



Tomorrow  
starts today

# Enerflex

20  
24

Sustainability  
Report



The demand for reliable and innovative energy infrastructure is increasing globally – and Enerflex’s natural gas and treated water solutions support its client partners through this changing landscape. Deploying sustainable energy solutions is key to our strategy, which is reinforced by our strong governance practices and dedicated focus on environmental, social, and governance (ESG) performance.

**Our 2024 Report on Sustainability highlights the progress we’ve made towards our ESG commitments and the significance of sustainability to our business and our stakeholders.**

As used in this report, references to “us”, “we”, “Enerflex”, and “the Company” refer to Enerflex Ltd. and its wholly-owned subsidiaries.

In preparing this report, Enerflex has considered various sustainability related frameworks, including Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB), Oil & Gas Services Sustainability Accounting Standard, and Task Force on Climate-Related Financial Disclosures (TCFD).

If you have any questions regarding this report, please contact our Investor Relations Team at [ir@enerflex.com](mailto:ir@enerflex.com).

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# Letter to Stakeholders



## Marc Rossiter

President, Chief Executive Officer,  
and Director

To Enerflex's Valued Stakeholders,

As leaders in the natural gas and energy infrastructure sector, sustainability is a cornerstone of our Vision of ***Transforming Energy for a Sustainable Future***. Since our last sustainability report, our teams have spearheaded initiatives that not only enhance our operational capabilities but also drive advancements in our environmental, social, and governance (ESG) practices. This commitment is reflected throughout our business, from the strategic goals we set, to the innovative solutions we implement, ensuring sustainability remains at the forefront of our operations.

Throughout 2024, the collective efforts of our employees have enabled us to achieve meaningful progress in our sustainability journey.

We have worked diligently to foster strong relationships with our stakeholders, understanding that collaboration is essential to generating positive, far-reaching outcomes. As we advance on our journey, we remain dedicated to an inclusive, safe and healthy workplace, safeguarding the environment, and leveraging our world-class assets to facilitate the continuous evolution of our business.

We recognize that building trust is fundamental, and we are committed to maintaining transparency with our investors, business partners, employees, and the communities we serve, including through our Sustainability Report for 2024.

Looking forward, our commitment to sustainability will continue to drive us forward. We are focused on creating long-term value by exploring innovative ways to enhance our operations and by adapting to the evolving needs of all our stakeholders. Together, we are not only addressing today's challenges but also laying the groundwork for a sustainable, secure, and prosperous future for all.

Thank you for your ongoing support and for joining us on this transformative journey.

Sincerely,

A handwritten signature in green ink, appearing to be 'MR', written over a light green circular scribble.

**Marc Rossiter**

President, Chief Executive Officer, and Director



We are focused on creating long-term value by exploring innovative ways to enhance our operations and by adapting to the evolving needs of all our stakeholders.

## Our Company

Our global group of 4,600 dedicated engineers, manufacturers, technicians, professionals, and innovators work united to drive us towards our shared Vision of *Transforming Energy for a Sustainable Future*. We remain committed to advancing natural gas as an enabler of the energy transition and treated water technologies to build a better energy future from the ground up.

**We believe the journey starts today, and it starts with us.**

# 1980

Year Founded

# 4,600+

Employees Worldwide

# 17 Countries

With 70+ locations

# Calgary, AB

Headquarters

# TSX & NYSE

Listings

# Integrity

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# Commitment

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# Creativity

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# Success

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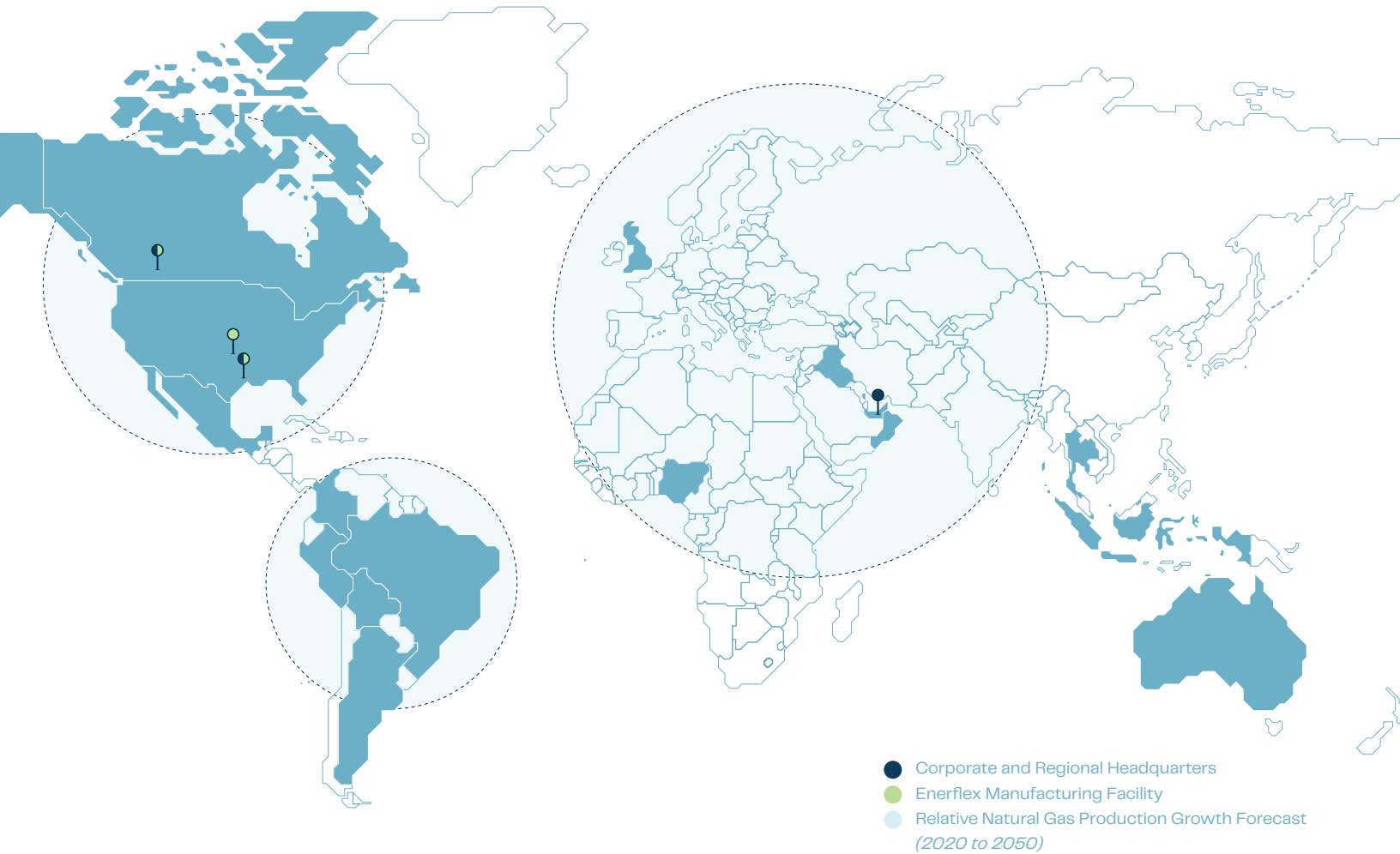
## Vision and Values

Our global 45-year success is built on the foundation of our shared Vision: Transforming Energy for a Sustainable Future, propelled by a long-term strategy anchored in the following foundational pillars: technical excellence in modularized energy solutions; profitable growth achieved through vertically integrated and geographically diverse product offerings; financial strength and discipline; and sustainable returns to shareholders.

Enerflex's culture is deeply rooted in our core values: Integrity, Commitment, Creativity, and Success. These values guide our actions, both internally and externally, forming the foundation for how we operate and interact. At Enerflex, doing the right thing is not just a principle but a practice. We emphasize

ethical behavior, trustworthiness, and environmental responsibility across all our operations, fostering a culture of "doing the right thing". To further operationalize our values, Enerflex empowers leaders to model the Enerflex values every day, directly impacting our employee retention.

These core values drive us towards our goals, and ensure that no matter where we operate, we are providing reliable and innovative solutions with integrity and safety at the forefront of each decision. We are proud to be a values-based company and owe our success to our dedicated team who embody these values each and every day, and who remain committed to driving our Vision forward.



## Business Divisions

With an established global presence, our team of experts are always ready to collaborate with client partners in growing natural gas, low-carbon, and treated water markets. From engineering and design to operations and maintenance, our comprehensive solutions cover the entire value chain.

### North America (“NAM”)

Covers operations across Canada and the USA

### Latin America (“LATAM”)

Regional focus with core operations in Argentina, Brazil, and Mexico

### Eastern Hemisphere (“EH”)

Coverage across the Middle East, Africa, and Asia Pacific with core operations in Oman and Bahrain





We remain committed to advancing natural gas as an enabler of the energy transition and treated water technologies to build a better energy future from the ground up.



# Enerflex Portfolio



## Energy Infrastructure

Enerflex's **Energy Infrastructure** business encompasses natural gas processing, compression, and treated water assets that are owned by Enerflex and contracted to client partners worldwide. This product line not only provides trained personnel, equipment, and materials but also handles the engineering, design, fabrication, installation, operation, servicing, repair, and maintenance of Company-owned equipment.



## Engineered Systems

**Engineered Systems** comprises the sale of modular natural gas-handling and low-carbon solutions that are engineered, designed, fabricated, and assembled by Enerflex. Products include applications for: gas processing, including cryogenic solutions; gas compression systems; low-carbon solutions; treated water; and electric power generation solutions.



## After-Market Services

Enerflex's **After-Market Services** product line delivers comprehensive mechanical services, including parts distribution, operations and maintenance solutions, equipment optimization and maintenance programs, manufacturer warranties, exchange components, long-term service agreements, and technical services to client partners worldwide. Utilizing an extensive network of branch offices, the product line primarily operates at client partners' locations through trained technicians and mechanics.



## Treated Water Solutions

Enerflex designs and commissions facilities for efficient **water treatment**, incorporating industry-leading technologies that cover primary, secondary, and tertiary treatment methods. Our focus is on providing comprehensive solutions through research and development, water studies, and flexible contract models and underscores our commitment to evolving industry needs.



## Low-Carbon Solutions

Building on the Company's strong foundation of technical excellence in modular equipment, Enerflex implements its core competencies to support the industry's decarbonization goals with its **low-carbon solutions**. Since the early 1980s, Enerflex has deployed low-carbon equipment and infrastructure solutions, including projects related to CCUS, renewable natural gas, electrification, methane management, and hydrogen.



Enerflex is committed to transforming the energy sector for a sustainable future, and we believe that natural gas will continue to play a key role in this space.

# Enerflex's Role in the Energy Transition



We firmly believe that natural gas will play a critical role in the ongoing energy transition resulting from its **reliability, abundance, affordability, and efficiency.**



## Natural Gas in the Energy Transition

Enerflex is committed to helping the energy sector transform for a sustainable future, and we believe that natural gas will continue to play a key role in this space. For example, natural gas currently generates approximately one quarter of the world's electricity and can be easily stored and transported via pipelines or as liquefied natural gas (LNG)<sup>1</sup>. In addition, natural gas is the cleanest burning of all hydrocarbons.<sup>2</sup>

As global energy demand continues to outpace supply from new renewable capacity, **we firmly believe that natural gas will play a critical role in the ongoing energy transition resulting from its reliability, abundance, affordability, and efficiency.**

## Enerflex's Low-Carbon Solutions

Enerflex's expertise in modularized gas-handling solutions extends to a 45-year history in designing and fabricating low-carbon infrastructure, including for Carbon Capture Utilization and Sequestration (CCUS), electrification, bioenergy, methane management, and hydrogen solutions. Having executed over 175 low-carbon projects, we remain a trusted partner in supporting our clients' decarbonization ambitions.

<sup>1</sup> <https://iea.blob.core.windows.net/assets/f2cf36a9-fd9b-44e6-8659-c342027ff9ac/Medium-TermGasReport2023-IncludingtheGasMarketReportQ4-2023.pdf>  
<sup>2</sup> <https://www.eia.gov/energyexplained/natural-gas/natural-gas-and-the-environment.php>, **See also** <https://www.eia.gov/environment/emissions/carbon/?src=email>

## CCUS

Enerflex offers commercially viable CCUS solutions to natural gas, ethanol, ammonia, and other industries. Leveraging our history of over 150 successfully executed CCUS projects, we collaborate with client partners to provide bespoke CO<sub>2</sub> processing and compression solutions for both easy- and hard-to-abate sources of CO<sub>2</sub> emissions. Recent successes include a U.S.-based Enerflex carbon capture solution that commenced commercial operation in the fourth quarter of 2023, with a goal to sequester approximately 210,000 metric tonnes of CO<sub>2</sub> equivalent annually.



## Electrification

Electrification is another avenue to support decarbonization across industries, and Enerflex is ideally situated to provide its client partners with electric drive compression having deployed over 3 million horsepower to date across various industries.

## Bioenergy

Enerflex has completed over 20 bioenergy projects across various applications utilizing fuel gas from organic material such as landfill waste. Executed projects include biogas power generation, renewable natural gas systems, and combined heat and power solutions. Enerflex's core competencies in providing modularized natural gas solutions are expected to successfully translate into opportunities to drive value in the bioenergy space.





## Methane Management

Un-combusted natural gas (methane) intended for use during industrial processes can sometimes be unintentionally released to the atmosphere as a more potent greenhouse gas than CO<sub>2</sub>. Globally, regulatory policy is evolving to facilitate the mitigation of industrial methane emissions. Enerflex's combined expertise in electrification, flare gas recovery, emissions control, and after-market services can help capture or otherwise reduce methane emissions, minimizing the environmental impact of our client partners' operations.



