

## **Letter from U.S. Silica Holdings, Inc.**

At U.S. Silica Holdings, Inc., we are committed to operating our business with integrity, honesty and in accordance with the law. We believe that our Code of Business Conduct and Ethics for Employees is a very important tool for helping us meet this commitment. It is intended to help us make sound business decisions by clarifying the standards we expect to be followed by all of our employees and employees of our subsidiaries (collectively, “our employees”). We expect that all of our employees will be familiar with the Code, as well as other guiding principles referenced in the Code and the laws, rules and regulations applicable to our business.

We believe that our image and reputation is determined by the example set by our people. We are proud of our image and confident that we will maintain high standards in all that we do. We wish to provide each of our employees a useful tool to assist all of us in carrying out our duties in an ethical manner and to ensure that we maintain the highest level of integrity in our business dealings and affairs.

The Code is an important element of our policies and procedures and each employee of U.S. Silica or its subsidiaries is expected to follow it in both letter and spirit. We know, however, that it will not answer every question you may have concerning your duties and business dealings. If you are faced with a difficult ethical question or situation that may require additional guidance, your immediate supervisor is usually the best source of information and guidance. In addition, our General Counsel, Jim Manion, is available to help you whenever necessary. We encourage you to ask questions and seek advice as the need arises because we believe open and honest communication helps prevent serious problems — both now and in the future.

Very truly yours,

Bryan A. Shinn

President and Chief Executive Officer

**U.S. Silica Holdings, Inc.**

**CODE OF BUSINESS CONDUCT AND ETHICS FOR EMPLOYEES**

Adopted on April 27, 2012

**1. Introduction**

The U.S. Silica Holdings, Inc. Code of Business Conduct and Ethics for Employees (the “Code”) provides a broad set of legal and ethical principles intended to guide all of our employees in the performance of their duties. You are expected to be familiar with its contents and to consult it whenever you are confronted with a legal or ethical problem and unsure of what course of action to take. If you need more guidance or clarification, you should feel free to review the policies and procedures referenced in the Code. You can also discuss questions about the Code or specific issues confronting you with your immediate supervisor and the General Counsel, who are responsible for, among other things, ensuring the Code is followed in both letter and spirit.

The Code applies to all employees of U. S. Silica Holdings, Inc. (“U.S. Silica” or the “Company”) and all of its subsidiaries. Non-employee members of our Board of Directors (the “Board”) must abide by the Code of Conduct for the Board of Directors of U.S. Silica Holdings, Inc., which is posted and maintained at our web site at [www.ussilica.com](http://www.ussilica.com). The Code does not apply to our consultants, customers, suppliers or their employees. However, we expect them to be aware of the Code, to develop their own policies and procedures that are consistent with the spirit of the Code and to fully support our employees in complying with the Code. This shared commitment will help ensure that we earn our reputation as a company that conducts business with integrity. In the Code, we may refer to “you” as the employee or the employee’s supervisor.

The Company considers distributing the Code as the first step in educating its employees on the requirements of the Code. The Company wants to ensure that each employee of the Company fully understands the Code. Therefore, the Company requires each employee to participate in periodic training sessions concerning the Code and its various provisions, including upon commencement of service with the Company.

In addition to the scheduled training, it is your responsibility to attend Company training sessions regarding matters covered by the Code and maintain a working knowledge of applicable business law and ethics, both by studying the Code and related policies and other materials distributed to you by the General Counsel, and by paying attention to publications, broadcasts and other generally available sources of information about these matters. You are expected not only to adhere to the Code, but also to exercise sound business judgment in all circumstances and to comply with all applicable laws, rules and regulations.

Each employee must be alert and sensitive to situations that could result in illegal, unethical or improper conduct. Each of you has the obligation to report potential or actual violations of the Code to your immediate supervisor, unless it implicates him or her, or the General Counsel. Alternatively, potential violations can be communicated to the Company anonymously either on-line at [www.ussilica.silentwhistle.com](http://www.ussilica.silentwhistle.com) or by telephone through the Company’s whistleblower hotline (866-849-6641). **Conduct that violates the Code will constitute grounds for disciplinary action, ranging from reprimand to dismissal.** Persons reporting complaints or concerns relating to possible violations of the Code will not be subject to retaliation and any employees who retaliate, or attempt to retaliate, against persons reporting possible violations will be subject to disciplinary action.

## 2. Conflicts of Interest and Corporate Opportunities

Employees of the Company should avoid any actual or apparent conflicts of interest. A conflict of interest exists whenever someone's judgment may be influenced because of a direct or indirect personal interest, benefit or gain, or whenever someone misuses his/her position at the Company in a way that results in a direct or indirect personal benefit or gain. Anytime a conflict appears, or an employee is concerned that a conflict might develop, the employee is required to discuss the matter with his/her immediate supervisor, unless it implicates him or her, or the General Counsel.

