	0.020	0.000
Health & Safety (continued)										
Employee: Total Recordable Incident Rate (TRIR)	Rate	EM-SV-320a.1		RT-CH-320a.1	403-9	0.74	0.54	0.67	0.71	0.65
Employee: Lost Time Injury Rate (LTIR)	Rate	EM-SV-320a.1			403-9	0.19	0.13	0.21	0.21	0.21
Employee: Total Vehicle Incident Rate (TVIR)	Rate	EM-SV-320a.1			403-9	0.92	0.31	0.88	0.82	0.45
Employee: Fatalities	#	EM-SV-320a.1		RT-CH-320a.1	403-9	0	1	0	1	0
Employee: Fatality Rate	Rate			RT-CH-320a.1	403-9	0.000	0.010	0.000	0.020	0.00
Employee: Health & Safety Training Hours	Rate	EM-SV-320a.1				28,456	48,478	31,807	39,402	70,538
Employee: Emergency Response Training Hours	Rate	EM-SV-320a.1				247.5	715.5	815.5	885	506
Contractor: Total Recordable Incident Rate (TRIR)	Rate	EM-SV-320a.1		RT-CH-320a.1		0	0	0	0	0
Contractor: Lost Time Injury Rate (LTIR)	Rate	EM-SV-320a.1				0	0	0	0	0
Contractor: Total Vehicle Incident Rate (TVIR)	Rate	EM-SV-320a.1								N/A
Contractor: Fatalities	#			RT-CH-320a.1	403-9	0	0	0	0	0
Contractor: Fatality Rate	Rate			RT-CH-320a.1	403-9	0	0	0	0	0
Short Service Employee: Health & Safety Training Hours	Rate	EM-SV-320a.1				1,120.00	2,134.50	726.00	5,980.00	23,539.00
Short Service Employee: Emergency Response Training Hours	Rate	EM-SV-320a.1				N/A	18	18	58.5	135
Average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, (c) short-service employees	#	EM-SV-320a.1			403-5	N/A	N/A	N/A	9	23
Human Capital Management										
Percentage employee turnover	Percentage (%)				401-1	N/A	22%	18%	17%	12%
Diversity & Inclusion										
% Women Management	Percentage (%)				405-1	N/A	9%	11%	11%	11%
% Women Employees	Percentage (%)				405-1	N/A	10%	11%	11%	12%
% Minorities Management	Percentage (%)				405-1	N/A	36%	33%	33%	35%
% Minorities Employees	Percentage (%)				405-1	N/A	53%	52%	52%	51%
% Employees with Veteran Status	Percentage (%)				405-1	N/A	3%	3%	5%	4%
Governance										
Board Composition										
% Women on Board	Percentage (%)				2-9	N/A	N/A	N/A	13%	29%
Racial or Ethnic Minorities % Board of Directors	Percentage (%)				2-9	N/A	N/A	N/A	N/A	14%
% Board Independence	Percentage (%)				2-9	N/A	N/A	N/A	87%	86%

