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Sustainability  
Report



Tomorrow  
starts today





Building off Enerflex’s prior Environmental, Social, and Governance (ESG) Performance Summary Reports, this is the Company’s first Report on ESG and Sustainability topics that are of significance to our business and our stakeholders.

As used in this report, references to “us”, “we”, “Enerflex”, or “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).

# Content

- 04** Letter to Stakeholders
- 06** Our Company
- 13** Enerflex's Role in the Energy Transition
- 21** ESG at Enerflex
- 25** Environmental
- 33** Social
- 47** Governance
- 53** Summarized TCFD Disclosure
- 57** Data Appendix
- 62** Safe Harbor / Forward Looking Statements

# Letter to Stakeholders



## Marc Rossiter

President, Chief Executive Officer,  
and Director

To Enerflex's Valued Stakeholders,

As a key player in the natural gas and energy infrastructure sector, we acknowledge that embracing sustainability is a fundamental aspect of our business strategy and our Vision of *Transforming Energy for a Sustainable Future*.

I am proud to report that 2023 was a year of notable progress for Enerflex, thanks to the hard work and dedication of our exceptional team. Following the successful integration of Exterran and our strategic initiatives to refine our business model and geographic presence, Enerflex has achieved greater efficiency and expanded its scale. We've broadened our product line to leverage and foster the ongoing energy transition, enhancing our capabilities across the energy value chain.

At a time of increased awareness and accountability, earning trust is crucial. Being transparent about our sustainability endeavors is a proactive measure to cultivate trust with our communities, client-partners, and investors, forming the foundation of support essential for sustainable growth and responsible operations. Our commitment to all stakeholders is evident in our actions and this report, showcasing our progress and plans in sustainability.

With a steadfast focus on enhancing our sustainability efforts, we are driven by our dedication to creating long-term value.

We're excited to share our sustainability journey with you, aiming for transparency in our advancements and the impact we're making. As President & CEO, I am deeply committed to steering Enerflex towards a future marked by sustainable, efficient energy solutions. Our leadership team and Board of Directors share this commitment to positive change, and we invite you to join us in this journey.

I extend my sincere thanks to all our stakeholders for your ongoing support. Together, we're building a sustainable and prosperous future.

A handwritten signature in green ink, appearing to be 'MR' followed by a flourish.

**Marc Rossiter**

President, Chief Executive Officer, and Director



With a steadfast focus on enhancing our sustainability efforts, we are driven by our dedication to creating long-term value.

# Our Company

In an ever-evolving global landscape, our Vision remains firm: **Transforming Energy for a Sustainable Future**. Guided by ESG principles that place our people at the forefront, we steadfastly pursue the advancement of natural gas, energy transition, and treated water technologies. Our mission includes supporting energy companies today while also driving transformative solutions for tomorrow. Powered by a global team of 4,800 talented individuals, we are united in our shared vision and work collaboratively toward a future of sustainable energy solutions.

Founded in	1980
Employees Worldwide	4,800+
Operations in 70+ locations in	20 Countries
Headquartered in	Calgary, AB
Listed on the	TSX & NYSE

## Vision and Values

Our Vision, *Transforming Energy for a Sustainable Future*, is 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. Through consistent execution of this strategy, Enerflex has managed a resilient business to create shareholder value over its 40-plus-year history.

Ingrained in our culture and reflected in our every action are our core values: **Integrity, Commitment, Creativity, and Success**. As a result, we are proud to

be recognized as a values-based company, respected for our unwavering commitment to our principles. We owe our success to our 4,800 dedicated teammates who embody these values each and every day, and who remain committed to driving our Vision forward.

## Business Divisions

Enerflex's extensive global reach positions us ideally to partner with clients in pivotal natural gas, low-carbon, and water treatment markets. Our vertically integrated solutions span the entire value chain from engineering and design, through fabrication and construction, to operations and maintenance.