It is not possible to identify every particular activity that might give rise to a conflict of interest. Examples of conflicts of interest that should always be avoided include the following:

- (a) any ownership interest in any supplier, customer or competitor (other than nominal amounts of stock — usually less than one percent — in publicly-traded companies);
- (b) any consulting or employment relationship with any customer, supplier or competitor;
- (c) any outside business activity that is competitive with any of U.S. Silica's businesses;
- (d) the receipt of any gifts, gratuities or excessive entertainment from any person or entity with which U.S. Silica has a business relationship, other than commonly distributed items of nominal value that are given for advertising or promotional purposes and that conform to customary industry practices;
- (e) any outside activity of any type that is so substantial as to call into question your ability to devote appropriate time and attention to your duties and responsibilities to the Company;
- (f) service on any board of directors of any customer, supplier or competitor unless such board service has been disclosed to U.S. Silica and approved by its Chief Executive Officer or the Board;
- (g) being in the position of directly supervising, reviewing or having any influence on the job evaluation, pay or benefits of any immediate family member or other relative;
- (h) using for personal gain or for the benefit of others, confidential information obtained during your employment with the Company;
- (i) taking advantage of a business opportunity that you learned of in the course of your employment with the Company or through the use of Company property, information or position;
- (j) selling anything to U.S. Silica or buying anything from U.S. Silica (except pursuant to any normal program of disposal of surplus property that is offered to all employees in general); and
- (k) using Company information, position, property, equipment or other assets for your own personal benefit, gain or convenience without permission.

If an employee thinks he/she may have a direct or indirect conflict of interest or knows of a conflict of interest that exists elsewhere in the Company, he/she must disclose such potential conflict to his/her immediate supervisor, unless it implicates him or her, or the General Counsel. After an employee has disclosed a potential conflict of interest, a determination will be made either by the General Counsel or by the Audit Committee of the Board, depending on the nature or extent of the conflict, as to what course of conduct to follow, including whether to divest of the conflicting interest, return the benefit or gain received or realign duties and responsibilities.

Any situation that presents a conflict of interest for you would probably also present a conflict of interest if it is related to a member of your immediate family or other relative and, therefore, should be avoided. For example, ownership of stock in competitors or suppliers, or receipt of gifts or entertainment by members of your immediate family, would create the same conflict of interest as if the stock were owned or the entertainment received by you. In marginal situations, employees are instructed to discuss the situation with their immediate supervisor to prevent possible misunderstandings and embarrassment at a later date.

We believe that the avoidance of conflicts of interest is the core of our commitment to operate with honesty and integrity. From time to time, we will solicit information from certain employees to ensure that no conflicts of interest exist.

### **3. Gifts and Gratuities**

It is contrary to Company policy for employees or members of their immediate families to accept gifts, services, discounts or favors from those with whom the Company does business or considers doing business, except as follows:

- (a) Employees may accept gifts of nominal value (generally \$75 or less) ordinarily used for sales promotion (for example, calendars, appointment books, pens, etc.).
- (b) Ordinary “business lunches” or reasonable entertainment consistent with local social and business customs may also be permissible if these actions can be reciprocated by the employee and are reasonable in cost and frequency. These may include transportation to and from the suppliers or customers’ place of business, hospitality suites, golf or other sports outings and business meals for visitors to the suppliers’ or customers’ location.

If an employee receives a gift that does not fall within these guidelines, it must be reported to the employee’s immediate supervisor and returned. If return of the gift is not practical, it should be given to the Company for charitable disposition or such other disposition as the Company deems appropriate. All employees are urged to make our policy regarding gifts known to those with whom they deal so that these situations do not arise.

It is not our desire to appear unfriendly or unsociable. On the other hand, it is our policy to avoid any action that may cast doubt on the integrity or motivation of our employees or the Company. As a general matter, public disclosure of the acceptance of gifts/entertainment should not embarrass the Company or those receiving the gifts/entertainment.

### **4. Insider Trading**

It is both illegal and against Company policy for any employee to profit from undisclosed (also

called “inside”) material information relating to the Company or any company with which U.S. Silica has a business relationship. Any such person who has any material inside information — whether relating to U.S. Silica directly or indirectly — that the Company has not yet disclosed to the public may not purchase or sell any of the Company’s securities and may not disclose such information to others, including family members, friends, colleagues or business associates. Also, it is against Company policy for any such person who may have material inside information about any of our suppliers, customers or other companies with which U.S. Silica has a business relationship or that he/she hears about during the course of his/her employment to purchase or sell the securities of that company.

Information is material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold or sell a security. Any information that could reasonably be expected to affect the price of the security is material. Common examples of material information are:

- (a) Projections of future earnings or losses or other earnings guidance.
- (b) Earnings that are inconsistent with the consensus expectations of the investment community.
- (c) A pending or proposed merger, acquisition or tender offer or an acquisition or disposition of significant assets.
- (d) A change in management or a change in the health of a senior executive officer.
- (e) Major events regarding the Company’s securities, including the declaration of a stock split or the offering of additional securities.
- (f) Labor negotiations.
- (g) Payout information related to the Company’s incentive plan.
- (h) Initiation of a dividend or change in the Company’s dividend policy.
- (i) Actual or threatened major litigation, or the resolution of such litigation.
- (j) New major contracts, orders, customers or finance sources or the loss thereof.
- (k) Unusual gains and losses in major operations.

These rules are covered in more detail in the U.S. Silica Holdings, Inc. Board of Directors Policy on Insider Trading. You should become familiar with that policy and consult it before initiating any transaction in the Company’s securities or those of its suppliers, customers or other companies with which the Company has a business relationship or that you hear about during the course of your employment.