GRI STANDARD	DISCLOSURE	Individual Code	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	2-1	Pages 2, Pages 6-11
	2-2 Entities included in the organization's sustainability reporting	2-2	Pages 8, 11
	2-3 Reporting period, frequency and contact point	2-3	Page 3
	2-4 Restatements of information	2-4	KPI Table (2021: Fuel Consumed, Gasoline Consumed, Diesel Consumed), Page 43
	2-5 External assurance	2-5	N/A
	2-6 Activities, value chain and other business relationships	2-6	Pages 7, 11
	2-7 Employees	2-7	Page 14
	2-8 Workers who are not employees	2-8	N/A
	2-9 Governance structure and composition	2-9	Page 36
	2-10 Nomination and selection of the highest governance body	2-10	Pages 37
	2-11 Chair of the highest governance body	2-11	Pages 37
	2-12 Role of the highest governance body in overseeing the management of impacts	2-12	Pages 37
	2-13 Delegation of responsibility for managing impacts	2-13	Pages 37
	2-14 Role of the highest governance body in sustainability reporting	2-14	Pages 37
	2-15 Conflicts of interest	2-15	Pages 38-39
	2-16 Communication of critical concerns	2-16	Pages 38-39
	2-17 Collective knowledge of the highest governance body	2-17	Page 36
	2-18 Evaluation of the performance of the highest governance body	2-18	Pages 37
	2-19 Remuneration policies	2-19	Pages 37
	2-20 Process to determine remuneration	2-20	Pages 37
	2-21 Annual total compensation ratio	2-21	N/A
	2-22 Statement on sustainable development strategy	2-22	Page 3
	2-23 Policy commitments	2-23	Pages 38-43
	2-24 Embedding policy commitments	2-24	Throughout 2022 Report
	2-25 Processes to remediate negative impacts	2-25	Page 40
	2-26 Mechanisms for seeking advice and raising concerns	2-26	Page 39-40
	2-27 Compliance with laws and regulations	2-27	Pages 17, 19, 25, 37-39, 41-42
	2-28 Membership associations	2-28	Pages 34
2-29 Approach to stakeholder engagement	2-29	Pages 12, 14, 19, 33, 36, 37	
2-30 Collective bargaining agreements	2-30	NA	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	3-1	Pages 8, 11
	3-2 List of material topics	3-2	Page 8
	3-3 Management of material topics	3-3	Pages 8, 11
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	201-1	KPI Table
	201-2 Financial implications and other risks and opportunities due to climate change	201-2	Page 13
	201-3 Defined benefit plan obligations and other retirement plans	201-3	Pages 29-30
	201-4 Financial assistance received from government	201-4	NA
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	202-1	NA
	202-2 Proportion of senior management hired from the local community	202-2	NA
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	203-1	NA
	203-2 Significant indirect economic impacts	203-2	NA
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	204-1	Page 19
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	205-1	NA
	205-2 Communication and training about anti-corruption policies and procedures	205-2	Pages 38-39
	205-3 Confirmed incidents of corruption and actions taken	205-3	NA
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	206-1	NA
GRI 207: Tax 2019	207-1 Approach to tax	207-1	NA
	207-2 Tax governance, control, and risk management	207-2	NA

GRI Index

(continued)

GRI STANDARD	DISCLOSURE	Individual Code	Location
GRI 207: Tax 2019	207-3 Stakeholder engagement and management of concerns related to tax	207-3	NA
	207-4 Country-by-country reporting	207-4	NA
GRI 301: Materials 2016	301-1 Materials used by weight or volume	301-1	NA
	301-2 Recycled input materials used	301-2	KPI Table
	301-3 Reclaimed products and their packaging materials	301-3	NA
GRI 302: Energy 2016	302-1 Energy consumption within the organization	302-1	KPI Table
	302-2 Energy consumption outside of the organization	302-2	NA
	302-3 Energy intensity	302-3	KPI Table
	302-4 Reduction of energy consumption	302-4	KPI Table
	302-5 Reductions in energy requirements of products and services	302-5	NA
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	303-1	Pages 12-14
	303-2 Management of water discharge-related impacts	303-2	Pages 12-14
	303-3 Water withdrawal	303-3	NA
	303-4 Water discharge	303-4	NA
	303-5 Water consumption	303-5	NA
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	304-1	NA
	304-2 Significant impacts of activities, products and services on biodiversity	304-2	Page 23
	304-3 Habitats protected or restored	304-3	NA
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	304-4	NA
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	305-1	KPI Table, Page 19
	305-2 Energy indirect (Scope 2) GHG emissions	305-2	KPI Table, Page 19
	305-3 Other indirect (Scope 3) GHG emissions	305-3	NA
	305-4 GHG emissions intensity	305-4	KPI Table
	305-5 Reduction of GHG emissions	305-5	Pages 19-21
	305-6 Emissions of ozone-depleting substances (ODS)	305-6	NA
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	305-7	KPI Table
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	306-1	KPI Table, Page 18
	306-2 Management of significant waste-related impacts	306-2	KPI Table, Page 18
	306-3 Waste generated	306-3	KPI Table
	306-4 Waste diverted from disposal	306-4	NA
	306-5 Waste directed to disposal	306-5	NA
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	308-1	Pages 17
	308-2 Negative environmental impacts in the supply chain and actions taken	308-2	NA
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	401-1	KPI Table
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	401-2	Pages 27-28
	401-3 Parental leave	401-3	NA
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	402-1	NA
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	403-1	Pages 24-26
	403-2 Hazard identification, risk assessment, and incident investigation	403-2	Pages 24-26
	403-3 Occupational health services	403-3	Pages 24-26
	403-4 Worker participation, consultation, and communication on occupational health and safety	403-4	Pages 24-26
	403-5 Worker training on occupational health and safety	403-5	Pages 24-26
	403-6 Promotion of worker health	403-6	Pages 24-26
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	403-7	Pages 24-26
	403-8 Workers covered by an occupational health and safety management system	403-8	Pages 24-26
	403-9 Work-related injuries	403-9	KPI Table
	403-10 Work-related ill health	403-10	KPI Table