## Hydrogen

Demand vectors continue to evolve for hydrogen as a fuel source for industrial decarbonization. Enerflex can meaningfully participate in a hydrogen economy leveraging its past experience in packaging and delivering to market over 100,000 horsepower of hydrogen compression. Enerflex continues to support client partners and technology developers in considering hydrogen plant solutions. Although hydrogen markets are still nascent and dependent on policy and regulatory support, Enerflex views hydrogen applications as a potential driver of sustainable value.



At Enerflex, we are committed to understanding the implications of our operations and managing them responsibly.

# | ESG at Enerflex





*“Stakeholder engagement is essential to understanding mutual interests, fortifying relationships, and identifying priorities.”*

## ESG at Enerflex

### Stakeholder Engagement

Stakeholder engagement is essential to understanding mutual interests, fortifying relationships, and identifying priorities. At Enerflex, we are committed to understanding the implications of our operations and managing them responsibly. We actively engage with a broad spectrum of stakeholders, including employees, investors, client partners, and local communities, utilizing a variety of communication channels. Whether through social media, our website, press releases, in-person meetings, employee townhalls, or webcasts, Enerflex prioritizes transparent and consistent communication.

Specific to sustainability initiatives, as part of a recent sustainability materiality assessment Enerflex engaged with and gathered insights from over 130 stakeholders, including employees, client partners, and investors, to understand how they prioritize various sustainability

topics and how impactful each topic was to Enerflex. One-on-one interviews were conducted with select stakeholders to further understand their priorities and identify emerging trends. The results of the materiality assessment were reviewed by the Executive Management Team and the Board of Directors, and the feedback was utilized to further develop the Company’s sustainability strategy.



## Employees

We engage with employees daily, discussing safety, health and wellness, and learning and development, demonstrating our investment in employee well-being and commitment to their growth.

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## Investors

Our Shareholder Engagement Policy is designed to foster open, sustained dialogue with our shareholders. We maintain contact via press releases, investor presentations and in-person meetings, quarterly conference calls, broker sponsored conferences and roadshows, and annual shareholder meetings, allowing us to gather feedback on our business performance, risk management, and governance practices, underscoring our commitment to transparency and accountability. Further, in 2024 Enerflex undertook a Board driven shareholder engagement initiative providing shareholders the opportunity to engage directly with members of the Board on topics that were of interest to them as shareholders.

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## Client Partners

Our client relationships are open and collaborative, aimed at supporting project development and achievement of their goals while also educating our clients on our sustainable practices that can benefit their operations. Conversations frequently include potential solutions, technological innovations, and safety practices, emphasizing our partnership approach.

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## Communities

Our active involvement in local communities underscores our support through philanthropic events, volunteering, and fundraising, in addition to addressing community concerns, promoting community interests, and local procurement and employment opportunities.



## Sustainability Committee

In further support of our journey towards a sustainable future, we have established a Sustainability Committee. This team, comprising of members from various regions and functional groups and from across the Company, is focused on ESG initiatives, ensuring that sustainability is woven into our operations. The Committee meets quarterly to discuss ongoing projects and to plan strategic steps forward, reflecting our commitment to sustainability.



# I Environmental





# Environmental

## Emissions Management

Enerflex's emissions management strategy follows the GHG Protocol – Corporate Accounting and Reporting Standard (the “GHG Protocol”), focusing on reducing Enterprise-wide emissions and Enerflex's global emissions profile.

Enerflex has established 2023 as our base year for reporting verifiable emissions, reflecting typical operations post-integration of Exterran in October 2022. Our Direct Scope 1 emissions primarily stem from owned and controlled assets, including combustion sources and fugitive emissions (cars and refrigerants). Indirect Scope 2 emissions are calculated from electricity purchased for consumption by Enerflex. Enerflex's Scope 2 emission data is based on the GHG Protocol's recommended location-based method with country-specific factors and province or state-specific factors for Canada and the United States, respectively. All emissions from our Contract Compression fleet and Build-Own-Operate-Maintain (BOOM) facilities are

controlled by the client partners who use and control the operation of the assets.

We collect emissions data across all our locations and centrally aggregate it for analysis, verification, and completeness. We monitor CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O emissions using IPCC AR5 factors. Enerflex limits its GHG emissions wherever possible.

To reduce our emissions, we prioritize actions like purchasing low VOC paint and implementing Enterprise-wide policies to limit standby running of vehicles and equipment. Enerflex does not currently exceed the applicable thresholds for mandatory emissions reporting or reduction initiatives in its jurisdictions of operations. The Company's internal ESG commitments include voluntary reporting on its GHG emissions in accordance with the methodologies described above.

## Chemicals Management

Enerflex's operations utilize chemicals commonly used in standard manufacturing and after-market services activities. Chemicals are handled, labeled, and stored within controlled environments to prevent contamination, spills, and other hazards aligned with applicable regulations and Company standards. In addition, Spill Prevention and Response Policies and Procedures are implemented throughout the organization to effectively manage the prevention of spills and releases and provide response strategies to minimize environmental impact. Spill kits are available at Enerflex sites to control, contain, and clean-up material released from containment to ensure swift remediation action. In the event of a spill or release, incidents are documented and reported in accordance with local requirements. Employee training is provided and varies based on type of chemical exposure by job position or specific workplace to ensure adequate chemical management skills and knowledge.





## Environmental Impact

To promote sustainability and environmental stewardship, we have launched several initiatives across our global operations. This commitment is crucial not only in the projects we undertake with our clients but also in assessing our operational footprint, which notably does not demand extensive land use.

Minimizing the environmental impact of our activities is important to Enerflex's pursuit of sustainable value creation for all its stakeholders, including the local communities within which we operate. The Company's locations take various steps to uphold this commitment. For example, where underground storage tanks are required for new Energy Infrastructure projects in Latin America, Enerflex specifications mandate the use of double-walled tanks. Compliance with regional environmental regulations is a priority for all Enerflex locations and is closely monitored to proactively comply with applicable regulations and any changes or updates.

### BRAZIL

#### **Socio-Environmental Workshop with Local Community**

Our teammates in Brazil host an annual socio-environmental workshop in one of the local communities to help them understand the nature of pollution and its impacts on the environment and human health; environmental crimes, how they affect the ecological balance and what legislation is in place; the importance of local fauna and flora, highlighting the fundamental role that native ecosystems play in maintaining biodiversity and natural resources; the impact of fires, focusing on soil degradation, air pollution, and habitat loss; the correct disposal of waste and importance of recycling; and the conscious consumption of natural resources, focusing on the use of water and electricity and how these resources can be scarce and how to avoid waste.



## Energy Use

Eliminating energy waste and maximizing efficient energy use are crucial steps in our sustainability efforts and we actively work to minimize waste wherever possible, contributing to a more sustainable future.

### MIDDLE EAST

#### Enerflex Enhances Energy Efficiency and Environmental Sustainability

Throughout the year, initiatives in our Middle East operations have focused on improving energy efficiency and environmental sustainability across various projects, including:

- **Photocell Sensors:** Installed at project sites to reduce electrical power consumption.
- **Smoke Opacity Monitoring:** Implemented to better maintain optimal air quality.
- **Lube Oil Optimization:** High-energy water injection pumps now utilize a purification unit, extending oil life and minimizing waste.
- **Emission Controls:** Optimizing water bath heater operations have reduced unnecessary emissions and unburned hydrocarbons.
- **LED Lighting:** Energy-efficient flood LED lights have been deployed, resulting in energy savings.
- **Vapor Recovery Unit:** Installed a Vapor Recovery Unit to feed three generators, decreasing reliance on grid power.

These efforts underscore a strong commitment to reducing our environmental impact while optimizing resource utilization within the region's energy sector.



## Biodiversity

Understanding the importance of biodiversity, we have implemented educational programs to ensure local environmental considerations and regulations are understood by employees in ecologically sensitive locations. Through these initiatives, the Company can partner with clients from the initial design phase to determine areas to eliminate or limit impacts on local environments.

### BRAZIL

#### Management of Local Wildlife

In Brazil, we launched the “Increase Awareness of Local Biodiversity” program as part of our broader environmental education efforts. This initiative includes communications focusing on the humane management of local wildlife, such as snakes, bees, wasps, and bats, adhering to guidelines from government and environmental organizations.

### EASTERN HEMISPHERE

#### Weed and Seed Management Protocols

In the Eastern Hemisphere, our operations adhere to strict weed and seed management protocols to mitigate biosecurity risks associated with soil-borne pathogens, weeds, and microscopic seeds. Detailed transportation proposals, inspection processes, and declaration documents have been developed to manage these protocols.



## Water Management

Water management is a principal focus for Enerflex, both in our own facilities and in the operations at our client partners' facilities. Leading by example through water conservation measures at select locations, including through water recycling, Enerflex continues to innovate in its efforts to ensure responsible water usage. Enerflex recognizes the value of water conservation and has implemented initiatives to reduce freshwater consumption and repurpose alternative water sources across our operations.

Where freshwater resources may be impacted by our operations, environmental policies and procedures include emergency response plans to address these impacts and freshwater impact monitoring, including water quality testing, is undertaken at select locations to further ensure that our operations do not adversely impact local freshwater sources. Mitigation measures such as spill containment, groundwater protection,

and wastewater management are in place to minimize environmental impacts.

Enerflex also works to educate its employee base and communities in which it operates on effective management of freshwater resources, including clean up or reclamation activities and conservation projects. In 2024, responsible freshwater usage campaigns were launched in Brazil, Mexico, and the Middle East.



## OMAN

### Project Feature: BOOM Treated Water Facility

We are building a better energy future from the ground up and our recent water treatment facility in the Middle East is a reflection of our commitment. The Enerflex team designed a water treatment facility that achieves an average OIW outlet of 26 ppm from an inlet of 20% OIW. This project attained both foreign investment and In-Country Value (IVC), providing sustainable growth to our client's core oil and gas business while reducing costs and emissions. The work was completed safely and in record time, with 1.9 million LTI-free man hours worked over Enerflex's 18-month execution schedule. Implementing our Enhanced Gas Flotation Tank (EGFT®) resulted in a water treatment footprint of 40,000 m<sup>2</sup> compared to 138,000 m<sup>2</sup> as seen in traditional EPC solutions.

This reduction in facility footprint, steel tonnage, and major equipment, decreased the tonnes of CO<sub>2</sub>e during build and construction by 40% compared to traditional facility designs. Operational benefits include an estimated 30% reduction in on-going power consumption and 30% less chemicals consumed. Our

pioneering approach not only maximizes oil recovery but also sets new standards for sustainable practices in the oil and gas industry.

### Prioritization of Water Conservation Across Operations

Enerflex ensures that across our operations we are optimizing water usage in all stages. We empower our employees with educational campaigns on water conservation, add signage across our sites and facilities to reduce water consumption, and have installed motion sensor faucets to avoid leaving taps on for prolonged periods of time. We believe that every little bit counts; and we are proud of our team's commitment to prioritizing water conservation.



## Waste Management

Enerflex is dedicated to implementing waste management practices that meet or exceed regulatory standards and exemplify our commitment to environmental responsibility and sustainability. This includes an approach to hazardous and non-hazardous waste management that ensures compliance with regulations. Additionally, we're proactive in reducing waste through state-of-the-art print authentication technologies, and we encourage our employees to adopt sustainable habits, such as using reusable water bottles and recycling and composting where available. These initiatives, adapted to address the specific environmental challenges and opportunities of each region we operate in, underscore our dedication to sustainable practices across all areas of our business.

### NORTH AMERICA

#### Recycling Programs

While many of our North American client partners handle waste on their sites, we collaborate with third parties for recycling services. Recycling programs cover a range of materials, including oil, glycol, soiled rags, and metals. Within our offices, we offer recycling and composting initiatives to promote proper waste disposal. Strategically placed recycling and compost bins, along with clear informational signage, help guide employees in managing and reducing waste responsibly.

### MEXICO

#### Supporting Children's Cancer Groups through a Recycling Program

The Enerflex team in Mexico maintains a robust recycling initiative, in which it collects and recycles cardboard, plastic, and discarded paper generated in our operations. Funds received from these recycling initiatives are donated to organizations that support children with cancer. This action reinforces our commitment to environmental care and its support for social causes.



## Scrap Metal Recycling

We recognize the environmental and economic value of recycling and repurposing scrap metal generated by our operations. Where available, we utilize third party vendors to collect and process scrap metal for recycling, reuse, and resale compliant with local regulatory requirements. This practice is a sustainable solution for managing waste and is a testament to our commitment to conserve resources, divert from landfills, reduce pollution, and save energy.

### MIDDLE EAST

#### **Hazardous Waste Reduction**

Enerflex teammates in the Middle East took measures to reduce the amount of hazardous waste in our operations. In Oman and Daleel, our team optimized hydrogen sulfide (H<sub>2</sub>S) media replacements – which is integral to removing H<sub>2</sub>S from the environment in 2024. This resulted in the reduction of approximately 30,000 kg of hazardous waste generation.

# 1,650

tons of scrap metal collected in our North American manufacturing operations for processing in 2024



Enerflex is committed to conducting business with a strong sense of social responsibility, prioritizing the health, safety, and well-being of both our employees and the communities we serve. Our company culture emphasizes safety above all, while actively fostering diversity, inclusion, and well-being throughout our organization.