If you are uncertain about the legal rules involving your purchase or sale of any securities of U.S. Silica or any securities in companies familiar to you by virtue of your position with the Company, you should consult with the General Counsel before making any such purchase or sale.

## **5. Protection of Confidential Information and Intellectual Property**

It is very important for all employees to safeguard the Company’s confidential information and to

refuse any improper access to such information and the confidential information of any other company, including that of our suppliers, customers and competitors, entrusted to us for whatever purpose.

In terms of the Company's confidential information, the following guidelines apply:

- (a) Any Company proprietary information to which any employee may have access should be discussed with others within the Company only on a need-to-know basis.
- (b) If an employee wishes to disclose the Company's confidential information to anyone outside of U.S. Silica, it should be done only pursuant to a confidentiality agreement, which can be provided by the Company's General Counsel.
- (c) Employees wishing to publish results of mining activities or Company research in scientific publications must first obtain written consent from their supervisor and the Chief Compliance Office, and all such publication requests must be submitted at least 30 days before submission for publication.
- (d) All employees should always be alert to inadvertent disclosures that may arise in either social conversations or in normal discussions and correspondence with the Company's suppliers and customers.

In terms of confidential and proprietary information of other companies, the following guidelines apply:

- (a) No employee of the Company should receive any confidential information, except pursuant to written confidentiality agreements approved or prepared by the Company's General Counsel. Because the Company may incur substantial liability if it improperly discloses information that has been provided by a third party to an employee in confidence, no employee should receive such information unless there is a clear business reason for doing so and then only under the terms and conditions of an agreement that protects both parties' interests.
- (b) While employees should always be alert to their competitive surroundings and obtain as much information as possible about the marketplace, employees must do so only in accordance with sound and ethical business practices. Employees must never be a party to any situation in which such proprietary or confidential information has been improperly obtained from any other company, such as by a former employee. If any employee is approached with any offer of confidential information that the employee has reason to believe is subject to an obligation of confidentiality or may have been obtained improperly, the employee must immediately disclose this matter to his/her immediate supervisor and/or the General Counsel.
- (c) All new employees joining the Company from other organizations must realize that our policy is to fully respect the trade secrets and confidential information of their previous employers, and that no such information should be disclosed to the Company or used by the employee in performing his duties for the Company.

Confidential or proprietary information of the Company, and of other companies, includes any information, whether or not in tangible form, that is not generally disclosed to the public and that is useful or helpful to the Company and/or which would be useful or helpful to competitors of the Company.

Common examples include such things as financial data, sales figures for individual products or groups of products, plans for new products or advertising programs, areas where the Company intends to expand or improve its products, lists of suppliers, lists of customers, wage and salary data, capital investment plans, projected earnings, changes in management or policies of the Company, unpublished testing data or research results, product specifications and price lists. If any such information regarding a competitor is inadvertently obtained, it must be reported by the employee and not used in the business of the Company. This policy is also covered in detail in the Proprietary Information, Non-Compete and Restrictive Covenant Agreement entered into by each salaried employee of the Company.

## 6. **Accurate Books and Records and Disclosure Controls**

Accurate and reliable records are crucial to the Company's business. The Company's records are the basis of its earnings statements, financial reports, public filings and other disclosures to third parties and guide its business decision-making and strategic planning. The Company's records include sales and backlog information, customer data, payroll, timecards, travel and expense reports, e-mails, accounting and financial data, measurement and performance records, electronic data files and all other records maintained in the ordinary course of business.

All of the Company's records must be complete, accurate and reliable in all material respects. Undisclosed or unrecorded funds, payments or receipts are inconsistent with the Company's business practices and are prohibited. Employees are expected to act in good faith, responsibly, with due care, competence and with common sense in a timely manner. Employees may not misrepresent material facts or allow their independent judgment or decisions to be improperly influenced or biased by others or by other factors such as operating unit or individual performance objectives, plans, forecasts or financial commitments. If any employee believes someone is asking or directing him or her to violate these obligations, such employee should report the situation promptly to the General Counsel. Each employee is responsible for understanding and complying with the Company's record-keeping policy. Any questions should be directed to the employee's immediate supervisor or the General Counsel.

U.S. Silica's financial officers and other associates serving in a finance, accounting, corporate, treasury, tax or investor relations role (the "Finance Team") have a special responsibility to ensure that all of the Company's financial disclosures with respect to U.S. Silica and its subsidiaries are prepared and reported in full, fair, accurate, timely and understandable manner. These associates must understand and comply with applicable law, the Company's accounting policies and U.S. generally accepted accounting principles. Each such employee is expected to comply with the internal controls, disclosure controls and procedures and other policies and procedures established by U.S. Silica from time to time. Employees may be called upon at times to consult with members of senior management regarding financial, accounting, internal controls and business operations, and to certify, among other things, to the accuracy and completeness of the Company's public disclosures, compliance with the Company's internal controls and financial reporting procedures, and the occurrence or absence of various reportable events.

Any action (direct or indirect) to force, manipulate, mislead or fraudulently influence any person, including a financial officer or other member of the Finance Team, in the performance of his or her duties with respect to the financial books and records or the Company's public disclosures is a violation of this Code. This includes situations involving the recording or authorization of any financial transactions that are incorrect or improper or not adequately supported. Any action (direct or indirect) to force, manipulate, mislead or fraudulently influence the Company's independent auditors in the performance of their audit or review of U.S. Silica's financial statements is prohibited.