GRI STANDARD	DISCLOSURE	Individual Code	Location
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	404-1	KPI Table
	404-2 Programs for upgrading employee skills and transition assistance programs	404-2	Pages 26-28
	404-3 Percentage of employees receiving regular performance and career development reviews	404-3	NA
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	405-1	KPI Table, Page 32
	405-2 Ratio of basic salary and remuneration of women to men	405-2	NA
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	406-1	NA
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	407-1	NA
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	408-1	NA
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	409-1	NA
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	410-1	Page 38
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	411-1	NA
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	413-1	Pages 34-35
	413-2 Operations with significant actual and potential negative impacts on local communities	413-2	NA
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	414-1	Page 33
	414-2 Negative social impacts in the supply chain and actions taken	414-2	NA, None
GRI 415: Public Policy 2016	415-1 Political contributions	415-1	NA
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	416-1	Pages 14-18
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	416-2	NA
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	417-1	NA
	417-2 Incidents of non-compliance concerning product and service information and labeling	417-2	NA
	417-3 Incidents of non-compliance concerning marketing communications	417-3	NA
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1	NA

SASB Index

SASB Oil & Gas Services (SV)

Disclosure	Code	Location
Emissions Reduction Services & Fuels Management		
"Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts"	EM-SV-110a.2	Page 21
Water Management Services		
"Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts"	EM-SV-140a.2	Pages 14-16
Chemicals Management		
"Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts"	EM-SV-150a.2	Page 18
Ecological Impact Management		
Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	EM-SV-160a.2	Pages 16, 18, 25
Workforce Health & Safety		
"Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle"	EM-SV-320a.2	Page 26-28
Business Ethics & Payments Transparency		
"Description of the management system for prevention of corruption and bribery throughout the value chain"	EM-SV-510a.2	Page 38-39
Management of the Legal & Regulatory Environment		
"Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry"	EM-SV-530a.1	Page 34
Critical Incident Risk Management		
"Description of management systems used to identify and mitigate catastrophic and tail-end risks"	EM-SV-540a.1	Pages 40

SASB Water Utilities (WU)

Disclosure	Code	Location
Effluent Quality Management		
Discussion of strategies to manage effluents of emerging concern	IF-WU-140b.2	Pages 14-18
Drinking Water Quality		
Discussion of strategies to manage drinking water contaminants of emerging concern	IF-WU-250a.2	Pages 14-16
Water Supply Resilience		
"Discussion of strategies to manage risks associated with the quality and availability of water resources"	IF-WU-440a.3	Pages 14-16
Network Resiliency & Impacts of Climate Change		
"Description of efforts to identify and manage risks and opportunities related to the impact of climate change on distribution and wastewater infrastructure"	IF-WU-450a.4	Pages 13-16

SASB Chemicals (CH)