# | Social



# Social

## Health and Safety

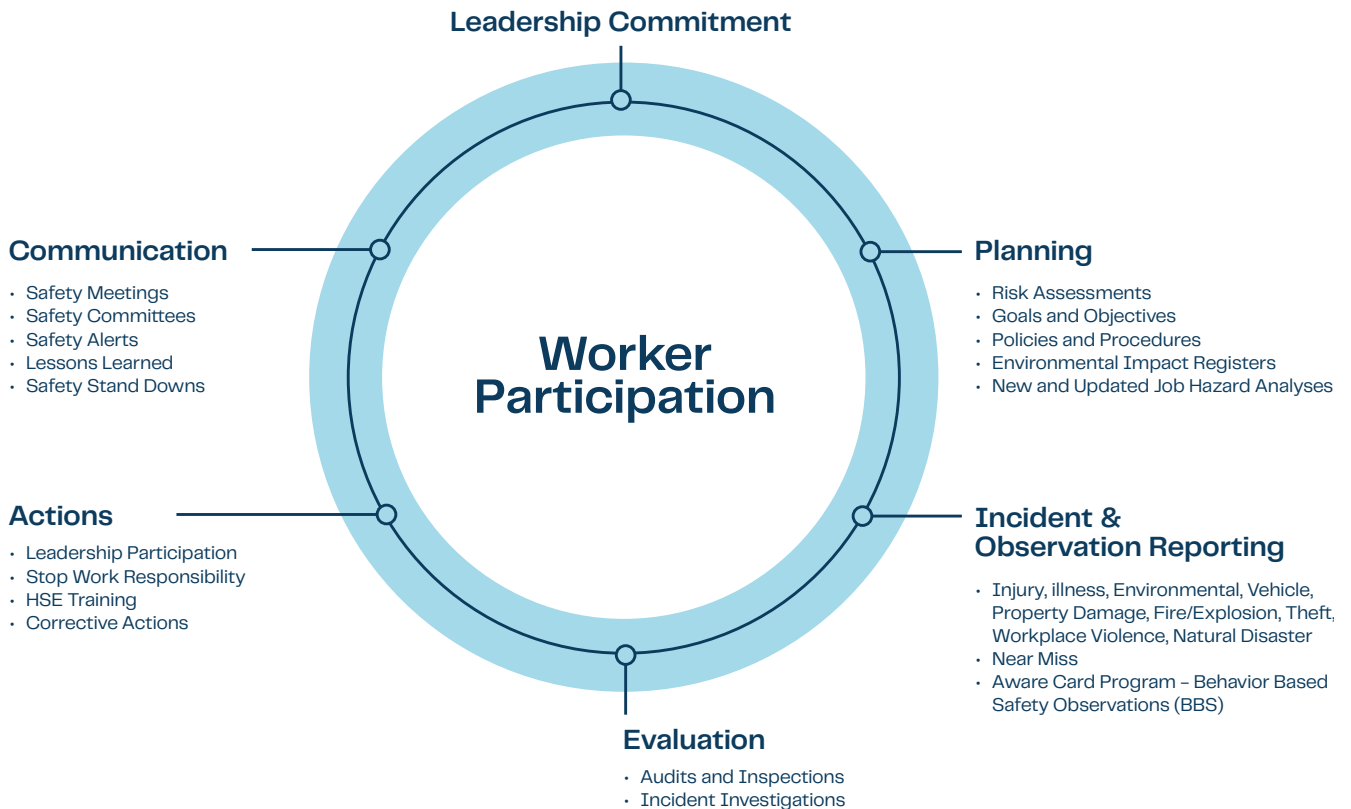
At Enerflex, our commitment to health and safety is a team effort and is supported at every level—from the boardroom to the frontline. Acknowledging regional regulatory variations, we strategically capitalize on our scale of experience and commonalities throughout our global operations, fostering collaboration and knowledge sharing across diverse regions. With the support of our Board, our approach is promoted by our SVP and General Counsel who, as executive sponsor of the Health, Safety, and Environment (HSE) group, is dedicated to leading collaboration among HSE teams.

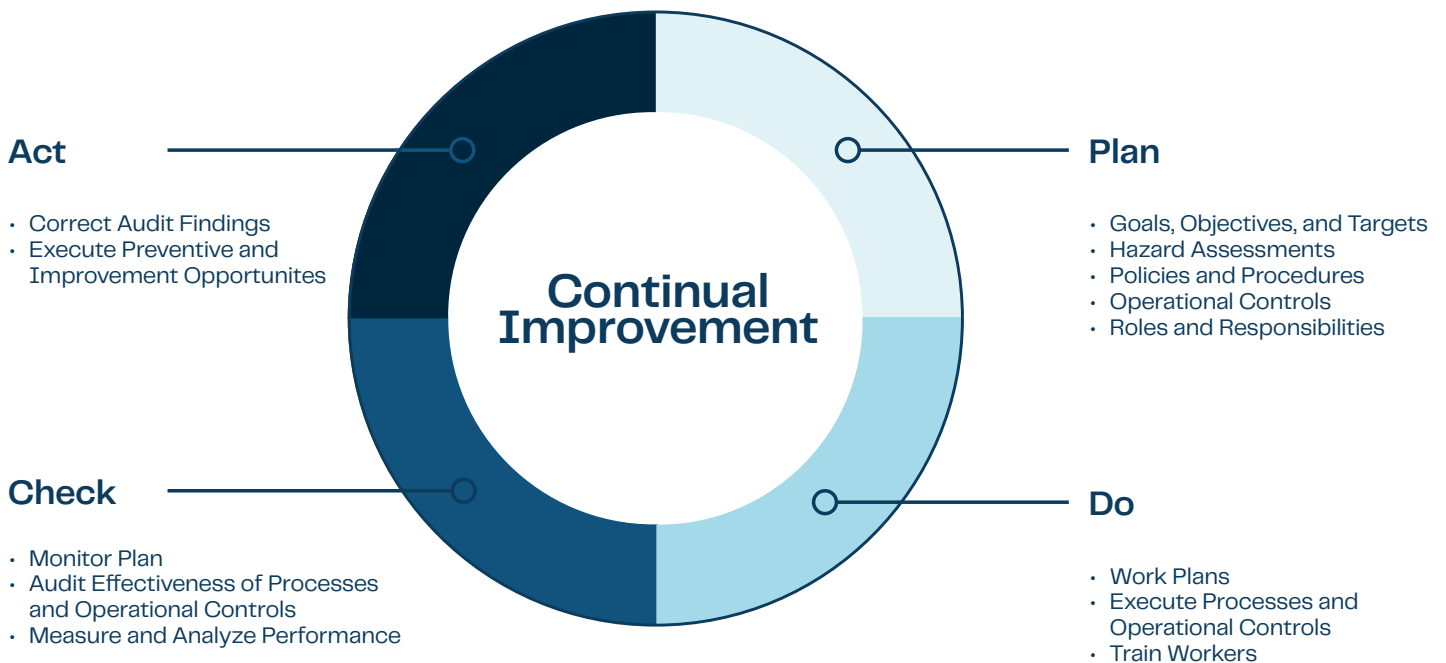
Enerflex's robust safety culture is a result of intentional personal involvement and active support from all involved in our operations. It is the responsibility of all our personnel to consistently demonstrate an active commitment to their respective operations by visible and active participation in all HSE processes, initiatives, and requirements applicable to their function.

### Health and Safety Teams

Our approach to health and safety is integrated into our operations, with dedicated HSE teams situated in each region supporting local personnel and operations. These teams, led by experienced leaders familiar with Enerflex's standards, regional safety regulations, and other requirements, report directly to the Regional Presidents. This structure ensures our commitment to HSE standards is consistently upheld and engrained in our operations.

In 2024, Enerflex revised our global QHSE policy, in line with ISO 9001, ISO 14001, and ISO 45001 and Canadian Certificate of Recognition requirements to reflect our current identity and align with our brand strategy and messaging. This Policy underscores our pledge to conduct business in a way that protects the well-being, safety, and environment of our people, our client partners, and our communities. The Policy has been translated into multiple languages and distributed to our operating regions for display throughout our facilities.





## Health and Safety Management System

At Enerflex, we are committed to safety excellence across all our operations. Our Occupational Health and Safety Management Systems in each region adhere to internationally recognized risk management standards organized and implemented in a way to ensure we meet our Company, customer, and local, state, and national regulatory requirements. Maintaining thirteen certifications in ISO 45001 throughout our operations in 2024 ensures our compliance with a robust management system framework designed to systematically assess workplace hazards and implement risk control measures to protect our employees and continually improve performance.

Our certifications cover various processes, products, and services, such as:

- Sales, commissioning, operations, and maintenance in the gas compression and power industries
- Engineering for projects in the oil, gas, and compression sectors
- Commercialization of gas compression and fluid treatment products
- Design, construction, and maintenance of natural gas facilities
- Supply and service of equipment for gas processing, as well as turnkey projects and oil and gas and petrochemicals industries

Following the *Plan, Do, Check, Act* approach, we focus on maintaining a safe work environment, assessing operational risks, and encouraging continuous improvement. This ensures we provide a safe workplace and respond effectively to any incidents, analyzing root causes for swift and effective corrective and preventive measures.



### Our safety programs include:

- Health and safety goals and objectives
- Operational controls, policies, and procedures
- Operational risk assessment, hazard identification, and job hazard analysis
- Employee health and safety roles and responsibilities
- Stop work responsibility
- Management of change
- Operational and procedural audits and inspections
- Unplanned event reporting and investigations (including near misses)
- Root cause analysis and actions
- HSE alerts and lessons learned
- Training and employee competency
- Management reviews

Enerflex encourages a culture of safety leadership and accountability from all employees and has assigned roles and responsibilities in health, safety, and environmental requirements to achieve leadership and ownership at all levels of the organization.

#### CANADA

### Alberta Certificate of Recognition

Our Canadian workplace health and safety programs have received a Certificate of Recognition (COR) verifying specific provincial standards established by Alberta Occupational Safety and Health (OHS) have been met through an independent, third-party evaluation. The COR is issued by a Certifying Partner and jointly co-signed by the Government of Alberta. External audits are required for ongoing certification renewals to ensure Enerflex is compliant with required policies and procedures, demonstrates due diligence through completed forms, and is proactively encouraging and achieving continuous improvement.

## Safety Meetings

Safety meetings allow communication between workers and management and create opportunities for employees and contractors to raise concerns, discuss improvement ideas, and provide feedback on HSE matters. At Enerflex, these meetings come in a variety of forms, including job hazard assessments, daily facility or kick-off meetings, site toolbox or tail gate meetings, weekly/bi-weekly/monthly management meetings, and HSE Committee meetings.

Safety and Welfare Committees throughout the organization encourage worker participation. The committees are made up of representatives from all levels at the applicable site, including management. They meet at regularly scheduled intervals to review and discuss incidents, inspection findings, Aware Card observations, training, trends, and recommendations.

## HSE Audits and Inspections

Regular HSE audits and inspections are an integral part of Enerflex's operations, with responsibilities shared by all employees. From informal daily inspections to external ISO certification audits, several types of audits and inspections are periodically conducted to ensure continued compliance with applicable regulations, client expectations, and our own standards.

Employees conduct daily informal inspections of their work areas, tools, equipment, and vehicles in our facilities and at field locations, before beginning their work activities. Equipment and machinery such as forklifts, cranes, vehicles, and rigging equipment, are regularly verified to ensure they are in good working condition prior to use. Routine facility inspections are conducted throughout our shops, warehouses, and yards and typically involve a team that includes management and supervisors. Field level or site inspections at our client partners locations are conducted periodically to ensure HSE expectations are being met. To maintain our many ISO certifications within the Company, detailed annual internal audits are conducted by teams of employee subject matter experts. In addition to the audits and inspections completed by our own teams, we're also involved in external audits and inspections conducted by our

client partners or their representatives and third-party certification bodies ensuring compliance to ISO and COR (Certification of Recognition held in Canada) requirements. Gaps, discrepancies, or inefficiencies discovered during audits and inspections are addressed and actioned through completion, closing the cycle to ensure continual improvement of our processes and operational controls. In addition, as and when appropriate, the results of audits or inspections are shared across regions to ensure we are leveraging our scale to ensure our operations are as safe as possible.

## Hazard Identification

Our risk assessment and job hazard analysis procedures are grounded in a systematic, task-based approach that involves continually identifying and mitigating hazards and the risks they present. Through these processes, we seek out, assess, control, monitor, reduce, and eliminate hazards and risks. As a result, controls, safe work practices, operating procedures, and safeguards are implemented based on an evaluation of potential elimination, substitution, isolation, engineering changes, and administrative options for minimizing known risks. Leadership teams regularly participate in and review the results of these processes to ensure quality and continued improvement.



## Catastrophic Risk Mitigation

We implement quality management systems at our manufacturing facilities to reduce the probability that our equipment may be involved in catastrophic events that could impact human health, local communities, and/or the environment. These systems are certified to ASME Section VIII to ensure we produce safe, operable equipment and packages in accordance with the governing standards and client partner specifications. At our manufacturing facilities, all welders and weld procedures are certified to the requirements of ASME Section IX. Process pipe is designed and fabricated to ASME B31.3, pressure vessels are designed and fabricated to ASME Section VIII, and both process piping and pressure vessels undergo non-destructive testing as well as pressure testing. Numerous quality checks of critical items are conducted and documented during the fabrication, assembly, coating, and shipping of Enerflex equipment.

For BOOM projects requiring installation in the field, Enerflex designs and installs safety systems in adherence with client partner requirements and applicable design codes. These safety systems can include, but are not limited to, safety switches, fire detection systems, gas detection, safety relief valves, gas monitoring, remote monitoring, emergency shut-down switches to major units (e.g. compression) and plant-wide, flare systems with inlet flame arrestors, safety fencing around critical components, and containment for spillage prevention. All such safety systems undergo routine maintenance as specified by operational guidelines to ensure proper functionality at all times.

## Emergency Readiness and Crisis Management

Our comprehensive and dynamic approach to managing the risks associated with our operations includes robust preparedness and emergency response policies, plans, and procedures implemented throughout our operating regions to ensure standardized on-site emergency response and management.

These systems are designed to enable effective and efficient incident management, aid in the deployment of resources, and mitigate consequences swiftly and

successfully. Site-Specific Emergency Response Plans are in place throughout our operations defining site-local requirements and procedures. Employees are informed of these response plans through new hire orientations, routine training, planned safety meetings, and periodic drills.

Although most incidents are managed at a local level, others might expand to multi-disciplinary levels requiring additional resources and operational support. This is provided by our Global Emergency Response and Preparedness Policy, initiation of which would engage executive leadership to ensure sufficient resources are available to support in the event of an incident.