*It is very important that no one create, or participate in the creation of, any records that are*

*intended to mislead anyone or conceal any improper act or conduct. All assets of the Company must be properly accounted for and no “off balance sheet” accounts or transactions are permitted.*

Employees may submit concerns regarding accounting, internal accounting controls or auditing matters they believe to be questionable (confidentially and anonymously, if they wish) in the manner prescribed in the U.S. Silica Holdings, Inc. Audit Committee Policy on Complaint Procedures for Accounting and Auditing Matters, which is posted and maintained on the Company’s web site at [www.ussilica.com](http://www.ussilica.com).

#### **7. Loans to Executive Officers and Directors**

The Company shall not, directly or indirectly, including through any subsidiary, extend or maintain credit, arrange for the extension of credit or renew an extension of credit, in the form of a personal loan, to or for any director or executive officer (or equivalent thereof) of the Company.

#### **8. Transacting International Business**

The Company should observe the highest ethical standards in all of its business transactions — including those involving foreign countries. We should do nothing in connection with any international transaction, and take no action in any foreign country, that would be illegal or improper in the United States. Of course, all employees are expected to observe all applicable foreign laws to which they or the Company may be subject. This includes foreign tax laws, antitrust and competition laws, customs duties and regulations, drug testing, environmental, licensing, manufacturing and marketing laws, rules and regulations and currency restrictions. No actions should be taken that are intended to improperly circumvent the application of such laws, rules or regulations. Some of the concerns raised by international business are as follows:

##### **(a) *Foreign Corrupt Practices Act***

The Foreign Corrupt Practices Act prohibits a public company, or any employee or agent of that company from, among other things, making an offer, payment, promise to pay or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to any foreign official, any foreign political party or official thereof or any candidate for foreign political office, or any other person, such as a foreign agent, knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any foreign official, any foreign political party or official thereof, or any candidate for foreign political office, for the purpose of (i) influencing any act or decision of such foreign official in his official capacity, (ii) inducing such foreign official to do or omit to do any act in violation of the lawful duty of such official or (iii) securing any improper advantage, or inducing such foreign official to use his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist the Company in obtaining or retaining business for or with, or directing business to, any person.

There is an exception for routine governmental action, which includes any facilitating or expediting payment to a foreign official, political party or party official the purpose of which is to expedite or to secure the performance of a routine governmental action by a foreign official, political party or party official. However, before any employee or agent of U.S. Silica makes any offer, payment, promise or gift to any foreign official, foreign political party or official thereof or candidate for foreign political office, or any agent of U.S. Silica, or authorizes any of such acts on behalf of U.S. Silica, the

employee or agent must consult with the Company's General Counsel and obtain his/her approval.

(b) *Antiboycott Laws*

United States antiboycott laws prohibit or severely restrict the Company from participating in boycotts against countries friendly to the United States, and require the Company to report both legal and illegal boycott requests to the U.S. government. Any employee involved in selling our products internationally must become familiar with the antiboycott laws and observe all of their requirements.

(c) *New Foreign Countries*

The decision to expand our distribution or to establish an operation in any other country, besides those in which we are already qualified to do business, may carry many important legal and tax implications. No employee should undertake to expand our operations into any new foreign country without prior consultation with the Company's Chief Executive Officer, who will consult with the Company's General Counsel regarding the implications of applicable foreign laws, rules and regulations.

(d) *Export Controls*

In general, any goods that we sell to a customer in a foreign country must be covered by an export license. There are certain statutory licenses that allow exporting of certain products — generally nonmilitary or nonhigh-technology goods — to our allies without any further license. Export control regulations are, however, quite complex, and any employee involved in any export transaction must observe at least the following two guidelines:

- (i) Employees should satisfy themselves that there is some regulation or specific export license that covers the export they want to make. This includes exports of technology, as well as exports of goods or services.
- (ii) Any information that an employee furnishes either to our employees, to the government or to companies that we may have hired to facilitate our export transactions must be truthful and accurate. This includes both information as to the technology in question and information as to the economic value of the exports.

Employees involved in our export business also have an obligation to be reasonably alert to situations in which inaccurate information may have been furnished, either to us or to any of our agents, involving the ultimate destination or use of the goods. This is particularly important for goods of the type that are not permitted to be shipped to certain countries. If any Company employee believes that there is any doubt as to the truth or accuracy of the information being furnished to us regarding the ultimate destination or use of products we export, the employee should contact his/her supervisor or the General Counsel.

The definition of export is quite broad and can include conversations of a technical nature with a citizen of another country even though that conversation takes place entirely within the United States. Another example of a possible export would include tours of our facilities where foreign visitors could obtain technical information. If there is any doubt as to whether any situation involves an "export" within the meaning of our export control laws, the Company's General Counsel should be consulted.

(e) *Imports*

All goods imported into the United States must pass through customs and, except in some limited

cases where there are exemptions, a duty must be paid. The amount of that duty is based upon the classification of the goods and the value of the merchandise. All information furnished to any customs official or to any agent that the Company hires to facilitate our imports must be truthful and accurate.