Disclosure	Code	Location
Greenhouse Gas Emissions		
"Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets"	RT-CH-110a.2	Page 21
Water Management		
"Description of water management risks and discussion of strategies and practices to mitigate those risks"	RT-CH-140a.3	Pages 14-16
Community Relations		
"Discussion of engagement processes to manage risks and opportunities associated with community interests"	RT-CH-210a.1	Pages 34-35
Workforce Health & Safety		
"Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks"	RT-CH-320a.2	Pages 26-28
Safety & Environmental Stewardship of Chemicals		
"Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact"	RT-CH-410b.2	Pages 17-18
Management of the Legal & Regulatory Environment		
"Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry"	RT-CH-530a.1	Pages 34

Pillar	Topic	Response
Climate Governance	(a) Describe the boards oversight of climate	<p>"Select incorporates climate governance within its organizational structure through the critical involvement of its Nominating, Governance & Sustainability Committee. This committee holds the central responsibility of formulating and supervising Select's corporate governance mechanisms, with an emphasis on Environmental, Social, and Governance (ESG) and sustainability efforts. An integral part of the committee's role is to constantly monitor and evaluate Select's strategies, initiatives, and policies regarding ESG and sustainability. To ensure the effectiveness and alignment of these strategies with Select's overall objectives, the committee engages in close collaboration with the Senior Vice President of Sustainability as well as other key managerial personnel who are in charge of significant ESG and sustainability initiatives.</p> <p>Please also see reference on page 38</p>
	"(b) Describe management's role in addressing climate related risks and opportunities"	<p>"The committee is tasked with assessing the efficiency of Select's sustainability policies in managing the risks and seizing the opportunities associated with ESG matters. This includes a comprehensive evaluation of Select's dedication to environmental conservation, social accountability, and ethical governance. Through proactive supervision of ESG and sustainability endeavors, the committee reinforces responsible corporate citizenship, bolsters stakeholder confidence, and plays an essential role in facilitating the long-term success of the organization.</p> <p>Please also see reference on page 38</p>
Climate Strategy	(a) Climate Related Risks	<p>Physical Risk Physical risks associated with climate change are those that arise as a result of changes in weather and climate. TCFD classifies risks into two categories: acute and chronic. Acute risks are event-driven, such as hazards relating to severe weather events. Acute risks that Select faces include hurricanes, flooding, winter storms, seismic events, and tornadoes. Chronic risks unfold over the long term as a result of shifts in climate patterns. The chronic risks we face might include supply chain disruption, scarcity of raw materials, and impacts to the water cycle. Water stress is both a risk and an opportunity for Select, given the water solutions we provide our customers. Select aims to monitor and mitigate these physical risks as part of our larger risk management strategy, which includes regular employee trainings, robust policies and procedures (for example our Storm Water Pollution Prevention Plan), regular interaction with regulatory agencies, as well as extensive insurance programs. We will continue to assess those physical risks most applicable to our business and operations as part of our strategic planning.</p> <p>Transition Risk Transition risks associated with climate change, as defined by TCFD, include those policy, legal, market, technology, financial, and reputational risks incurred as a result of the transition to a low-carbon economy. Trends in policy, consumer preferences, and automation are meaningfully impacting the energy sector. Select is proactively mitigating transition risk and capitalizing on opportunities related to the energy transition by decreasing emissions from legacy operations, increasing investments in pipeline infrastructure, water recycling facilities and automation technologies, diversifying our revenue streams beyond traditional oil and gas operations, investing in research and development around new beneficial reuse opportunities and actively engaging with universities, policymakers and other stakeholders around water resource management.</p> <p>Please also see reference on page 13</p>
	(b) Climate Related Opportunities	<p>"Select recognizes the vital need to address the widespread impact climate change has on our planet. We believe corporations have an important responsibility to continue to seek new opportunities and contribute positively to mitigating the impacts of climate change. We believe a continued focus on water as a continually available resource will shape future opportunities. We continue to see a tremendous amount of interest from our customer base around contracting new water infrastructure development, particularly around full life cycle solutions and have built upon our infrastructure asset footprint through organic investments around water recycling, gathering and distribution pipelines, environmentally-conscious waste disposal and enhancements to overall system capacity. We believe Select is well-positioned to support the energy industry in transforming existing produced water waste streams into an alternative sustainable source of usable water through significant investments in recycling facilities and chemical technologies. Water recycling not only alleviates demand for freshwater resources in water-stressed regions but also limits waste disposal which is particularly important in areas with seismicity concerns associated with underground injection. We will continue to collaborate with local, state and federal governments to encourage progress in these areas in compliance with relevant laws while forging partnerships with key stakeholders to improve responsible development advances.</p> <p>Please also see references on page 13</p>
