



SECTION 5

CHAPTER 4

ENVIRONMENTAL – SUSTAINABILITY

Purpose

Gravity Oilfield Services considers Environment, Social and Governance (ESG) to be an integral part of managing our business. Our commitment to ESG management is executed through systematic management of risks, excellence in services and, equitable transparency with our stakeholders. Standing on these principles has positioned Gravity Oilfield Services as a market leader that is capable of serving our clients well into the future.

Gravity Oilfield Services is committed to reducing its energy consumption, water usage, waste disposal and carbon footprint in a practical and cost-effective manner. The company intends to do so by promoting environmental sustainability initiatives with employees as well as working in partnership with personnel at our managed properties to ensure ongoing environmental and sustainable operational improvements.

Scope

This policy applies to Gravity’s commitment to promoting strong environmental, social and governance for all stakeholders, including customers, employees, our families, and the community.

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Introduction

What is ESG

ESG describes areas that characterizes a company's sustainability, responsibility, and ethics.

ESG are broken down into three pillars that assist in measuring the sustainability and ethical impact of a company. These non-financial factors have a material impact on the long-term risk and return of the company.

The three criteria are:

- Environmental
 - Examines how a company performs as a steward of nature
- Social
 - Examines how the company manages relationships with employees, suppliers, customers, and the community
- Governance
 - Examines the company's leadership, pay, audits, internal controls, and shareholder rights.

ESG standards provide another level of due diligence, which is in the best interest of shareholders. ESG helps in identifying unsustainable companies with outdated practices and harmful side effects, while also minimizing risk for investors as they invest in more responsible companies with a greater likelihood of succeeding in the long run.



Environmental

Definition Environmental factors determine a company’s stewardship of the environment and focus on waste and pollution, resource depletion, greenhouse gas (GHG) emissions, deforestation, and climate change.

Risks and Activities Environmental risks created by business activities have actual or potential negative impact on air, land, water, ecosystems, and human health. Company environmental activities considered ESG factors include:

- Managing resources and preventing pollution
- Reducing emissions and climate impact, and
- Executing environmental reporting or disclosure

Environmental positive outcomes include

- Avoiding or minimizing environmental liabilities
- Lowering costs and increasing profitability through energy and other efficiencies, and
- Reducing regulatory, litigation and reputational risk.

Before beginning operations that may present an environmental impact to the local ecosystems, the site supervisor will perform a hazard assessment. The plan will minimize any environmental impact on the local ecosystem.

Guidelines The Environmental Protection Agency (EPA) has established a set of guidelines to consider when adopting an environmental program.

Consumables

- Electricity data
- Refrigeration and AC data
- Emissions from mobile sources and business travel
- Waste and waste gases

Offsets

- Recyclable waste
- Renewable energy
- Product savings



Carbon Footprint

Emission Sources Gravity is committed to improving efficiency, driving collaboration, and pursuing innovations that improve the company's environmental performance across its operations.

Gravity's focus to reduce its Carbon Footprint is currently based on the following:

- Fuel usage and metric tons/CO2 produced
- Electricity usage
- Offsets

Note: Gravity understands there are several criteria that can help identify its carbon footprint and will continue to enhance its recording of the company's emission sources.

Fuel Usage Fuel usage is identified as fuel product that is purchased and used by Gravity. Fuel usage is measured in gallons. These products are:

- Diesel
- Gasoline
- Red Dyed diesel

Electrical Usage Electrical usage is identified as electricity that is purchased and used by Gravity. Electrical usage is measured in kilowatt hours.

Offsets Gravity's current largest offset is its pipeline operations. The company is capable of piping water to and from customer locations without the use of trucking operations and their diesel usage.

When calculating diesel offsets refer to the below.

1. Total piped water **divided** by 100 barrels per load = # of truck loads
 2. 30 miles round trip @ 6 miles to the gallon = 5 gallons per round trip
 3. # of truck loads **multiplied by** 5 gallons per load = total diesel offset
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**Emissions
Calculation**

Gravity currently utilizes the Environmental Protection Agency's (EPA) GHG Emissions Calculator. Each trackable emission source must be entered in the units specified on the data entry sheet. Once the user enters data in the calculator, the emissions will be automatically calculated and totaled.

These calculation totals will be shared monthly with Gravity's Executive team.



Social

Social Commitment

Gravity understands the importance and vitalness of its most precious resource, its people. Diversity and Inclusion of team members are key in day-to-day operations. Gravity invests in its workforce by providing proper training, support, and benefit programs to maximize professional growth and employee satisfaction. Gravity supports the communities in which we live and operate.

Workforce Diversity

Gravity believes that all people are entitled to an equal employment opportunity. Our Company does not discriminate against employees or applicants on the basis of race, color, gender (including pregnancy), national origin, religion, age, disability, status as disabled or a veteran, or any other characteristic protected by local, state or federal law. Our goal is to foster diversity and inclusion across all operating locations. We understand that a diverse workforce and inclusive culture provides our company better engagement with employees, customers and communities.

Career Development & Training

At Gravity we invest in our most important resource, our people. We provide the training and support our employees need to do their jobs safely and efficiently, leaving room for professional growth.

Benefits

Along with rigorous safety protocols, a full benefits package and employee wellness programs, we are continually looking for programs and practices to further enrich our employee's lives.



**Community
Participation**

Gravity believes that being a responsible and ethical corporate citizen is important in each community that we work and live. We are proud to support our employees at our various locations as they give back to their communities. Gravity participates in philanthropic efforts in health, education, and community enrichment — efforts that strengthen community relationships and foster employee engagement through participation in fundraising and other events.



Governance

Governance Commitment

Gravity has an integrated approach to Governance: Gravity's governance guidelines reflect its commitment to maintaining the trust and confidence of its employees, community, partners, and investors

Proper Training

Gravity's employees undergo extensive training in both the field and office to ensure the highest standards and customer service are being met. Employees are thoroughly trained in diversity and inclusion, cybersecurity, and reporting practices.

Code of Ethics & Conduct

Gravity is firmly committed to fulfilling its legal and ethical obligations under State and Federal laws and we maintain and regularly update as employee handbook outlining clear processes and procedures. All employees are expected to strictly comply with these obligations in order to best serve our customers, employees and community.

State and Federal Regulatory Agency Compliance

Gravity continuously works with regulatory agencies at both the state and federal levels including the Texas RRC, NDIC, DOT, among many others. This active dialogue ensures compliance with the latest requisite standards and best practices.

Active Risk Management

Gravity takes an active approach in mitigating potential risks by identifying, addressing, and monitoring risks in all levels of the business. The Company also regularly assesses our performance and incorporates any regulatory changes into our programs.



**Board
Membership &
Experience**

Members of Gravity’s Board have a variety of backgrounds and experience spanning multiple industries. Independent Board members and Board committees ensure high standard of transparent and strategic oversight.

**Gravity
Leadership**

Gravity is under the leadership of a seasoned management team with a proven ability to partner with our customers and vendors to provide safe and efficient solutions at any stage in a operator’s project life cycle.