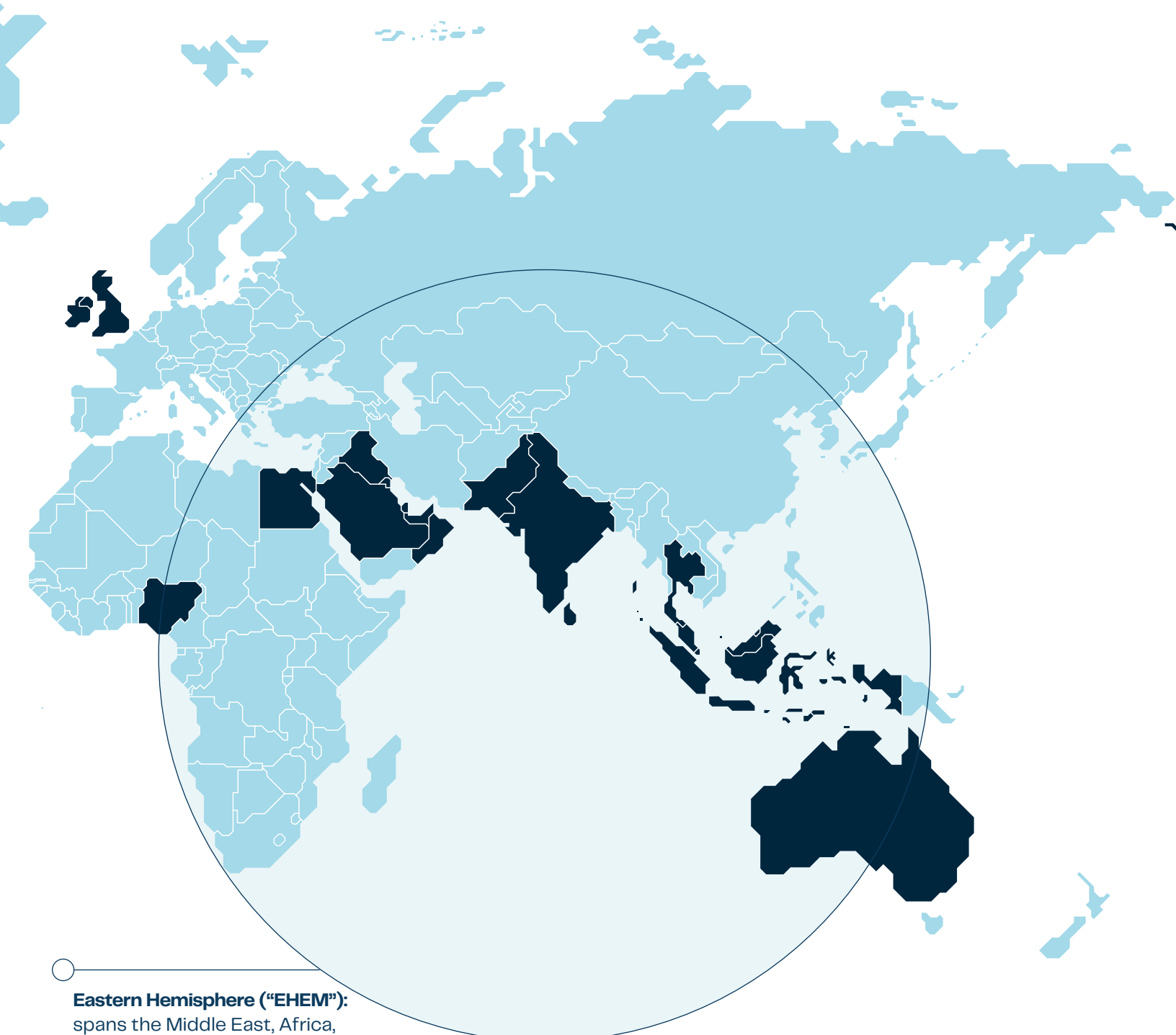
**North America ("NAM"):**

includes operations in Canada and the USA

**Latin America ("LATAM"):**

encompasses operations in Argentina, Bolivia, Brazil, Colombia, Mexico, and Peru





**Eastern Hemisphere (“EHEM”):**  
spans the Middle East, Africa,  
Europe, and Asia Pacific



Energy Infrastructure



Engineered Systems



After-Market Services

# Enerflex Portfolio



Low-Carbon Solutions



Treated Water Solutions

Enerflex's **Energy Infrastructure** business encompasses natural gas processing, compression, treated water, and electric power 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, sourcing, installation, operation, servicing, repair, and maintenance of Company-owned equipment.

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**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 for carbon capture utilization and sequestration ("CCUS"), renewable natural gas, and hydrogen; water treatment; and electric power generation solutions. Through the Integrated Turnkey ("ITK") approach, the Company combines these offerings into comprehensive solutions, covering civil works, engineering, design, manufacturing, construction, and commissioning.

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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.

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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 businesses presents us an opportunity to design and fabricate solutions to help them achieve their decarbonization goals while continuing to pursue their core businesses profitably and sustainably.

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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.



We're 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. Its reliability, affordability, and cleaner combustion position natural gas as an essential part of the energy transition landscape.

# Enerflex's Role in the Energy Transition



# Natural Gas in the Energy Transition

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. Its reliability, affordability, and cleaner combustion positions natural gas as an essential part of the energy transition landscape.