Climate Risk Management	(a) Describe the organization's processes for identifying and assessing climate-related risks and opportunities	<p>"Select adopts a structured approach to Climate Risk Management by integrating pertinent discussions into its regular management meetings and dedicating specific sessions for strategic planning and review throughout the year. These sessions include focused discussions and analyses of the risks facing the Company.</p> <p>Please also see reference on page 40</p>
	(b) Describe the organization's processes for managing climate-related risks	<p>"Senior management plays a vital role in this process. Throughout the year, they systematically review these risks and convey their insights to the Board during regular Board meetings. These presentations by senior management are typically centered on various business functions, operations, or strategies, and they specifically outline the measures that the management has undertaken to report on, mitigate or nullify such risks</p> <p>Please also see reference on page 40</p>
	(c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	<p>"Select's Climate Risk Management encompasses several key areas. These include Critical Incident Management which focuses on preparing for and responding to severe incidents that might impact the organization; Water Risks and Opportunities which involves evaluating and managing risks related to water sources, and identifying opportunities for more sustainable water usage; Chemicals Risks and Opportunities where the organization assesses and manages the risks associated with the handling of chemicals, and seeks opportunities for safer and more sustainable alternatives; and Emissions Risks and Opportunities which includes monitoring, managing, and minimizing the Company's emissions to reduce its carbon footprint.</p> <p>Moreover, Cybersecurity is a vital component of Select's Climate Risk Management. This involves safeguarding the Company's digital assets and sensitive data against cyber threats which is imperative for ensuring the uninterrupted operations of the organization</p> <p>Please also see reference on page 40</p>
Metrics & Targets	(a) Disclose the metrics by the organization to assess climate related risks and opportunities in line with its strategy and risk management process	<p>"Select is firmly committed to sustainability, with a focus on employee safety and water sustainability, underpinned by defined metrics and targets within its Sustainability-Linked Credit Facility. Regarding employee safety, Select is keen on reducing the Total Recordable Incident Rate (TRIR) through comprehensive safety training programs and ensuring the use of well-maintained equipment. For 2022, our threshold and target was to achieve TRIR rates below (1) the Bureau of Labor and Statistics average of 1.61 and (2) 0.75. During 2022 Select's TRIR was 0.62 highlighting Select's dedication to its workforce's safety and well-being.</p> <p>In relation to water sustainability, Select takes a leadership role by setting ambitious targets to increase the volume of recycled produced water. The aim is to more than double the total produced water recycled volumes through our fixed facilities by 2025 relative to the 2021 baseline. For 2022 our target was 31 million barrels and during the year Select recycled 68.1 million barrels through our fixed facilities. This is part of Select's broader commitment to environmental stewardship, involving responsible water management practices. To achieve this, Select is investing in innovative technologies and building infrastructures that support the expansion of produced water recycling.</p> <p>Please also see reference on page 12</p>
	"(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions and the related risks"	<p>KPI Performance Tables, Discussions on pages 21-23</p>

Report of Independent Certified Public Accountants



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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Management
Select Energy Services, Inc.

We have reviewed management of Select Energy Services, Inc.'s assertion that the accompanying ESG Performance Data Table for the year ended December 31, 2022, is presented in accordance with the metric definition and assessment criteria included in the Amended and Restated Credit Agreement, dated March 17, 2022 between Select Energy Services, LLC and Wells Fargo Bank, National Association, Bank of America, N.A., Zions Bancorporation, N.A. dba Amegy Bank, Royal Bank of Canada, BOK Financial and Cadence Bank (the "Criteria"). Select Energy Services, Inc.'s management is responsible for its assertion. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The procedures performed were based on our professional judgment and consisted primarily of analytical procedures and inquiries.