### GLOBAL

## Emergency Response Drill

In 2024, Enerflex collaborated with a security risk assessment partner to organize an emergency response tabletop drill. This drill validated the effectiveness of the procedures and processes contemplated in our Global Emergency Response and Preparedness Policy; ensured the Incident Command team is familiar with the policy, procedures, tools, and their respective roles and responsibilities; and identified opportunities for improvement. In 2024, a realistic test scenario was played out during an exercise successfully conducted with the Corporate Incident Command team.



## Aware Card Program

Our Aware Card Program plays a crucial role in our hazard identification and risk assessment process. This Behavior-Based Safety initiative allows employees at all levels to report safe and unsafe conditions related to work and behavior. It encourages open conversations or interventions to either correct or affirm behaviors, thereby promoting a culture of transparency and improvement.

These discussions are documented for further action or shared to bolster collective understanding. To encourage involvement and acknowledge significant contributions, we offer rewards to employees who provide valuable insights. Available through paper forms, an online platform, or a mobile app, the Aware Card reporting tool is a key component of our efforts in minimizing harm to individuals, property, and the environment.

## Aware Card Initiatives in 2024

- We implemented a new and improved Aware Card Power BI tool providing real-time, quick, and effective interfacing of results. With over 31,000 observations submitted in 2024, the improved tool is a valuable resource and integral part of the program's success in elevating overall hazard identification awareness and safety conversations, promoting employee engagement, and improving safety culture.
- Launched an Aware Card Awareness campaign, focused on office-based personnel. Throughout the year, regions addressed the initiative through various channels including topic-focused safety meeting packages, group presentations, collaborations with departmental meetings, email communications, and incorporating into Enerflex's online learning platform and onboarding/new hire orientations.

## Reporting and Investigation

Enerflex has a robust reporting system for all unplanned events, incidents, occupational illnesses, and near misses. Policies and procedures are in place establishing requirements for reporting and investigating incidents, completing root cause analyses, implementing corrective actions, and communicating lessons learned. These integrated processes are key to reducing or eliminating hazards and systematic causes and preventing recurring or future incidents.

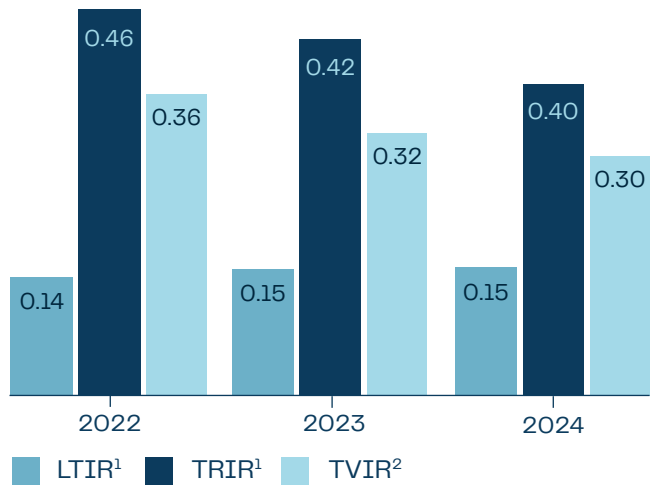
Reporting near-miss events is an indicator of a healthy safety culture and is integral to our hazard reporting system, contributing to enhanced risk control, and giving us the information we need to avert more severe outcomes.

In our commitment to thorough analysis and improvement, we employ industry-recognized investigation and root cause analysis methods to develop relevant, specific, and realistic corrective actions that can be tracked and measured, strategically addressing the underlying causes and contributing factors identified throughout the analysis. This gives us the ability to quickly address immediate concerns, identify trends in safety performance, and implement changes that prevent incidents or near misses.

## Safety Performance Evaluation

Evaluating our safety performance is an integral part of our approach to our Environmental, Social, and Governance responsibilities. We monitor, review, and continually improve our occupational health and safety performance by utilizing investigation and audit learnings and evaluating industry best practices.

## Performance Metrics *2022 to 2024*



Enerflex applies Key Performance Indicators (KPIs) – both past performance (lagging indicators) and future performance (leading indicators) – to measure progress towards specific HSE targets and to monitor trends associated with business activities. Each year, Regional and Enterprise-wide HSE goals, objectives, and targets associated with various KPIs are initiated throughout the organization as a means of establishing minimum requirements for acceptable HSE performance and in pursuit of continuous improvement in the Company's HSE practices.

In 2024, our Lost Time Injury Rate (LTIR)<sup>1</sup> was 0.15, while our Total Recordable Incident Rate (TRIR)<sup>1</sup> was 0.40, and our Total Motor Vehicle Incident Rate (TVIR)<sup>2</sup> was 0.30, underscoring our continued commitment to health and safety.

# 19.35

Near Miss Frequency Rate (NMFR)<sup>1</sup>

<sup>1</sup> Cases per 200,000 work hours

<sup>2</sup> Vehicle incidents exceeding USD\$2,500 x 1,000,000 per total business kilometers driven



## Driver Safety

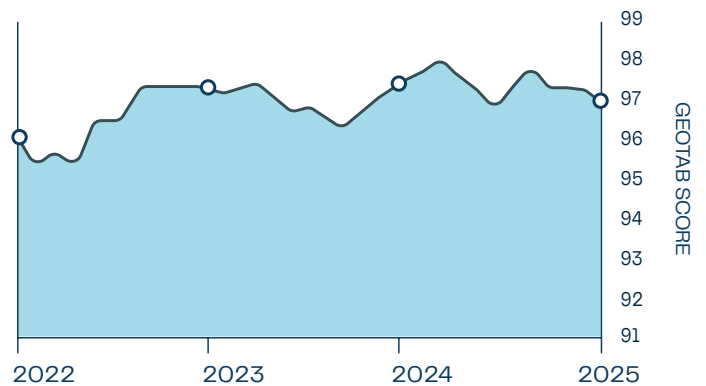
With hundreds of vehicles on the road, and over 30 million kilometers driven in 2024, safe driving practices are a key area of focus for our operational and HSE teams across the globe.

We've established policies, procedures, and standards for journey management and safe vehicle operation, training our employees comprehensively. Regular inspections and maintenance keep our vehicles in top condition, ensuring safety for our drivers. Telematics, including in-vehicle monitoring systems, track driver performance and can target speeding, harsh driving behaviors, and use of seatbelts. This approach not only bolsters driver safety with targeted coaching and recognition programs but also supports compliance, cuts down on maintenance expenses, minimizes violations, and reduces incident risks.

## Stop Work Responsibility

At Enerflex, we recognize, respect, and support every employee's right to a safe and healthy workplace – their right to know what hazards are present, their right to participate, and their right to stop work. Employees are encouraged to exercise their Responsibility to Stop Work no matter their position, seniority, or status when they observe an unsafe or potentially unsafe behavior or condition; have reason to believe they, a coworker, or the public are at risk or in danger; the environment could be impacted; they suspect serious damage to Company equipment or property; or if/when they do not understand an assigned task. To emphasize this obligation and duty to act, intervene, and participate in our pursuit to prevent incidents, we encourage and empower employees to accept and commit to their Stop Work Responsibility. Wallet cards are provided as an important reminder of employees' dual accountabilities – theirs to accept and use as necessary, and a commitment by Enerflex Management to support an employee in their decision to stop work.

## USA Geotab Driving Score



### USA

#### Hands on Driver Training

To reinforce our commitment to safe driving, many employees who operate a company-owned vehicle in the USA as well as certain members of the Executive Management Team completed Smith Driver Training in 2024. The course helps drivers see, think, and act their way through various driving environments and challenges regardless of where they travel or the vehicles they operate. The ongoing course is designed to provide drivers with the knowledge and skills to create three important things while driving: space, visibility, and time. It's a hands-on course that provides both in-classroom training and behind-the-wheel training.

### OMAN

#### Decreasing our Vehicle Footprint

In 2024, the Enerflex team in Oman implemented processes and improvements to optimize crew shift changes and shipment consolidation across multiple facilities. As a result, the team reduced the number of trips required, contributing to decreased emissions and fuel consumption.



## Talent Management

Strong human capital resources are critical to Enerflex's success. The Company demonstrates its commitment to its employees by its efforts in recruiting, retention, and development.

### Attract

#### Investing in Talent Attraction and Onboarding

At Enerflex, we recognize our employees are our most valuable asset and essential to our success. We are committed to attracting top talent through a robust referral network, engaging recruitment experiences, and a global presence that appeals to diverse talent pools. These efforts underscore our goal to foster growth, innovate, and collaborate across our global teams. Enerflex invests significantly in talent attraction strategies to maintain its competitive edge. By leveraging its strong employer brand, the Company has positioned itself as an employer of choice in the energy sector.

#### Supporting Trades Through Apprenticeships

Enerflex is committed to investing in apprenticeships and the development of skilled trades worldwide. Our many regional apprenticeship programs provide the necessary resources and mentorship for new talent to succeed, while our investment in upskilling ensures our workforce is trained on the most current technology and practices.

#### Global Partnerships with Educational Institutions

Enerflex recognizes the importance of building a sustainable talent pipeline through partnerships with educational institutions. Across our operating regions, the Company collaborates with universities and trade schools to connect with emerging talent, offering internships, co-op programs, apprenticeships, and sponsorship opportunities. These partnerships not only provide students with valuable industry experience but also position Enerflex as an employer of choice among future professionals.

#### CANADA

#### Alberta's RAP Program

Enerflex is an active supporter of Alberta's Registered Apprenticeship Program (RAP), which offers high school students the opportunity to participate in an apprenticeship work-term. Through this program, students gain practical experience in their chosen trade at our Calgary manufacturing facility, working under the guidance of a senior leader for approximately 125 hours (3 weeks). During this period, they acquire valuable hands-on skills, with many students returning to Enerflex upon graduation as full-time employees.



## Retain

### Comprehensive Total Rewards

The Company's commitment to employee retention is reflected in its ability to cultivate a supportive and rewarding work environment, resulting in a 2024 average Enterprise employee tenure of over eight years. Enerflex's Total Rewards strategy is designed to attract, motivate, and retain employees through a balanced mix of monetary and non-monetary benefits. Our regionally tailored strategy, aligned with Enerflex's vision and values, includes competitive compensation, performance and recognition programs, benefits programs, employee pension and savings plans, development opportunities, and work-life effectiveness. By linking rewards to performance and aligning employees' interests with those of shareholders, we cultivate a culture of excellence and growth.

### Performance Management

Enerflex's performance management practices focus on fostering a culture of continuous improvement and meaningful dialogue between employees and their leaders. The process is fair and transparent, with regular one-on-one conversations between managers and employees to discuss successes, challenges, and development opportunities. These high-quality

### Celebrating 40 years of Dedication

This year, Enerflex recognized one such outstanding employee, Allan Driver, celebrating 40 years with Enerflex. Allan's journey with Enerflex began as a laborer in our first manufacturing facility in Calgary. This humble start served as the foundation for an extraordinary career, spanning four decades, culminating in his current position as Product Support Manager. Allan's story is a testament to his perseverance, expertise, and an unwavering commitment to excellence.

discussions align individual contributions with Enerflex's strategic goals, supporting employee growth and strengthening talent retention. Enerflex ensures employees not only feel valued but also see a clear path for their future within the organization.

# 73%

of employees stated that performance conversations with their leader have contributed to their success



## Career Development Programs

Enerflex is invested in the professional growth of its employees. Our Career Development Programs reflects our commitment to building a high performing, engaged workforce. It focuses on offering tailored learning opportunities to meet diverse employee needs. From robust technical training to leadership programs, employees have access to a variety of development resources designed to foster professional and personal growth. By offering equitable opportunities for growth and leadership development, we ensure employees have the tools needed to thrive, which contributes to both individual and organizational success.

### ABU DHABI

#### Mentorship Programs

In Abu Dhabi, we recently introduced a mentorship component for onboarding, pairing new hires with experienced employees to accelerate learning and integration. Feedback from participants indicates this initiative fosters stronger connections and boosts early engagement.

#### Values-Based Decision Making

To ensure our values are reflected in every decision, Enerflex makes Values-Based Decision-Making training available to all employees. This program equips our team with the tools needed to navigate complex decisions and align outcomes with our core values, while maintaining the highest ethical standards. It encourages employees to ask, "Is this the right thing to do?" and sets an example for others to follow.

# ~2,100

hours of leadership training, skills, and career development courses completed by employees in 2024



## Leadership Development

Enerflex recognizes the importance of strong leadership in driving organizational success. The Company's leadership development programs are designed to equip current and aspiring leaders with the tools and skills needed to excel. These programs, including training sessions, workshops, and mentorship opportunities, support employees in taking on leadership roles, ensuring a strong leadership pipeline and demonstrating our commitment to employee growth.

*"I initially thought a leader's role was simply to achieve targets successfully and on time. However, true success lies in hitting those targets through the entire team's involvement, leveraging their skills effectively."*

*- Enerflex Leader*

# 2,880

employees received Enerflex's Values-based training, with 515 of Enterprise leaders participating



## Training

The Company analyzes training needs based on applicable regulatory, client partner, and Enerflex requirements and is committed to providing training and the resources necessary to develop the skills and knowledge required to work safely, perform tasks safely and effectively, and cope with emergencies as they arise. Safety, technical, and vocational training is delivered through a variety of means, such as, instructor lead, computer-based, on-the-job, seminars, safety meetings, and individual coaching. All trainers are either safety or technical professionals within the organization, or industry professionals provided through approved third-party training providers. Enerflex provides the required training based on roles and responsibilities to our employees and contract personnel, and employees are compensated for their time spent training.

In situations where our client partners or suppliers retain the authority to oversee the work, we collaborate with our client partner or supplier teams to determine the suitability of safety programs, identify gaps that

pose potential health and safety concerns, and use bridging documents to align appropriate procedures.