(f) *Bioterrorism*

All employees are required to report any request to manufacture or sell any product or chemical that could be used in an act of terrorism to the General Counsel.

(g) *United Kingdom Bribery Act*

The United Kingdom's Bribery Act prohibits payments or offers of payment of anything of value intended to cause any person in a position of trust or responsibility to act in breach of such duty. The Bribery Act also prohibits the acceptance of any such payments. Although the U.S. Foreign Corrupt Practices Act relates only to improper payments to government officials, the Bribery Act also applies to transactions involving private parties. Therefore, as a matter of policy, the Company also prohibits the giving or receiving of improper payments involving any of the Company's customers, potential customers, suppliers, vendors, contractors or other business partners, or any employee, agent or other representative of such entities.

## 9. **Antitrust and Fair Competition**

The United States, the European Union and many other nations have antitrust laws that are designed to ensure that competition is fair and honest. These laws typically prohibit agreements or actions among competitors that might restrain trade or reduce competition. The Company competes fairly and in accordance with the highest ethical standards and all applicable antitrust laws.

Some situations that can lead to potential antitrust violations include:

(a) *Dealing with Competitors*

Price-fixing, bid-rigging, market allocation, predatory pricing and customer or supplier boycotts are all forbidden by antitrust laws. It is crucial to avoid even the appearance of an agreement to engage in any prohibited activity with a competitor. Thus, conversations with competitors' employees about competitively sensitive information (current or future prices, costs, customers, market shares, competitive initiatives, etc.) should be avoided.

(b) *Participation in Industry Associations*

Antitrust laws not only apply to informal exchanges of information, but also to more formal exchanges of information and joint competitor initiatives that may occur under the auspices of trade associations. If an employee is active in industry trade associations, he/she must be aware of the restraints imposed by the antitrust laws and avoid situations involving discussions of current or future prices, costs, customers, market shares, competitive initiatives and other information that might appear to restrain trade. Employees should contact the Company's General Counsel if they have any questions, particularly regarding any proposed association activity that would have a potential effect on competition, including exchanges of statistical information, the implementation of product standards or the development of industry codes or practices.

(c) *Dealing with Customers*

Insulting or misrepresenting competitors or their products, price discrimination and tying (providing one product to a customer only if they buy a second product as well) all can be antitrust violations. It is important that all employees deal with customers on fair and equal basis.

(d) *Collecting Competitive Information*

Information about our competitors' activities must be collected in accordance with the law. It is appropriate for the Company to keep up with competitive developments and to review all pertinent public information about our competitors, such as that contained in newspaper articles, trade and financial journals and magazines, public regulatory filings and published prices, specifications, production capacities and limitations, markets and transportation capabilities. However, employees cannot attempt through improper means to acquire a competitor's trade secrets or other proprietary or confidential information, including information about facilities, manufacturing capacity, technical developments, bids or customers. Employees may never misrepresent themselves as other than employees of the Company in an effort to obtain any competitor's trade secrets or other proprietary or confidential information.

Because violations can result in severe penalties for the Company and fines and imprisonment for individuals, it is not enough to avoid taking specific actions that violate antitrust laws. You must do nothing that even gives the appearance of taking actions or making agreements that reduce competition. The safest rule for everyday business situations is not to discuss prices, costs, output levels or customers with a competitor. If you become aware of potential or actual violations of the antitrust-related provisions of the Code, you should report them to the General Counsel, or by using the anonymous company web site at [www.ussilica.silentwhistle.com](http://www.ussilica.silentwhistle.com) or whistleblower hotline (866-849-6641).

Antitrust laws are complex and some provisions are difficult to interpret and apply. For that reason, we have adopted Fair Competition Guidelines that go into more detail regarding the requirements of various antitrust regulations. If you regularly deal with competitors or customers or attend trade association meetings, you should be familiar with the Fair Competition Guidelines and will receive additional antitrust training from time to time.

## 10. **Fair Employment Practices**

It is the Company's policy to make employment decisions without regard to race, religion, creed, color, gender, sexual orientation, age, national origin, marital status, physical or mental disability, medical condition, veteran status or other legally protected categories. Employment decisions include, but are not necessarily limited to, hiring, job assignment, prior experience, education, acquired skills, promotion, transfer, wage review and access to Company paid fringe benefits.

The Company's employment policies are administered by the Company's Vice President of Talent Management and any questions concerning the operation or interpretation of such policies should be directed to that office. For more details regarding the Company's employment policies, see the Company's Fair Employment Policy.

## 11. **Discrimination and Harassment**

The Company is committed to maintaining a workplace entirely free of discrimination or harassment. U.S. Silica will not tolerate harassment related to any individual's race, color, religion, gender, national origin, citizenship, age, disability, sexual orientation, military or veteran status, marital status or any other characteristic protected by law. The term "harassment" may include unwelcome slurs

and other offensive remarks, jokes and other verbal, graphic or unwelcome physical conduct. Harassment may also include unwelcome sexual advances, requests for sexual favors or unwelcome or offensive touching and other verbal, written, pictorial, graphic or physical conduct of a sexual nature (such as obscene or lewd jokes, comments or displays or any inappropriate body contact).