The preparation of the performance metrics requires management to adhere to the Criteria; make determinations as to the relevancy of information to be included; and make estimates and assumptions that affect reported amounts. Measurement of certain amounts and performance metrics, some which may be referred to as estimates, is subject to inherent measurement uncertainty. Obtaining sufficient appropriate review evidence to support our conclusions does not reduce the inherent uncertainty in the amounts and metrics. The selection by management of different but acceptable measurement techniques could result in materially different amounts being reported.

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Report of Independent Certified Public Accountants

(Continued)



Based on our review, we are not aware of any material modifications that should be made to management of Select Energy Services, Inc.'s assertion that the accompanying ESG Performance Data Table for the year ended December 31, 2022, is presented in accordance with the Criteria, in order for it to be fairly stated.

Grant Thornton LLP

Dallas, Texas
March 31, 2023

Report of Independent Certified Public Accountants

Management Assertion on Certain ESG Performance Metrics

Select Energy Services, Inc.'s Management Assertion on Certain ESG Performance Metrics For the Year Ended December 31, 2022

Select Energy Services, Inc. (“Management” or “Select”) is responsible for the completeness, accuracy, and validity of the accompanying metrics reported in the ESG Performance Data Table for the year ended December 31, 2022 (the “Subject Matter”). The Subject Matter has been calculated in accordance with the Amended and Restated Credit Agreement, dated March 17, 2022 (the “Criteria”), and includes the results of Select Energy Services, Inc. and its consolidated subsidiaries.

Management asserts that the Subject Matter in the ESG Performance Data Table is presented in conformity with the Criteria, as summarized below. The metrics have been rounded to the nearest whole number or one-hundredth of a whole number. The preparation of the metrics requires management to make determinations as to the relevancy of information, and make assumptions that affect reported amounts. The selection by Management of different but acceptable measurement techniques could result in materially different amounts being reported.

ESG Performance Data Table

Metric	Metric Definition and Assessment Criteria	Thresholds and Target Goals	Metric Quantity, for the year ended December 31, 2022
Total Recordable Incident Rate (TRIR) for full-time employees, regular part time, temporary employees, and non-employee contractors (collectively, “employees”)	<p>TRIR was calculated following the Occupational Safety and Health Administration (OSHA) methodology as follows: total number of incidents (including injuries and illnesses) multiplied by 200,000 divided by the number of employee hours actually worked. The 200,000 represents an estimate of the total hours 100 employees worked per year, calculated as 100 employees working 40 hours per week, 50 weeks per year.</p> <ul style="list-style-type: none"> TRIR for the year ended December 31, 2022 was calculated using incident classifications in place at that time. Injuries or illnesses may later be reclassified based on diagnosis. TRIR includes contractors. Employee hours used to calculate TRIR are based on actual hours worked during the year ended December 31, 2022. TRIR is calculated on an “as reported” basis and is therefore not adjusted on a “pro forma” basis for the impact of any current period acquisitions. Accordingly, the contributions from any current period acquisitions are only for the periods following the closing of each acquisition and does not include the impact of any periods prior to those acquisitions closing. 	<ul style="list-style-type: none"> The Criteria defines certain threshold and target goals based upon meeting performance standards relative to the trailing three year man-hour based weighted average performance of certain defined subsectors based on Select’s operations as provided by the Bureau of Labor and Statistics (“BLS Average”) (See “Occupational injuries and illnesses by establishment size with quartile distribution” at the following link: https://www.bls.gov/iif/soii-data.htm) <ul style="list-style-type: none"> Support Activities for Oil and Gas operations – NAICS Code 213112 Chemical Manufacturing – NAICS Code 325 Truck Transportation – NAICS Code 484 Administrative and Support Services – NAICS Code 561 Threshold – achieve a TRIR that is lower than the BLS Average (As of December 31, 2022, the BLS Average was 1.61) Target – achieve performance that is lower than the product of (i) the BLS Average and (ii) 0.75. (1.21 as of December 31, 2022) 	2022 TRIR: 0.62
Barrels of Recycled Produced Water	The annual barrels of recycled produced water metric is based upon the number of barrels of produced water recycled at any permanent or semi-permanent facilities owned or operated by Select.	<p>The Criteria establishes certain growth targets and thresholds for increasing the total barrels of produced water that Select will recycle based upon the objective to more than doubling Select’s total recycled volumes by 2025 relative to its 2021 baseline volume of 24.85 million.</p> <ul style="list-style-type: none"> Targets <ul style="list-style-type: none"> 2022: 31.25 million barrels (1.31 billion gallons) 2023: 37.50 million barrels (1.58 billion gallons) 2024: 43.75 million barrels (1.83 billion gallons) 2025: 50.00 million barrels (2.10 billion gallons) Threshold <ul style="list-style-type: none"> 2022: 30.00 million barrels (1.26 billion gallons) 2023: 35.00 million barrels (1.47 billion gallons) 2024: 40.00 million barrels (1.68 billion gallons) 2025: 45.00 million barrels (1.89 billion gallons) 	2022 Barrels of Recycled Produced Water: 68.10 million barrels (2.86 billion gallons)