Detailed records containing participants, topics, type of instruction, date, and location are maintained to ensure training is documented and kept up-to-date. Management is responsible for ensuring employees are adequately trained in accordance with their roles and duties and uses this information to assess individual employee safety performance, meet regulatory requirements, assess effectiveness, and plan future training needs. Employees are responsible for actively participating in their required training programs.

In 2024, Enerflex achieved significant milestones in technical training initiatives, underscoring our commitment to employee development and operational excellence. Through the continued rollout of the Individual Development Plan campaign with our After-Market Service business, we advanced completion rates from 65% to approximately 95%. These tailored,

# 95%

Individual Development Plans completion rate increased from 65% to 95%

multi-year training plans, which integrate technical, management, and soft skills, are collaboratively developed between managers and employees with guidance from our Technical Training team. This approach ensures that the training aligns with both individual and organizational goals, fostering meaningful development opportunities and enhancing workforce capabilities.

### Tuition Reimbursement Program

Enerflex's Tuition Reimbursement Program is a vital component of its commitment to employee development and continuous learning. This initiative supports employees in advancing their education and skills, aligning with Enerflex's broader goal of fostering a culture of growth and development. By investing in the education of its workforce, Enerflex ensures employees have the resources and opportunities needed to thrive in their careers and contribute to the Company's long-term success.



*Our Technical Training Center in Louisiana is fitted with four compressor packages and three zero-hour engines to support hands-on learning – a highlight of the program.*





## Engagement

### Employee Engagement

Employee engagement is at the heart of Enerflex's people strategy, fostering a workplace where individuals feel valued, connected, and motivated to contribute their best. Through numerous regional and global initiatives such as recognition programs, scholarships, community involvement, team building activities, and wellness support, Enerflex builds a culture of collaboration and mutual respect. These efforts not only enhance job satisfaction but also strengthen bonds among employees, creating a unified and purpose-driven workforce. By prioritizing engagement, Enerflex ensures every team member is empowered to thrive both personally and professionally.

### Recognition Initiatives

Our global Peer-to-Peer Recognition Program and President's Awards play a vital role in employee retention by celebrating individual achievements and contributions, reinforcing the Company's values, and fostering a culture of appreciation. Service awards also honor long-term commitment and dedication, building loyalty and a sense of belonging among employees. These recognition efforts create a positive work environment where employees feel valued and motivated.

### Scholarship Program

Enerflex's Scholarship Program is a key initiative aimed at fostering academic achievement and promoting education at a post-secondary level for our employees' families. The program awards up to nine scholarships annually, to children of eligible employees entering their first year of post-secondary education. This initiative not only supports the educational aspirations of employees' families but also reinforces Enerflex's commitment to investing in the future.

### Mental Health Awareness

Mental health awareness is a critical component of Enerflex's engagement strategy. The Company has implemented a comprehensive Mental Health Strategy that includes resources and support for employees' mental, physical, and financial well-being. Initiatives such as the formation of a Mental Health Committee, mental health awareness training for leaders, and access to Employee Assistance Programs (EAP) are designed to create a psychologically safe workplace. By prioritizing mental health, Enerflex ensures employees feel supported and valued, which in turn enhances overall employee engagement and productivity.



# Diversity, Equity, and Inclusion

## Focus on Inclusion

Enerflex believes diversity, equity, and inclusion (DE&I) are fundamental to building a thriving and innovative workforce. With operations in more than 70 locations and employees spanning diverse backgrounds, cultures, and experiences, Enerflex cares deeply about fostering an inclusive environment where every individual feels valued and respected – balancing our approach with both fairness and meritocracy. Enerflex is committed to eliminating barriers, celebrating differences, and empowering all employees to reach their full potential as they contribute to the Company’s success.

Enerflex is also committed to providing employees with a safe and respectful workplace, fostering an environment conducive to meaningful contributions. The Company’s global Respectful Workplace Policy outlines Enerflex’s expectations for a workplace free from harassment, discrimination, and violence. To ensure understanding, executives and managers undergo annual mandatory reviews and quizzes on this policy, while Company-wide employee reviews occur at least biennially. New employees receive respectful workplace training during orientation, completing a policy acknowledgment within a week of hire. Regional training sessions further empower employees to identify, respond to, and prevent harassment. Employees are encouraged to report suspected violations of the Respectful Workplace Policy to their supervisors, a member of Enerflex’s HR group, or to the Enerflex Whistleblower and Compliance Hotline. The Respectful Workplace Policy has been translated to ensure that employees can read and understand the provisions in their native language.

## Celebrating Global Diversity

Enerflex takes great pride in celebrating its global diversity through community engagement and cultural celebrations. These events strengthen bonds among employees and reinforce Enerflex’s commitment to inclusivity. With a workforce spanning multiple continents, the Company embraces the rich traditions and cultures that each region brings to its global identity. Enerflex actively promotes initiatives that encourage cultural exchange and understanding, creating an environment where employees feel valued for their unique contributions.

## Lean In @ Enerflex

Lean In Circles at Enerflex play a critical role in supporting a pipeline of talent ready to lead. The program has boosted employee confidence, retention, and engagement, aligning with our values to enhance our inclusive culture and reinforce our position as a global employer of choice. The Lean In @ Enerflex program empowers gender equality across the organization through mentorship, networking, and professional development opportunities. Lean In Circles are small, peer-led groups of employees who meet regularly to support each other’s personal and professional growth.

By fostering collaboration, mentorship, and shared learning, Lean In Circles help participants build confidence, develop new skills, and navigate their career paths while contributing to a more inclusive and supportive workplace culture.

Since its inception, the program has grown to include over 100 participants in 10 circles globally.

*“Participating in a Lean In Circle allowed me to connect with other women in a professional setting to share our strengths, challenges, and common experiences. I feel enriched and have grown personally and professionally.”*

— Enerflex Employee

In the U.S., Enerflex honored employees who are veterans during our annual Veterans Day tribute, celebrating their service with ceremonies and gifts. These initiatives foster a sense of pride, camaraderie, and community engagement.



In September 2024, our team celebrated Mexico's Independence Day with a range of activities, including traditional games, delicious food, and music that brought the spirit of Mexican culture to life.



At the end of October, Enerflex teams in the USA and Eastern Hemisphere took part in the vibrant celebrations of Diwali, the "Festival of Lights" – gathering together to express gratitude and embrace the spirit of kindness that lies at the heart of the festival.



## Supply Chain Management

Enerflex prioritizes the integrity and sustainability of its supply chain, believing that a strong and resilient supply chain is critical to delivering sustainable value to stakeholders. Oversight is a key component of our strategy for our supply chain, with Regional Supply Chain personnel, adapting their approach based on region size and business priority, and subsequently dividing responsibilities into distinct business units. The Supplier Management System leverages ISO 9001 certification in select facilities and interfaces with our SAP platform for master data governance, ensuring a smooth flow of the supply chain and its financial components.

Enerflex's supplier onboarding process involves due diligence, including, where appropriate, an examination of OSHA standards, safety protocols, and quality benchmarks before engagement. International suppliers undergo further assessments to ensure alignment with legal, social, safety, and environmental policies. Each region maintains standards for purchase orders and supplier engagement. Additionally, a formal documentation process is in place for quality assurance, enabling a proactive approach to addressing any quality issues that may arise with suppliers. Lastly, periodic site visits and audits are conducted for select suppliers, affirming our dedication to upholding the highest standards in our supply chain practices.

## Modern Slavery and Human Rights

In line with our broader dedication to fostering ethical business practices and prioritizing employee well-being, Enerflex is committed to preventing the occurrence of modern slavery in our supply chains and business operations. Upholding human rights aligns seamlessly with our core values and informs our operations. The Company's Modern Slavery and Human Trafficking Policy solidifies our pledge to abstain from knowingly participating in modern slavery, encompassing various forms of exploitation like human trafficking, forced or involuntary labor, unlawful recruitment, and slavery-like practices such as debt-bondage and servitude.

Our recruitment procedures and employment practices ensure compliance with applicable employment, labour, and human rights laws. Our supplier due diligence process includes ongoing review of any adverse media reports associating a supplier with modern slavery or human rights violations, and it alerts us to inclusion of a supplier on government issued watch lists or lists of prohibited parties. Our standard terms and conditions of purchase require our direct suppliers to agree and covenant that they will not engage in any form of modern slavery in the provision of goods or services, and that they have implemented due diligence procedures for participants in their own supply chain.

All Enerflex employees and independent contractors must participate in an online training program specifically focused on identifying and preventing the risk of modern slavery. The program must be completed at least once every 24 months. Senior leadership is required to undergo this training annually.

Enerflex regularly reassesses the risk of forced labour in its supply chain, including by reviewing the goods it imports into Canada against the items included in the U.S. Bureau of International Labor Affairs list of goods associated with child labour or forced labour.

Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act represents Canada's international commitment to combat forced labour and child labour by imposing reporting obligations on, among others, certain business entities producing goods in Canada or importing goods produced outside Canada. In compliance with this legislation and consistent with our Modern Slavery and Human Trafficking Policy, Enerflex publishes a report on the steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada by Enerflex or of goods imported into Canada by Enerflex. A current copy of the full report may be found on Enerflex's website at [enerflex.com](http://enerflex.com).

# Community Engagement

Enerflex is dedicated to making a lasting positive impact in communities in which we operate. Through three pillars of support – Education, Childhood Cancer, and Local Communities – we aim to help create a brighter future. These pillars show our commitment to giving back and our belief in the power of sustainable practices to improve the communities we proudly serve.

## Supporting Education

Enerflex actively supports education in a variety of ways. Every year, we provide scholarships to children of our employees who are starting their post-secondary education, ensuring equitable coverage across a spectrum of trades. A diverse committee selects these scholarship recipients from different regions.

Additionally, we encourage learning through events like “Take Your Kids to Work Day,” where children of employees get a glimpse into various professional fields. We also donate equipment to local schools as well as trade schools, and support welding competitions to facilitate hands-on learning and skills.

## Supporting Childhood Cancer

Our 29-year partnership with Kids Cancer Care in Canada has enabled this important nonprofit to expand and grow substantially. Our collaborative relationship with this organization includes initiatives like “Camp Kindle Work Day,” in which our employees spend a day helping improve the camp’s facilities. We also host an annual golf tournament in support of Kids Cancer Care,

with Enerflex raising over \$2.1 million since inception. The Company supports various camp programs, including counselor training, and holds internal fundraisers. We also have donated funding that renovated the camp’s music hall, now named the Enerflex Music Hall, showcasing our commitment to enriching the lives of children battling cancer and their families.


## Supporting Local Communities

Enerflex supports local charitable causes in the different regions where we operate. In Houston, for example, employees participate in an annual two-day bike ride – Bike MS in support of the MS Society. Through his initiative, employees are able to raise funds and awareness for this organization.

In the Middle East, we donate to charities benefiting low-income individuals and orphanages, as well as employee celebrations, emphasizing employee wellness within a diverse, culturally rich environment.

In Latin America, employees actively engage in hands-on community projects, such as planting gardens, cleaning areas, and capturing rainwater for environmental improvement. Enerflex employees also volunteer at food banks, provide winter kits for the homeless, and make donations through bins in all our facilities.





*“Camp Kindle gives our family something to look forward to, a chance to be “normal” in a world that has been anything but. Camp allows kids and parents a safe reprieve to get away and make fun and lasting memories. It is the only place where we can take in a deep breath, forget, and reset.”*

*— Kids Cancer Care family*



Our success is built on a strong foundation of corporate governance practices and policies that promote transparency, accountability, and engagement. Our management and Board are committed to upholding the highest standards, continually adapting to regulatory changes and industry best practices to sustain our commitment to excellence.

# I Governance



# Governance

## Board of Directors

Our Company and our culture of operational excellence are built upon a solid foundation of robust governance policies and practices. This foundation is upheld by our skilled, experienced, and diverse Board of Directors. The Board plays a crucial role in overseeing and guiding our Company's strategic direction.

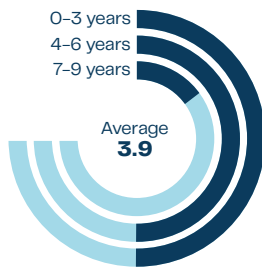
The Board has three standing committees:

- Audit Committee
- Human Resource and Compensation Committee (HRC)
- Nominating and Corporate Governance Committee (NCG)

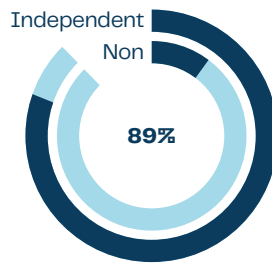
## Governance Structure

As of January 1, 2025, our Board was comprised of 9 directors, 89% of whom were independent. Supporting and embracing diversity starts at the highest level of the Company, and our Board of Directors reflects our commitments.

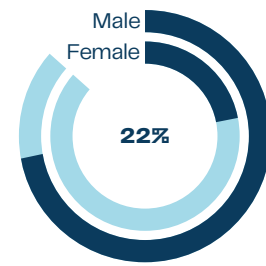
The full biographies for our Board, as well as the membership of each Board committee can be found on the Enerflex website.