#### **12. Unauthorized Use of Company Property or Services**

No employee may use or remove from Company premises any Company property or misappropriate any Company asset or retained services for any personal benefit or the personal benefit of anyone else. The Company realizes that sometimes the line between personal and company benefits is difficult to draw, and sometimes there are both personal and company benefits in certain activities. Examples include articles of a technical or professional nature that may enhance the stature or reputation of the author and also may have some benefit to the Company, and employee participation in continuing education programs. The only prudent course of conduct for Company employees is to make sure that any use of Company property, assets or retained services that is not solely for the benefit of the Company is approved in advance by the employee's immediate supervisor or the General Counsel.

#### **13. Access to Electronic Communications**

The Company respects the individual privacy of its employees, but these privacy rights do not extend to the employee's work-related conduct or to the use of Company-provided equipment or facilities. The Company's mobile phones, voicemail and computer systems are the property of the Company and, thus, are expected to be used for job-related communications. Although each employee has an individual password to access the Company's systems, the contents of e-mail communications are accessible at all times by the Company for any business purpose. For more details regarding the Company's electronic communications policy, see the Company's Computer and Electronics Policy.

#### **14. Marketing**

The Company's advertising and product claims, specifications and descriptions should always be truthful, balanced and not misleading. If the Company makes specific claims about its products or the performance of its products, the Company should have substantial evidence to justify those claims. The Company's employees should not disparage any of the products, services or employees of any of the Company's competitors. If the Company does engage in any comparison of its products with those of its competitors, such comparisons should be fair, accurate and also supported by substantial evidence.

If the Company supplies any estimates — such as cost estimates — they must be fair and reasonable. To the maximum extent possible, they should be backed up by objective facts and experience. To the extent that the estimate cannot be objectively verified, it should be based upon the good faith judgments of those making the estimate. If it is necessary to forecast future delivery dates, such forecasts should be made in the same way as an estimate, i.e., backed up by objective evidence to the maximum extent possible and based upon good faith judgment where required.

#### **15. U.S. Silica Commercial Compliance Policies**

U.S. Silica considers compliance with all laws, rules and regulations to be a fundamental operating principle of the Company, and a guiding principle as to how it conducts its business. Therefore,

it is imperative that all employees and consultants comply with applicable Mine Safety and Health Administration, Occupational Safety and Health Administration, environmental and related health care laws, rules and regulations, and follow applicable guidelines that govern the way the Company mines, manufactures and promotes its products and interacts with its customers.

In the course of conducting business with government officials, each employee is expected to be courteous, factual and honest, provide information properly requested and never misrepresent or mislead any government agency or its representatives. Any employee having questions about the appropriate manner in which to interact with a government representative should seek guidance from the Company's General Counsel.

#### **16. Purchasing**

The Company will purchase all of its supplies and requirements on the basis of price, quality and service. The fact that a supplier or potential supplier is also a customer of the Company shall not be considered in making our purchasing decisions, except in instances where for commercial reasons the Company may enter into joint venture or other similar arrangements to serve their respective product or service needs. In other words, reciprocity shall not be a factor in our purchasing decisions.

All suppliers will be dealt with fairly, honestly and openly. Suppliers will be chosen without regard to the size of their company, except to the extent it may provide a credit or other appreciable risk to the Company, or the nationality of their shareholders or management, except insofar as specific legal requirements dictate that those factors be taken into consideration.

This policy extends to services such as advertising, auditing, banking, legal and construction/maintenance, as well as to purchasing goods used by the Company.

#### **17. Political Activity**

No Company funds or assets, including the work time of any employee, will be contributed, loaned or made available to any political party or to the campaign of any candidate for a federal, state or local office or for any referendum or initiative, except indirectly through the payment of regular dues to mining or other trade associations over which the Company's officers have no control or influence. Notwithstanding the foregoing, the Company may sponsor a Political Action Committee, to the extent permitted by federal and state law. No funds or assets of the Company may be used for or contributed to any foreign political party, candidate or committee.

The Company strongly encourages its employees to become involved in civic affairs and to participate in political activities. Employees must recognize, however, that their involvement and participation must be on an individual basis, on their own time and at their own expense. Further, when an employee speaks on public issues, it must be made clear that comments or statements made are those of the employee and not the Company.

#### **18. Government Investigations**

It is the policy of the Company to cooperate fully with any government investigation. However, the Company should have the opportunity to be adequately represented in such investigations by its own legal counsel. Accordingly, if any employee obtains information that would lead him or her reasonably to

believe that a government investigation or inquiry is underway, this information should be communicated immediately to the Company's General Counsel. In addition, if any government inquiry arises through the issuance of a written subpoena or written request for information (such as a Civil Investigative Demand), such request should immediately be submitted to the Company's General Counsel, before any action is taken or promised.

Appropriate handling of government investigations is very important for the Company, for management and for all employees. Virtually all of the federal laws regulating the conduct of the Company's business, including antitrust, securities and tax laws, contain civil and criminal penalties. The criminal penalties apply to the Company and to those individuals within the Company who actually committed or authorized the actions that violated the law or failed to take actions that resulted in a violation of the law, and, in appropriate circumstances, may also apply to persons then supervising the individuals that actually violated the law if that supervisor was in a position to prevent the violation from occurring.