Forward Looking Statements

CAUTIONARY STATEMENTS RELEVANT TO FORWARD-LOOKING INFORMATION FOR THE PURPOSE OF "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995.

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934.

These forward-looking statements relating to Select's operations, including statements regarding our future business strategy and plans and our expected growth opportunities, are based on management's current expectations, estimates, assumptions, and projections about the water treatment and supply industry. Words or phrases such as "anticipates," "expects," "intends," "plans," "targets," "advances," "commits," "designs," "drives," "aims," "forecasts," "projects," "believes," "seeks," "schedules," "estimates," "positions," "pursues," "may," "could," "should," "will," "budgets," "outlook," "trends," "guidance," "focus," "on schedule," "on track," "is slated," "goals," "objectives," "strategies," "opportunities," "poised," "potential," and similar expressions are intended to identify such forward-looking statements, although not all forward-looking statements contain such identifying words.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, many of which are beyond the Company's control and are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. The reader should not place undue reliance on these forward-looking statements, which speak only as of the date of this report.

Except as required by applicable law, Select undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are: changing economic, regulatory, and political environment; general domestic and international economic and political conditions; regulatory impact on future oil and gas production; access to capital markets; the Company's ability to source raw materials; disruptions in bank and capital markets the Company's ability to compete effectively in the market; the impact of public health crises on the Company's operations and financial performance; the results of operations and financial condition of the Company's customers; trends and volatility in oil and gas prices; impact of current and future laws; the Company's ability to expand its customer base and increase revenue; the ability to successfully execute on growth strategies, including acquisitions and partnerships; fluctuations in demand for water treatment and supply services; technological developments and the Company's ability to adapt to them; the results of operations and financial condition of the Company's suppliers, vendors, partners, and equity affiliates; the potential disruption or interruption of the Company's operations due to war, accidents, political events, severe weather, cyber threats, terrorist acts, or other natural or human causes beyond the Company's control; and the potential liability for remedial actions or assessments under existing or future environmental regulations and litigation, as well as other risks discussed or referenced in the "Risk Factors" section of our Annual Report on Form 10-K (our "Form 10-K") and our other filings with the U.S. Securities and Exchange Commission.

Other unpredictable or unknown factors not discussed in this report could also have material adverse effects on forward-looking statements. Investors should carefully consider the foregoing factors and the other risks and uncertainties described in Select's publicly published documents before making any investment decision.

This report is not intended to communicate any material investment information. This report represents a good faith effort by the Company to address our efforts on various topics broadly defined as sustainability efforts. In addition, historical, current, and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future, including future regulatory updates.



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