Tenure



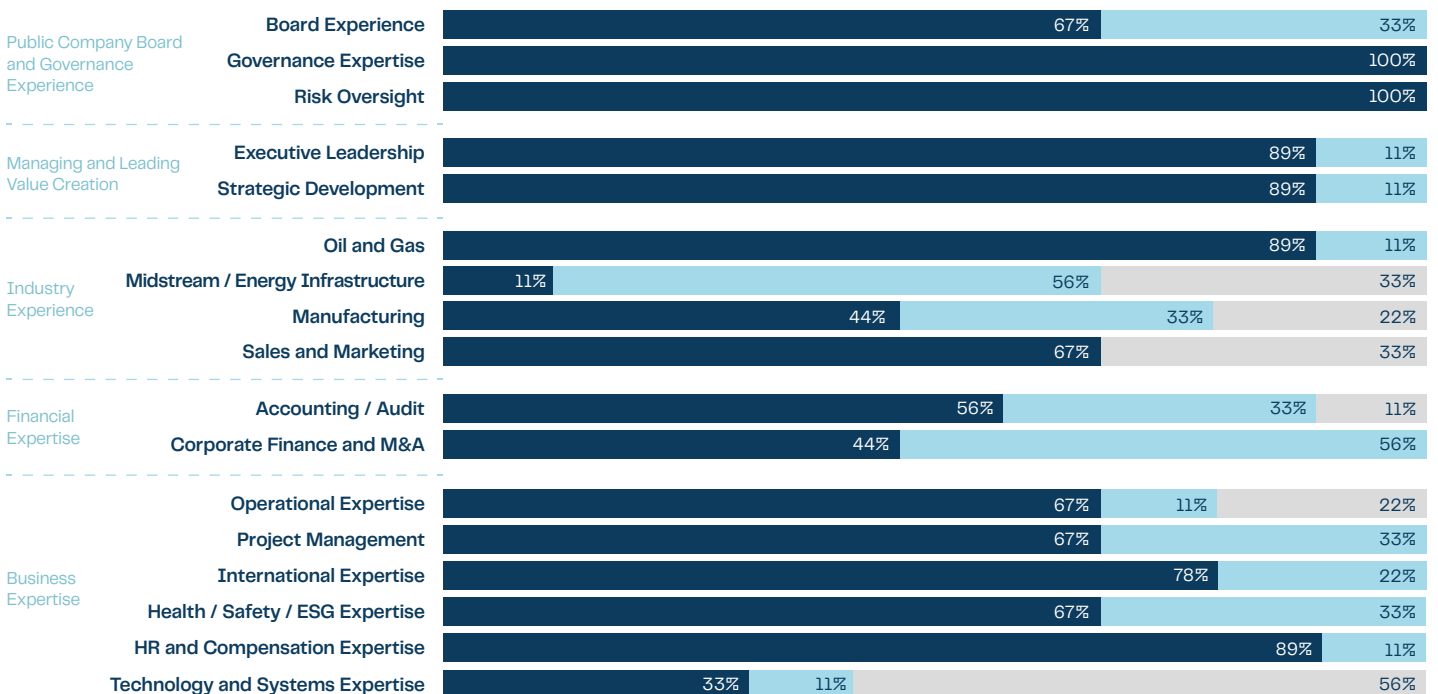
Independence



Gender Diversity

## Skills Matrix as at January 1, 2025

■ Advanced Experience or Expertise   ■ General Experience or Expertise   ■ Limited Experience or Expertise





## Audit Committee

The Audit Committee oversees Enerflex's financial statements and related disclosures, reports to shareholders, continuous disclosures, and other related communications. The Audit Committee also establishes appropriate financial policies, ensures the integrity of accounting systems and internal controls, and monitors and directs, as appropriate, the activities of the internal audit group. The Audit Committee oversees the work of and approves all audit and non-audit services provided by the independent auditor, and consults directly with the auditor (independent of Management) as required. Finally, the Audit Committee is also responsible for overseeing Enerflex's compliance, cybersecurity, and information technology programs. Each member of the Audit Committee is independent.

Find detailed information in Enerflex's Annual Information Form for the year ended December 31, 2024, under the "Audit Committee" section.

## Human Resources and Compensation Committee

The HRC Committee is responsible for reviewing and making recommendations as to the compensation of executive officers and other senior management, and as to the Company's short- and long-term incentive programs, pension, and other benefit plans. Compliance with Enerflex's Business Code of Conduct, Respectful Workplace Policy, and HSE programs, is also an oversight responsibility of the HRC Committee. The HRC Committee oversees executive officer appointments, performance evaluations of the Chief Executive Officer, and executive development. On an annual basis, it receives a detailed presentation concerning succession planning for the Executive Management Team and development of key talent within each region as well as at the corporate head office. Each member of the HRC Committee is independent.

## Nominating and Corporate Governance Committee

The NCG Committee plays a crucial role in corporate governance by assessing the effectiveness of the

Board of Directors, its size and composition, and its committees, reviewing the competencies, skills, and diversity (including, but not limited to, business experience, geography, age, gender, and ethnicity) necessary for the Board as a whole to possess, and assessing the Board's relationship to Management. The NCG Committee evaluates director compensation and oversees both the training and orientation of new directors and the continuing education of current directors under applicable Enerflex policies. The NCG Committee reviews regulatory changes and governance best practices, aligning Enerflex's governance policies and practices as appropriate. Finally, the NCG Committee also oversees Enerflex's ESG and sustainability disclosures in advance of full Board consideration. The Chair of the NCG Committee assesses the individual performance and contributions of the Chair of the Board, with the assessment of the individual performance and contributions of the remaining independent directors overseen by the Chair of the Board. Each member of the NCG Committee is independent.

## Sustainability Governance

Our Board adopts a collaborative and forward-thinking approach to the oversight of sustainability matters, acknowledging their far-reaching impact that transcends conventional corporate structures. The Board integrates sustainability oversight into its existing framework, enabling a thorough evaluation of risks and opportunities that align with the mandates of relevant board committees. This collective effort ensures comprehensive oversight of the Company's sustainability practices and policies, encompassing disclosures, strategies, programs, initiatives, and practices. The Board remains proactive in staying well-informed about sustainability matters through a multi-faceted approach. Regular Board and Committee meetings incorporate updates on recent and anticipated regulatory changes. The Board also leverages resources such as the National Association of Corporate Directors (NACD) to access valuable publications and ensure a thorough grasp of evolving trends and best practices. In addition, the Board directly, and through its various Committees, complies with evolving Canadian corporate governance requirements.



## Risk Management

Enterprise Risk Management (ERM) is a fundamental driver of sustainable value for the Company and its stakeholders. The Board has the responsibility to oversee and monitor risk across the organization and ensure implementation of appropriate ERM systems to monitor and manage those risks with a view to the long-term viability of the Company. The Board oversees management's identification and evaluation of Enerflex's principal risks and the implementation of policies, processes, and systems to manage or mitigate the risks, to achieve an appropriate balance between the risks incurred and potential benefits to the Company's stakeholders.

Enerflex's ERM program development and implementation is guided by ISO 31000. The ERM framework includes the identification and prioritization of Enerflex's principal and emerging risks and regularly assessing risks at Executive Management Team meetings. The Executive Management Team estimates the likelihood and potential impact that principal and emerging risks could have on Enerflex's business, and how they may impact the Company's strategy. Management compiles all risks identified as critical on an integrated risk register that also addresses mitigants for each risk. Management also contributes to the ERM process by providing continuous supervision over the Company's (pending and in-flight) major projects and their risks, meeting monthly and as required.

Management ensures the Board and its committees are kept informed of the Company's ERM systems and principal and emerging risks, including by way of: quarterly reports on operational and earnings risks; quarterly reports on market valuation risks; annual reports on risks to achieving the proposed budget; annual reports on risks to Enerflex's strategy; and regular ERM updates and discussions on how the Company is identifying, mitigating, and tracking risks as part of its overall ERM strategy.

Enerflex's Internal Audit function serves as an independent body within Enerflex to assess and report on the efficacy of Enerflex's ERM systems.

## Succession Planning

Enerflex ensures leadership sustainability through robust succession planning, both in long-term and emergency scenarios. Quarterly HRC Committee meetings and Board discussions focus on executive development updates and succession plans. A third party aids in executive development, starting with the Executive Management Team and cascading to the Senior Management Teams for seamless transitions and talent cultivation.



## Ethics and Business Code of Conduct

Enerflex strives to maintain a culture of integrity, ethical business conduct, transparency, and compliance. This culture is fundamental to Enerflex's sustainability and ESG efforts. As part of these efforts, Enerflex maintains a written Business Code of Conduct (the Code of Conduct), applicable to directors, officers, employees, and independent contractors of Enerflex and its subsidiaries. The Code of Conduct provides guidance on areas such as compliance; conflicts of interest; outside employment; outside directorships; non-profit and professional associations; entertainment, gifts and favours; corporate property; anti-corruption; sanctions and trade compliance; competition and anti-trust legislation; communication devices, the use of search engines and artificial intelligence; proprietary and confidential information; corporate communications; insider trading; HSE; human rights and respectful workplace; business and accounting practices; corporate donations; and political participation.

The Code of Conduct also affirms Enerflex's commitment to complying with all anti-money laundering laws in the countries where it operates. Enerflex will not knowingly assist or do business with anyone involved in money laundering or any other form of financial corruption. Enerflex will only conduct business with reputable client partners that are involved in legitimate business activities who utilize funds from valid sources.

The Code of Conduct is reviewed annually by the NCG Committee and the Board and updated as necessary or advisable. The Board, through the Audit Committee and the HRC Committee, receives regular reports regarding compliance with the Code of Conduct. Orientation sessions for new employees include training in respect of the Code of Conduct. Directors, officers, and all Enerflex managers are required to acknowledge annually their compliance with the provisions of the Code of Conduct. Company-wide certification occurs at least every 24 months. The Code of Conduct is available in multiple languages to ensure that employees can understand the provisions of the Code of Conduct in their native language.



## Whistleblower Protections and Compliance Hotline

Enerflex's Whistleblower and Compliance Hotline, which is independent and available 24 hours per day / seven days per week, supports the Company's commitment to financial and accounting integrity and ethical business conduct. The hotline allows employees, suppliers, client partners, or other third parties, to submit a confidential anonymous report of suspected accounting or auditing irregularities or unethical behaviour impacting Enerflex, including, without limitation, breaches of the Code of Conduct (including violations relating to harassment or workplace violence), criminal activity, violations of Enerflex policies or applicable securities laws, actions that endanger health or safety or that are likely to cause environmental damage, and actions that have the effect of concealing the foregoing.

All reports submitted to the hotline are received and reviewed by the Associate General Counsel, Compliance and the SVP and General Counsel. All reports submitted to the hotline are investigated provided sufficient information is given, and, upon commencement of an investigation, notice is provided to the President and CEO, the appropriate regional President, and on a quarterly basis, to the Audit Committee (in respect of accounting/financial matters) or HRC Committee (in respect of all matters other than accounting/financial), as applicable. For more significant or serious reports, the full Board will be informed.

To ensure all employees are aware of the hotline, Enerflex distributes information relating to the hotline in all its operating areas and translates the hotline information as needed in each region.

*“Enerflex strives to maintain a culture of integrity, ethical business conduct, transparency, and compliance.”*



## Anti-Bribery and Anti-Corruption

As part of Enerflex's compliance program, the Anti-bribery and Anti-corruption Policy ensures that Enerflex operates in accordance with Canada's Corruption of Foreign Public Officials Act, the USA's Foreign Corrupt Practices Act, and all other anti-bribery and anti-corruption laws applicable to Enerflex's global operations. In addition to requiring that Enerflex maintain accurate books and records, the policy prohibits each director, officer, and employee of Enerflex and its subsidiaries (as well as third parties who act on their behalf) from offering, paying, promising, or authorizing anything of value for improper purposes. The SVP and General Counsel oversees compliance with the Anti-bribery and Anti-corruption Policy, with ultimate oversight by the President and CEO of Enerflex. The Anti-bribery and Anti-corruption Policy is available in multiple languages to ensure that employees can understand its provisions in their native language.

To further mitigate the risk of unlawful activities, Enerflex's Legal department regularly monitors developments in, and enforcement of, anti-bribery, sanctions, and export laws and evaluates applicable policies and practices to ensure continual compliance and improvement. Management ensures employee understanding of prohibited conduct by way of the Code of Conduct certification process and periodic

compliance training for persons in senior management roles or who have direct contact with Enerflex's client partners, suppliers, and/or government officials. Employees are encouraged to report suspected violations of applicable laws or Enerflex policies (including the Anti-bribery and Anti-corruption Policy) directly to a member of Enerflex's Legal group or to the Enerflex Whistleblower and Compliance Hotline.

### **Global Trade Compliance**

Enerflex's Global Trade Compliance Policy ensures Enerflex's commitment to compliance by Enerflex and its directors, officers, and employees with trade laws that are applicable to Enerflex and its business operations around the world. Companies and individuals who act on behalf of, or have partnered with, Enerflex are expected to share Enerflex's commitment and comply with the Global Trade Compliance Policy and all related and applicable procedures in effect from time to time.

Members of the Executive Management Team regularly consider compliance matters and the SVP and General Counsel reports quarterly to the Audit Committee regarding Enerflex's overall compliance program and improvement programs and projects.

## Cybersecurity and Data Privacy

Cybersecurity is a formal component of Enerflex's overall ERM framework. The Company's global cybersecurity program adheres to the National Institute of Standards and Technology Cybersecurity Framework, and is regularly reviewed and updated, including quarterly review by the Audit Committee, annual assessment by Internal Audit, and annual external audit of the information technology general controls.

Enerflex has an in-house cybersecurity team and partners with multiple third parties who provide 24 hours per day/seven days per week services to monitor, detect, analyze, and respond to cyber threats and assess their likelihood and impact on business operations, infrastructure, and personnel. Pursuant to the global cybersecurity program, Enerflex enforces multi-factor authentication to access systems, has a third party perform annual penetration tests against its systems, regularly reviews systems and applications updates and implements as appropriate, and conducts tabletop exercises, including with the Company's Executive Management Team to review, and assess the response plan for multiple threat scenarios.

Training and culture are key aspects of the global cybersecurity program, and Enerflex works to promote a culture that understands the critical importance of data security and privacy, areas of vulnerability, and how to remain vigilant when handling data. Employees receive monthly phishing simulations, annual security training, and new hires undergo online security training within two weeks. Executives and key employees in high-risk job functions are offered enhanced information security training and Enerflex has implemented a cybersecurity performance management plan, which enforces performance management actions when employees click on real or simulated phishing links, reflecting our commitment to proactive cybersecurity.