Employees should never, under any circumstances:

- (a) destroy any Company documents under circumstances where a request for those documents has been issued or reasonably can be anticipated to be issued from any government agency or a court, or in connection with any pending or threatened litigation or administrative proceeding;
- (b) alter any Company documents or records except consistent with applicable law and Company procedures (e.g., by interlineations and initialing/dating the change);
- (c) make any false or misleading statements to any government employee (this includes routine, as well as non-routine investigations — there is a separate federal statute on making such false statements to investigators of a crime); or
- (d) attempt to cause any other Company employee, or any other person, to fail to provide information to any government investigator or to provide any false or misleading information.

The Company believes that its employees should be made aware of the opportunity for legal representation. In some government investigations, the Company's legal counsel can represent the interests of both the Company and the employees. In some cases, there may be a conflict of interest between the Company and one or more employees, and individual employees may need to retain their own legal counsel. In some cases, the Company may be able to pay for the employee's legal counsel, but this will be determined on a case-by-case basis because the law imposes some restrictions on the Company's ability to pay for such representation.

## 19. **Environmental**

The Company's policy is to minimize the impact its operations have on the environment, and where possible to preserve or enhance the quality of the environment where we conduct operations. The Company is committed not only to complying with applicable environmental laws, rules and regulations, but also to continuously improving its environmental performance where possible. More information regarding the Company's sustainability efforts and each employees obligations in connection with such matters can be found on the Company's web site at [www.ussilica.com](http://www.ussilica.com).

## 20. **Copyrights/Computer Software**

The Company's policy is to respect copyright laws and observe the terms and conditions of any license agreements to which the Company is a party. In most cases, this means that the software used by our employees is copyrighted, and the Company does not have the right to make copies of that software except for backup purposes. This includes not only the substantial software programs the Company may license, but also the smaller so-called shrink-wrap programs typically used for word processing, spreadsheets and data management. The Company generally does not purchase these programs, but instead licenses them. Both the license agreement and general copyright laws prohibit duplication of these programs. This applies even if the programs are not "copy protected."

## 21. **Media Relations**

The Company values its relationships with those in the media and will endeavor to provide full and prompt disclosure of all material developments or events. It is important that only authorized individuals speak or provide information regarding the Company and its affairs. Media relations are the responsibility of U.S. Silica's Chief Executive Officer, Chief Financial Officer and any other person(s) designated with such responsibility, and all statements to the media or responses to inquiries from the media should be directed to, and handled by, such members of senior management.

In the event the media inquiry relates to a pending or threatened legal matter, media communications should also be coordinated with the Company's General Counsel. Any employee asked for a statement from a member of the media should refer the inquiry to the responsible member of senior management. This policy is also covered in greater detail in the Company's Policy on Media Communications and the Board's Policy on Compliance with Regulation FD.

## 22. **Shareholder Relations**

The Company values its relationships with all of its stockholders. Any communication from a stockholder requesting information relating to U.S. Silica should be forwarded to the Chief Financial Officer, or any other person(s) designated by the Chief Financial Officer.

## 23. **Fraud**

It is the policy of U.S. Silica to comply with the law and to maintain accurate records of Company business. All employees are responsible for recognizing and reporting fraud, falsification of records or other irregularities. Managers should become familiar with the types of irregularities that might occur in their areas of responsibility and must establish standards and procedures designed to prevent and detect such irregularities.

Fraud applies to any irregularity or suspected irregularity related to Company business and involving employees, vendors or persons providing service or materials to the Company. Irregularities include, but are not limited to, the following:

- (a) forgery or alteration of any document;
- (b) misappropriation, destruction or disappearance of funds, inventory, supplies or other Company assets, whether tangible or intangible;
- (c) impropriety in the handling or reporting of financial transactions;
- (d) "side" letters that alter the terms of existing contracts, arrangements or understandings;

- (e) the payment or receipt of any kickback, undisclosed commission, concession or the like, or any other improper payment to secure or obtain business;
- (f) false, fictitious or misleading entries or reports; and
- (g) false or misleading statements to those conducting investigations of irregularities.

Employees must immediately report any suspected irregularity or act of fraud to the Company's General Counsel, or online at [www.ussilica.silentwhistle.com](http://www.ussilica.silentwhistle.com) or by phone at 866-849-6641. The Company's ability to investigate and remediate fraud successfully depends on prompt and confidential reporting. If an employee suspects any fraudulent activity has been committed, or is about to be committed, the employee should not discuss the matter with any of the individuals involved, attempt to investigate or determine facts on his/her own or discuss his/her suspicions with anyone unless specifically directed or authorized to do so by the Company's General Counsel, or a member of any investigation team.

All investigations, including those regarding allegations of fraud or other irregularities, will be conducted under the direction of the Company's General Counsel, the Department of Talent Management and the other affected area(s), as necessary and appropriate.

Employees must cooperate with any investigation and provide accurate and truthful information. Employees must not disclose or discuss the fact that an investigation is being conducted or has been conducted, and must not disclose the results of any investigation to anyone except those persons in the Company or law enforcement who need to know in order to perform their duties, or except as otherwise required by law.

#### **24. Record Retention**

U.S. Silica business records must be maintained for the periods specified in the Company's Record Retention Policy. Records may be destroyed only at the expiration of the pertinent period. In no case may documents involved in a pending or threatened litigation, administrative proceeding, government inquiry or under subpoena or other information request, be discarded or destroyed, regardless of the period specified in the Record Retention Policy. In addition, employees may never destroy, alter, or conceal, with an improper purpose, any record or otherwise impede any official proceeding, either personally, in conjunction with, or by attempting to influence, another person.