## Political Contributions

Enerflex does not align itself with any political party and abstains from making contributions to political parties or candidates for political office. Furthermore, we do not engage directly in any form of political lobbying. While Enerflex is not directly involved in political lobbying activities, it is a member of specific industry associations that have been intermittently active in lobbying efforts.

## Insider Trading

Enerflex's Insider Trading Policy aligns with applicable securities laws and regulations and applies to all officers, directors, employees, and anyone else that qualifies as an "insider". The policy covers topics such as insider trading prohibitions, blackout periods (both scheduled, recurring and Company implemented), tipping, insider reporting, and general trading restrictions. The Insider Trading Policy outlines the regular blackout periods (in advance of the release of quarterly and annual financial results) when trading is not allowed, as well as the timing of trading windows. Enerflex insiders and individuals that have access to material undisclosed information are notified by email in advance of each applicable blackout period, expected duration (if known) and, upon the ending of the blackout period, notification of a trading window. In addition, management and the NCG Committee also receive regular reports of insider trading activities at their respective meetings and management also reviews disclosures to analysts and investors to ensure that no selective disclosure has occurred.

## Conflicts of Interest

In addition to the statutory obligations of directors to address conflict of interest matters, Enerflex has established processes to assist in managing any potential conflicts of interest that may arise. Prior to commencing Board and Committee meetings, the agenda is reviewed for conflicts. In addition, the Code of Conduct certifications completed by directors, officers, employees, and independent contractors include disclosures of potential conflicts. Any concerns are brought to the attention of the Human Resources department, the Legal department, and, if necessary, the President and CEO, the appropriate standing committee of the Board, and/or the Chair of the Board. All identified conflicts of interest are reviewed and addressed in accordance with established procedures.



**5,200+**

Hours of Employee  
Cybersecurity Training

**\$0.00**

Political Contributions

# Summarized TCFD Disclosure





# Summarized TCFD Disclosure

## Governance

### Board

The Board oversees the management of climate-related risks and opportunities within Enerflex's enterprise risk management framework. This includes evaluations of the manner in which management addresses climate-related risks and opportunities.

**NCG Committee:** The NCG Committee reviews ESG legislative developments and best practices and considers the Company's approach to ESG matters, including its ESG strategy and goals, as part of that process. The NCG Committee also has responsibility and oversight over the Company's ESG and sustainability disclosures and reviews the Company's ESG and sustainability disclosures in advance of full Board oversight.

**Audit Committee:** The Audit Committee oversees Enerflex's financial statements, disclosures (including disclosures under the IFRS Sustainability Disclosure Standards), and communications, establishing financial policies, ensuring accounting system integrity, and approving services by the independent auditor.

## Management

Enerflex is committed to considering climate-related risks and opportunities as part of its strategy development and investment decision-making. Our Sustainability Committee and the Executive Management Team each work in support of Enerflex's commitment to sustainability. This involves identifying and analyzing potential and emergent ESG factors that position the Company ahead of changing trends and standards in the industry. Additionally, the Sustainability Committee plays a crucial role in initiating and maintaining conversations on a range of ESG matters, thereby enhancing dialogue and raising awareness within and across the Company.

The Sustainability Committee has been central to our approach to ESG, including climate considerations, and draws members from our regional businesses as well as functional leaders from Human Resources,

Communications, Engineering, Health and Safety, Legal, Investor Relations, and Supply Chain. This committee is tasked with addressing sustainability priorities identified during our most recent ESG materiality assessment. Its members are strategic leaders, fostering an ESG-focused culture in their areas, and are involved in creating relevant policies, procedures, goals, and reports. The committee meets regularly to promote ESG values, strategize on sustainability, manage projects, and engage with internal teams. These meetings are pivotal for discussing progress, brainstorming, tackling obstacles, and planning future sustainability efforts.

## Strategy

In line with the TCFD recommendations, Enerflex assesses both physical risks and transition risks (including regulatory and policy risks).

### Physical Risk

There has been public discussion that climate change may be associated with extreme weather conditions such as more intense hurricanes, flooding, droughts, forest fires, thunderstorms, tornadoes, and snow or ice storms, as well as rising sea levels and other acute (event-driven) and chronic (long-term) climate events. Another possible consequence of climate change is increased volatility in seasonal temperatures with some studies suggesting that climate change could cause some areas to experience temperatures substantially colder or warmer than their historical averages.

To the extent there are significant climate changes in the markets Enerflex serves or areas where Company assets reside, Enerflex could incur increased costs, its assets could be damaged, operations could be materially impacted (for instance, shut-down requirements), there may be health implications for its employees, and its client partners may experience operational disruptions causing reduced demand for the Company's products. At this time, the Company is unable to determine the extent to which climate change may affect its operations.

## Climate Change and Associated Regulatory and Policy Risks

Climate change policy is quickly evolving at regional, national, and international levels, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place. While Enerflex does not currently exceed the applicable thresholds for emissions-reduction initiatives in its jurisdictions of operations, there is a global trend in recent periods towards greater regulation of GHG emissions. Although it is not possible at this time to predict how new laws or regulations would impact the Company's business, any future requirements imposing carbon pricing schemes, carbon taxes, or emissions-reduction obligations on the Company's energy infrastructure, equipment, and operations could require it to incur costs to reduce emissions or to purchase emission credits or offsets, and may cause delays or restrictions in its ability to offer its products and services. Failure to comply with such laws and regulations could result in significant liabilities or penalties being imposed on Enerflex. There is also a risk that Enerflex could face claims initiated by third parties relating to climate change or related laws and regulations, or to the Company's public disclosure of matters relating to climate change and the environment. The direct or indirect costs of such claims, and compliance with such laws or regulations, may have a material adverse effect on the business, financial condition, results of operations, and prospects of the Company. Enerflex's client partners face similar risks, which could see reduced demand for the Company's products and services.

Demand for the Company's products may also be affected by the development and demand for new technologies in response to global climate change. Many governments provide, or may in the future provide, tax incentives and other subsidies to support the use and development of alternative energy technologies. Technological advances and cost declines in alternative energy sources (such as hydrogen and renewables, electric grids, electric vehicles, and batteries) may reduce demand for hydrocarbons, which could lead to a lower demand for the Company's low-carbon products and services although such initiatives

may create opportunities for the Company given its expertise in providing electrification, hydrogen, and bioenergy (including renewable natural gas) solutions. If client partner preferences shift, the Company may also be required to develop new technologies, requiring significant investments of capital and resources, which may or may not be recoverable in the marketplace and which could result in certain products becoming less profitable or uneconomic. At this time, the Company is unable to determine the extent to which such technological risks may detrimentally impact its business prospects, financial condition, and operations.

## Opportunities

**Products and Services (Solutions Business):** Enerflex remains dedicated to reducing the global emission footprint by focusing on providing the cleanest hydrocarbon solutions and safe natural gas to its global partners. The world currently relies on hydrocarbons to reliably meet energy needs, but we are also looking toward the future, and renewable energy sources may play an increasingly significant role in meeting energy demands. Alongside offering natural gas solutions, Enerflex will continue to explore opportunities that support global climate change efforts. This includes finding economical ways to reduce energy and emissions in its operations; and pursuing energy-efficient procurement opportunities.

**Low Carbon Solutions:** Building on the Company's strong foundation of technical excellence in modular equipment, Enerflex implements its core competencies to support the industry's decarbonization goals with its low-carbon solutions. Since the early 1980s, Enerflex has deployed low-carbon equipment and infrastructure solutions, including projects related to CCUS, renewable natural gas, electrification, and hydrogen. Enerflex's deep relationships with client partners and understanding of their business presents an opportunity to design and fabricate solutions to help them achieve their decarbonization goals. To date, Enerflex has completed over 150 CCUS projects globally. CCUS is a key avenue to achieve deep decarbonization, and technology is rapidly advancing.

Bioenergy is a form of renewable energy that is derived from organic materials known as biomass. Enerflex has successfully implemented many bioenergy solutions, utilizing fuel gas from organic material such as landfill waste.

Hydrogen is seen as another prospective avenue to achieving industry decarbonization targets. There are many developments geared towards unlocking new markets for hydrogen, including steel manufacturing, clean ammonia, and heavy-duty trucks. Compression solutions are required across the hydrogen value chain and Enerflex brings global knowledge of this solution, having installed over 100,000 horsepower in its history.

In addition, Enerflex is active in the e-compression space, having packaged over 3 million horsepower of electric drive compression, and completed a multitude of retrofits. This space consists of a growing list of client partners who are looking to decarbonize their facilities with low-carbon new builds and includes Enerflex's own growing electric motor drive fleet.

## Risk Management

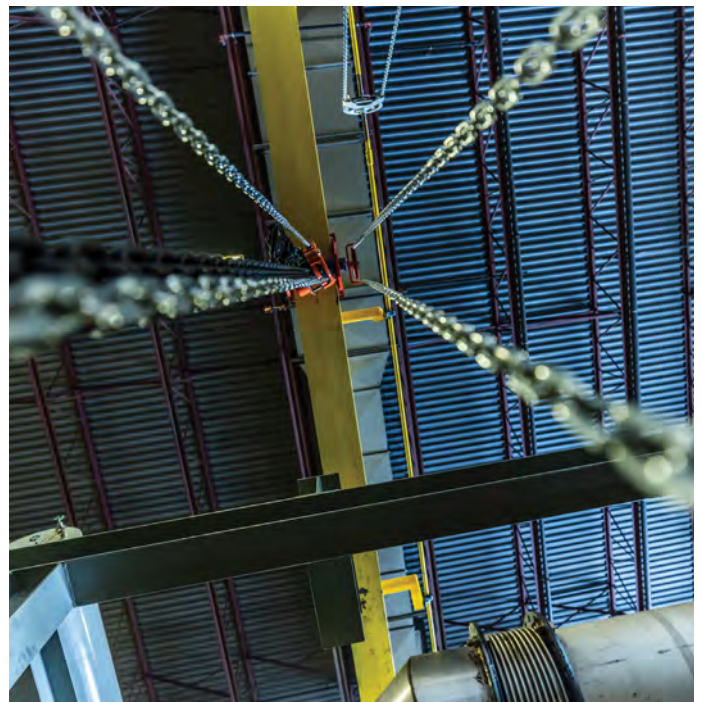
Enterprise Risk Management (ERM) is a fundamental driver of sustainable value for the Company and its stakeholders. The Board has the responsibility to oversee and monitor risk across the organization and ensure implementation of appropriate ERM systems to monitor and manage those risks with a view to the long-term viability of the Company. The Board oversees management's identification and evaluation of Enerflex's principal risks and the implementation of policies, processes, and systems to manage or mitigate the risks, to achieve an appropriate balance between the risks incurred and potential benefits to the Company's stakeholders.

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Enerflex's Internal Audit function serves as an independent body within Enerflex to assess and report on the efficacy of Enerflex's ERM systems.



# Data Appendix



# Appendix A

## Greenhouse Gas Emissions<sup>1</sup>

	UNITS	2024	2023	2022	SASB CODE
<b>Gross global direct GHG emissions (Scope 1)</b>	tCO <sub>2</sub> e	29,300 <sup>2</sup>	27,700	18,700	EM-MD-110a.1
Energy Infrastructure	tCO <sub>2</sub> e	19,500	18,700	9,600	N/A
After-market Services	tCO <sub>2</sub> e	9,300	8,500	8,500	N/A
Engineered Systems	tCO <sub>2</sub> e	500	610	570	N/A
Percentage methane (CH <sub>4</sub> )	%	<1	<1	<1	EM-MD-110a.1
<b>Gross global indirect GHG emissions (Scope 2)</b>	tCO <sub>2</sub> e	15,300	16,200	12,000	N/A
<b>Combined gross global GHG emissions (Scope 1 and 2)</b>	tCO <sub>2</sub> e	44,600	43,900	30,700	N/A
<b>GHG emissions intensity per revenue generated (Scope 1)</b>	tCO <sub>2</sub> e/ USD\$ millions	12.1	11.8	13.8	N/A
<b>GHG emissions intensity per revenue generated (Scope 2)</b>	tCO <sub>2</sub> e/ USD\$ millions	6.3	6.9	8.9	N/A
Discussion of emissions management		Refer to “ <i>Environmental – Emissions Management</i> ” section of this Report			EM-MD-110a.2 EM-SV-110a.2

## Energy Consumption<sup>3</sup>

	UNITS	2024	2023	2022	SASB CODE
<b>Total fuel consumed<sup>4</sup></b>	GJ	64,535,000	64,804,000	45,477,000	EM-SV-110a.1
Percentage renewable	%	0.0	0.0	0.0	EM-SV-110a.1
Percentage used in on-road equipment and vehicles	%	0.4	0.4	0.3	EM-SV-110a.1
Percentage used in off-road equipment	%	99.6	99.6	99.7	EM-SV-110a.1
Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions <sup>5</sup>	%	36.8	35.0	11.1	EM-SV-110a.3
<b>Total electricity consumed</b>	MW/h	24,900	30,000	19,000	N/A
Percentage renewable <sup>6</sup>	%	16.5	23.9	19.4	N/A
<b>Combined energy (fuel and electricity) consumed</b>	MW/h	17,950,000	18,031,000 <sup>4</sup>	12,660,000 <sup>4</sup>	N/A

## Water, Chemicals & Ecological Impact Management

	UNITS	2024	2023	2022	SASB CODE
Total volume of fresh water handled in operations and percentage recycled <sup>7</sup>	m <sup>3</sup>	0	0	0	EM-SV-140a.1
Volume of hydraulic fracturing fluid used, percentage hazardous, and discussion of related chemicals management <sup>8</sup>	N/A	N/A	N/A	N/A	EM-SV-150a.1 EM-SV-150a.2
Average disturbed acreage per (i) oil and (ii) gas well site, and discussion of related ecological impact management <sup>9</sup>	acres	0	0	0	EM-SV-160a.1 EM-SV-160a.2

- 1 Enerflex has defined Scope 1, 2, and 3 GHG emissions according to the methodology contained in the GHG Protocol (March 2004). Scope 1 GHG emissions include all emissions from sources owned or controlled by Enerflex, using the operational control consolidation approach under the GHG Protocol. Scope 2 GHG emissions include all indirect emissions resulting from the generation of purchased electricity consumed by Enerflex. Enerflex has calculated Scope 1 and 2 GHG emissions using the industry-specific calculation methodology set forth in the API Compendium (August 2009), including only CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O. Emissions of the other Kyoto Protocol gases have been deemed immaterial.
- 2 Gross global Scope 1 emissions increased year over year by 6% due to increased activities in Enerflex's AMS business which increased kilometres driven by 8% as well as increased activity in our Energy Infrastructure business.
- 3 Enerflex has calculated fuel and electricity consumed using the methodology set forth in the API Compendium (August 2009).
- 4 Total fuel consumed in 2023 and 2022 previously over-reported by 9,966,000 GJ and 55,000 GJ, respectively, due to a duplication error when calculating fuel consumed at facilities in Latin America. As a consequence of this duplication error, combined energy (fuel and electricity) consumed in 2023 and 2022 was previously over-reported by 1,939,000 MW/h and 6,000 MW/h, respectively.
- 5 In 2024, Enerflex had a total of 19 non-road diesel engines in service globally, compared with 20 non-road diesel engines in 2023.
- 6 Calculated using the 2022 electricity mix per country data published in the BP Statistical Review of World Energy & Ember, with the exception of Canada, which uses Alberta data from the Canada Energy Regulator's Canada Energy Future 2020 (EF2020).
- 7 SASB limits the scope of this topic to operations for which the issuer provides hydraulic fracturing, completion, drilling, and/or water management services, none of which Enerflex provided in 2024. Enerflex Water Solutions involves the treatment of produced water that does not meet SASB's definitions of fresh water. The majority of treated produced water is utilized for recycling and reuse which offsets fresh water requirements for make-up water purposes.
- 8 Enerflex does not use or supply hydraulic fracturing fluid in its operations, thus chemicals management has been deemed not applicable. However, Enerflex does utilize standard workshop chemicals. Refer to “*Environmental – Chemicals Management*” section of this Report.
- 9 SASB limits the scope of this topic to sites where the issuer is providing drilling, completion, fracturing, and/or decommissioning services, none of which Enerflex provides. The number of active rig sites, number of active well sites, and total amount of drilling performed (SASB topics EM-SV-000.A, EM-SV-000.B, and EM-SV-000.C) are not relevant to Enerflex's financial and operational control and have therefore been omitted.

# Appendix A

## Workforce Health & Safety

	2024	2023	2022	SASB CODE
Total recordable incident rate <sup>10</sup>	0.40	0.42	0.46	EM-SV-320a.1
Fatality rate <sup>10</sup>	0.00	0.00	0.00	EM-SV-320a.1
Near-miss frequency rate <sup>10</sup>	19.35	12.61	11.35	EM-SV-320a.1
Lost-time incident rate <sup>10</sup>	0.15	0.15	0.14	N/A
Total motor vehicle incident rate <sup>11</sup>	0.30	0.32	0.36	EM-SV-320a.1
Average hours of health, safety, and emergency response training for employees and contractors <sup>12</sup>	20	17	12	EM-SV-320a.1
Global HSE fines and penalties	USD\$0	USD\$0	USD\$0	N/A
Description of management systems to integrate culture of safety	Refer to “ <i>Social – Health and Safety – Health &amp; Safety Management System</i> ” section of this Report			EM-SV-320a.2
Description of management systems to identify and mitigate catastrophic and tail-end risks	Refer to “ <i>Social – Health and Safety – Catastrophic Risk Mitigation</i> ” section of this Report			EM-SV-540a.1

## People, Diversity & Culture

	UNITS	2024	2023	2022	SASB CODE
Total number of hours worked by all employees	number	12,401,421	13,322,339	6,908,047	EM-SV-000.D
Total employees at year-end	number	4,635	4,842	4,916	N/A
Voluntary employee turnover <sup>13</sup>	%	9	8	13	N/A
Leadership training	hours	2,089	1,163	1,168	N/A
Cybersecurity training	hours	5,200	6,134	2,367	N/A
Description of global cybersecurity program		Refer to “ <i>Cybersecurity and Data Privacy</i> ” section of this Report			N/A
Charitable organizations supported by direct financial contribution or employee volunteer hours	number	35	30	30	N/A
<b>Gender Diversity (at year-end)</b>					
Female employees	%	13	13	13	N/A
Female directors <sup>14</sup>	%	18	30	27	N/A
<b>Workforce by Geography (at year-end)</b>					
North America	%	45	41	35	N/A
Latin America	%	28	27	28	N/A
Eastern Hemisphere	%	27	32	37	N/A
Description of diversity and inclusion practices		Refer to “ <i>Diversity, Equity &amp; Inclusion</i> ” section of this Report			N/A

<sup>10</sup> Cases / Reports per 200,000 work hours.

<sup>11</sup> Vehicle incidents exceeding USD\$2,500 x 1,000,000 per total business kilometers driven.

<sup>12</sup> Total number of employee training hours divided by headcount at December 31st.

<sup>13</sup> Includes all hourly and salaried employees and excludes retirements. 2022 voluntary employee turnover data provided for legacy Enerflex only.

<sup>14</sup> Effective January 1, 2025 female directors accounted for 22% of Enerflex’s Board of Directors.

# Appendix A

## Transparency & Regulatory Environment

	UNITS	2024	2023	2022	SASB CODE
Net revenue (and percentage of total revenue) from countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index <sup>15</sup>	USD\$ Millions / %	269.2/ 11.2	427.7/ 18.2	109.5/ 8.1	EM-SV-510a.1
Legal or regulatory fines, settlements, or penalties associated with bribery and corruption	USD\$	0	0	0	N/A
Description of the management system for prevention of corruption and bribery		Refer to "Governance – Anti-Bribery and Anti-Corruption" section of this Report			EM-SV-510a.2
ESG risks and opportunities related to the legal and regulatory environment and management thereof		Refer to "Governance" section of this Report			EM-SV-530a.1
Political Contributions	USD\$	0	0	0	N/A
Lobbying Expenses	USD\$	0	0	0	N/A

## Governance

	UNITS	2024	2023	2022	SASB CODE
Independent directors (at year-end)	%	89	90	90	N/A
Board committee independence (at year-end)	%	100	100	100	N/A
Average director meeting attendance	%	100	100	100	N/A
Average director tenure (at year-end)	years	3.9	5.4	6.2	N/A
Director election results (range for the directors nominated)	%	68.2 to 98.9	89.8 to 99.9	85.1 to 99.9	N/A
"Say on Pay" vote results	%	31.8	74.6	86.1	N/A
Percentage of annual bonus for executive officers tied to an ESG metric (TRIR)	%	8	8	8	N/A
Description of governance practices		Refer to "Governance" section of this Report			N/A

<sup>15</sup> In 2024, Enerflex generated revenues from 14 of the 51 countries that share the 20 lowest rankings from Transparency International's Corruption Perceptions Index 2024 (Report\_CPI2024\_English.pdf). For 2023 and 2022 Enerflex generated revenues from 16 and 13 countries, respectively, that shared the 20 lowest rankings applicable at the time. Previously reported figures for 2023 and 2022 (CDN\$200.6 million and CDN\$25.9 million, respectively) reflected revenues generated by Enerflex from the 20 countries with the lowest corruption perception index rankings applicable at the time.

# Appendix B – Enerflex Policies

<b>Business Code of Conduct</b>	The purpose of the Enerflex Business Code of Conduct is to identify the specific standards of ethical business practice and conduct expected of our people in each country Enerflex and its subsidiaries does business.
<b>Conflict Minerals</b>	Enerflex is subject to certain provisions of the Dodd-Frank Act which require, among other things, companies to disclose their use of conflict minerals if those minerals are “necessary to the functionality or production of a product” manufactured by such companies. Under the provisions of the Dodd-Frank Act, the minerals include tantalum, tin, gold, or tungsten.
<b>Modern Slavery</b>	Enerflex Entities are committed to conducting business to the highest standards of ethical business practice and conduct. Enerflex has adopted a Modern Slavery and Human Trafficking Policy which supports and substantiates this commitment and requires compliance with applicable laws relating to exploitation such as human trafficking, forced labour, child labour, and other slavery-like practices including debt-bondage. The Policy applies to all Enerflex Entities, was approved by the Board of Directors of Enerflex Ltd. and has been communicated to all employees of Enerflex Entities.
<b>Shareholder Engagement Policy</b>	The Board of Directors of Enerflex Ltd. believes in the importance of engaging in constructive communication with Enerflex’s shareholders. Constructive engagement with shareholders can provide valuable insight that will assist the Board in maintaining the high standards of governance to which the Board is committed. The Board, acting on the recommendation of the nominating and corporate governance committee of the Board, has adopted a Shareholder Engagement Policy to promote open and sustained dialogue with Enerflex’s shareholders.
<b>Whistleblower and Compliance Hotline</b>	The Whistleblower and Compliance Hotline allows for the confidential, anonymous submission of complaints or concerns regarding suspected accounting or auditing irregularities or unethical behaviour impacting Enerflex.



# Safe Harbor/Forward Looking Statements



# Safe Harbor/ Forward Looking Statements

This Sustainability Report (the “Report”) contains forward looking information (“Forward-looking Information”) within the meaning of applicable Canadian securities laws and forward-looking statements (“Forward-looking Statements”) and together with Forward-looking Information, “Forward looking Information and Statements”) within the meaning of the safe harbor provisions of the US Private Securities Litigation Reform Act of 1995. These Forward-looking Information and Statements relate to Management’s expectations about future events, results of operations, the future performance (both financial and operational) and business prospects of Enerflex Ltd. (“Enerflex” or the “Company”), and other matters that may occur in the future. All statements other than statements of historical fact are Forward-looking Information and Statements. The use of any of the words “anticipate”, “future”, “plan”, “contemplate”, “create”, “continue”, “estimate”, “expect”, “intend”, “propose”, “might”, “may”, “will”, “shall”, “project”, “should”, “could”, “would”, “believe”, “predict”, “forecast”, “pursue”, “potential”, “objective”, “capable”, and similar expressions, are intended to identify Forward-looking Information and Statements. In particular, this Report includes (without limitation) Forward looking Information and Statements pertaining to: Enerflex’s ability to drive transformative solutions and the costs and timing associated therewith; expectations that natural gas will continue to play a key role in the energy transition; expectations that Enerflex’s core competencies in providing modularized natural gas solutions will translate into opportunities to drive value in the bioenergy space; expectations that modularized solutions will play a crucial role in the areas of CCUS, electrification, and hydrogen; the belief that renewable energy sources will play an increasingly significant role in meeting energy demands; the ability of Enerflex to seek out and continue to explore opportunities that support climate change efforts and the timing and costs associated therewith; and additional disclosures under the heading “Opportunities”.

All Forward-looking Information and Statements in this Report are subject to important risks, uncertainties, and assumptions, which may affect Enerflex’s operations, including, without limitation: the impact of economic conditions; the markets in which Enerflex’s products and services are used; general industry conditions; changes to, and introduction of new, governmental regulations, laws, and income taxes; increased competition; insufficient funds to support capital investments; availability of qualified personnel or management; political unrest and geopolitical conditions; and other factors, many of which are beyond the control of Enerflex. As a result of the foregoing, actual results, performance, or achievements of Enerflex could differ and such differences could be material from those expressed in, or implied by, these statements, including but not limited to: the ability of Enerflex to realize the anticipated benefits of, and synergies from, the acquisition of Exterran Corporation and the timing and quantum thereof; the interpretation and

treatment of the transaction to acquire Exterran Corporation by applicable tax authorities; the ability to maintain desirable financial ratios; the ability to access various sources of debt and equity capital, generally, and on acceptable terms, if at all; the ability to utilize tax losses in the future; the ability to maintain relationships with partners and to successfully manage and operate the integrated business; risks associated with technology and equipment, including potential cyberattacks; the occurrence of unexpected events such as pandemics, war, terrorist threats, and the instability resulting therefrom; risks associated with existing and potential future lawsuits, shareholder proposals, and regulatory actions; and those factors referred to under the heading “Risk Factors” in Enerflex’s Annual Information Form for the year ended December 31, 2024 accessible on SEDAR+ and in Enerflex’s management’s discussion and analysis for the year ended December 31, 2024 accessible on SEDAR+.

The Forward-looking Information and Statements contained herein is expressly qualified in its entirety by the above cautionary statement. The Forward-looking Information and Statements included in this Report is made as of the date of this Report and is based only on the information available to the Company at such time. Other than as required by law, Enerflex disclaims any intention or obligation to update or revise any Forward-looking Information and Statements, whether as a result of new information, future events, or otherwise. This Report and its contents should not be construed, under any circumstances, as investment, tax, or legal advice.

## Third-party Information

This Report includes market and industry data which was obtained from various publicly available sources and other sources believed by Enerflex to be true. Although Enerflex believes it to be reliable, it has not independently verified any of the data from third-party sources referred to in this Report or analyzed or verified the underlying reports relied upon or referred to by such sources or ascertained the underlying economic and other assumptions relied upon by such sources. Enerflex believes that its market and industry data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and industry data used throughout this Report are not guaranteed and Enerflex makes no representation as to the accuracy of such information.

*ISO Certification:* Enerflex has thirteen locations across the globe maintaining ISO 14001 certifications. The internationally recognized standard provides a framework for continual improvement of environmental performance and ongoing compliance ensures we are taking proactive measures to minimize our environmental footprint, reduce waste, conserve energy and meet relevant local, state, and national requirements.



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