#### **25. Drug- and Alcohol-Free Workplace**

The Company is committed to providing a safe, drug-free workplace. The possession, use of or being under the influence of alcohol or illegal drugs during work hours subjects the Company and our employees to unacceptable health and safety risks. U.S. Silica insists that its employees work entirely free of the effects of alcohol and illegal drugs, as well as the adverse effects of any other legal substance.

#### **26. Administrative Matters — Interpretation, Enforcement Exceptions and Amendments**

##### *(a) Interpretation*

The Company's General Counsel is responsible for interpreting and applying the Code to specific situations in which questions may arise. The Company's General Counsel will also maintain a record of interpretations issued under the Code so that such interpretations can be consistent throughout the

Company. Any questions relating to how the Code should be interpreted or applied should be addressed to the General Counsel. The General Counsel will report periodically to the Audit Committee of the Board.

(b) *Violation of the Policies*

All employees have a moral, and in some cases legal, obligation to call to the Company's attention any situation in which this Code may not be observed. All such information will be received with the understanding that no discipline or other retaliatory action shall be taken against any employee informing the Company of any violations of the Code (except if the informant is self-reporting, in which case the act of self-reporting may be considered in mitigation of whatever the offense is that was the subject of the self-reporting). Possible situations in which our policies may not be observed should be reported directly to the General Counsel, unless they relate to the General Counsel or such officer's superior, in which event the matter should be reported to the Chair of the Audit Committee of the Board.

Any employee violating any of our policies shall be subject to discipline. In some cases, that may include suspension or discharge. In other cases, the Company may have a legal obligation to call violations of these policies to the attention of appropriate enforcement authorities because, in some cases, these violations may constitute violations of law.

(c) *Audits*

In some cases, compliance with our policies will be monitored by periodic audits. These may be done by the Company's internal auditor or by or at the direction of the General Counsel (for example, to determine the Company's compliance with antitrust laws and the requirements of written contracts and accurate books and records). All employees are required to cooperate fully with any such audits and to provide truthful and accurate responses to any request.

(d) *Requests for Exception*

While some of our policies must be strictly adhered to and no exceptions can be allowed, in other cases exceptions may be possible. For example, a minor conflict of interest may be resolved simply by disclosure of the conflict to all interested parties. Any employee who believes that an exception to any of the Company's policies is appropriate in his/her case should contact the General Counsel for consideration of the matter; provided, however, that in the extremely unlikely event that a waiver of the Code for an officer would be in the best interest of the Company, it must be approved by the Audit Committee of the Board, and disclosed promptly as required by law. The General Counsel shall be responsible for maintaining a complete record of all requests for exceptions to any of these policies and the disposition of such requests.

(e) *Distribution*

Every employee of the Company shall be given a copy of the Code and asked to sign a statement acknowledging receipt of it substantially in the form attached to the Code. Every new employee will be given a copy of the Code and asked to acknowledge receipt of it either at or within one week of receiving the Code.

(f) *Changes or Amendments*

In the event of any changes or amendments to the Code, such changes or amendments will be posted to the Company web site at [www.ussilica.com](http://www.ussilica.com). Employees will be advised of changes by e-mail message when an update is posted and it is the employee's responsibility to become familiar with the

changes as soon as practicable.

(g) *Non-exclusivity*

No representation is expressed or implied that the policies stated herein are all the relevant policies that are applicable to the Company and its employees, nor that they are a comprehensive, full or complete explanation of the laws or standards of conduct that are applicable to the Company and its employees. All employees have a continuing obligation to familiarize themselves with applicable law and Company policy.

(h) *Disclaimer of Employment Contract*

Unless there is a specific and personal written employment agreement between the Company, signed by an authorized officer and an employee, the employee is free to leave the employment of the Company or the Company may terminate the employment of the employee at any time, for any reason. Our policy is to be an employment-at-will employer, unless required under applicable law. Nothing contained in this Code or in other publications of the Company is intended by the Company to be, nor shall it be construed as, an employment agreement.

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### **Certificate/Acknowledgment**

The preceding Code of Business Conduct and Ethics for Employees must be acknowledged by each employee of the Company upon its adoption or upon commencement of employment. Employees may be asked to confirm such acknowledgement at other times during their employment in connection with various Company transactions.

### **Certification**

I have received and read the Code of Business Conduct and Ethics for Employees (the "Code"), including the related materials, and agree to comply with its policies. I understand that confidential and proprietary information must not be disclosed without permission, and should never be used for personal benefit or for the benefit of others. I will report any new activities or interests that may give rise to a conflict of interest to the Company's General Counsel as required by the Code.

Further, I understand that I have multiple avenues and resources to report activity or conduct not in compliance with the Code or any other policies governing employee conduct including the Company's reporting communication tool, SilentWhistle, that may be accessible confidentially on-line at [www.ussilica.silentwhistle.com](http://www.ussilica.silentwhistle.com) or by phone at 866-849-6641.

Signature: \_\_\_\_\_

Name (Print): \_\_\_\_\_

Department/Location: \_\_\_\_\_

Date: \_\_\_\_\_