Natural gas power plants offer a practical solution for enhancing electrical grid stability, with lower emissions than coal and oil. They quickly adapt to variations in demand or intermittent supply from renewable energy sources, providing a reliable, on-demand power supply.

The International Energy Agency (IEA) highlights natural gas' abundance, making it a reliable energy source<sup>1</sup>. Its global availability, through local sources and liquefied natural gas (LNG) exports, makes natural gas a valuable asset in complementing renewable energy systems. This abundance also contributes to its cost-effectiveness, with projections from the U.S. Department of Energy indicating that natural gas is expected to be half to one-third the price of other fuels through 2050<sup>2</sup>. Advances in extraction and power generation technologies, like hydraulic fracturing and directional / horizontal drilling, have enhanced its role as a decarbonization path compared to coal and oil.

The Energy Information Administration notes that the use of natural gas for energy purposes results in fewer emissions than using coal or petroleum products for an equal amount of energy,<sup>3</sup> highlighting that natural gas is the cleanest burning hydrocarbon. When used for electricity generation, natural gas produces roughly half the carbon dioxide and just one-tenth of the air pollutants compared to coal. Additionally, natural gas has played a pivotal role in curbing emissions within the U.S. power sector, accounting for 61% of the total CO<sub>2</sub> emissions reductions since 2005, according to the Energy Information Administration.<sup>4</sup> This is especially critical given that the world's current energy demands outpace renewable capabilities.

We firmly believe that natural gas will play a critical role in the ongoing energy transition. This belief is rooted in the reliability, abundance, affordability, and efficiency that natural gas provides.

<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.energy.gov/sites/default/files/2023-08/rep-ave-cost.pdf>

<sup>3</sup> <https://www.eia.gov/energyexplained/natural-gas/natural-gas-and-the-environment.php>

<sup>4</sup> <https://www.eia.gov/environment/emissions/carbon/?src=email>



# Enerflex's Role in the Energy Transition

The energy transition is a core aspect of our long-term strategy. We remain committed to the future of natural gas and the critical role it plays, while focused on supporting the energy transition and global decarbonization efforts.

Enerflex's commitment to the energy transition is backstopped by four decades of expertise in designing and fabricating solutions for sustainable technologies, including CCUS, electrification, bioenergy, and hydrogen solutions. While natural gas continues to be a vital component of the global energy mix, Enerflex is uniquely positioned to develop transformative solutions essential for a sustainable energy landscape, aligning with our focus on long-term value creation.

We have strategically positioned our capabilities to leverage the energy transition as an opportunity to deliver incremental sustainable value to our partners – and broaden our services. This approach acknowledges the global dimension of the energy transition, which demands diverse technologies and significant, ongoing investment. Our global perspective establishes Enerflex as a key player in addressing the world's increasing sustainability needs.

Expanding the application of our core competencies into Low-Carbon Solutions, we support our partners' decarbonization ambitions, underscoring our commitment to a cleaner, more sustainable future. **Our deep relationships and understanding of our partners' businesses enable us to design and fabricate solutions that support their decarbonization efforts while ensuring operations that are both profitable and sustainable.**

Our most significant contribution to emissions reduction lies in the solutions we offer our partners to lower their emissions. Our CCUS business has led 150 projects over the past 40 years, capturing over 5 million tonnes of CO<sub>2</sub> annually. Additionally, through electrification and our engine upgrade solutions, we can significantly reduce our client partners' Scope 1 and Scope 2 emissions, while enabling them to improve horsepower utilization and fuel efficiency. This approach enhances our partners' emissions management strategies, furthering their commitment to sustainability.





## Enerflex's Low-Carbon Solutions

Enerflex is committed to minimizing the environmental impact of its global footprint, partnering with clients to provide low-carbon solutions to reduce emissions associated with their operations.

Since launching our Energy Transition division in 2022, we have pinpointed four key areas critical to global decarbonization that align with our strengths in design and fabrication: CCUS, Electrification, Bioenergy, and Hydrogen. We believe modularized solutions will play a crucial role in these areas, guiding our strategy to help clients achieve their emissions reduction objectives. Our global efforts aim to not only support our clients but also educate the wider industry on our low-carbon solutions.

Our forty-plus years of experience underpins our low-carbon solutions and decarbonizing capabilities. With our knowledge and commitment, we are turning our clients' challenges into opportunities for a more sustainable future. Our focus on innovation, technical excellence, and unwavering commitment keeps us at the forefront, leading the way to a cleaner energy future.

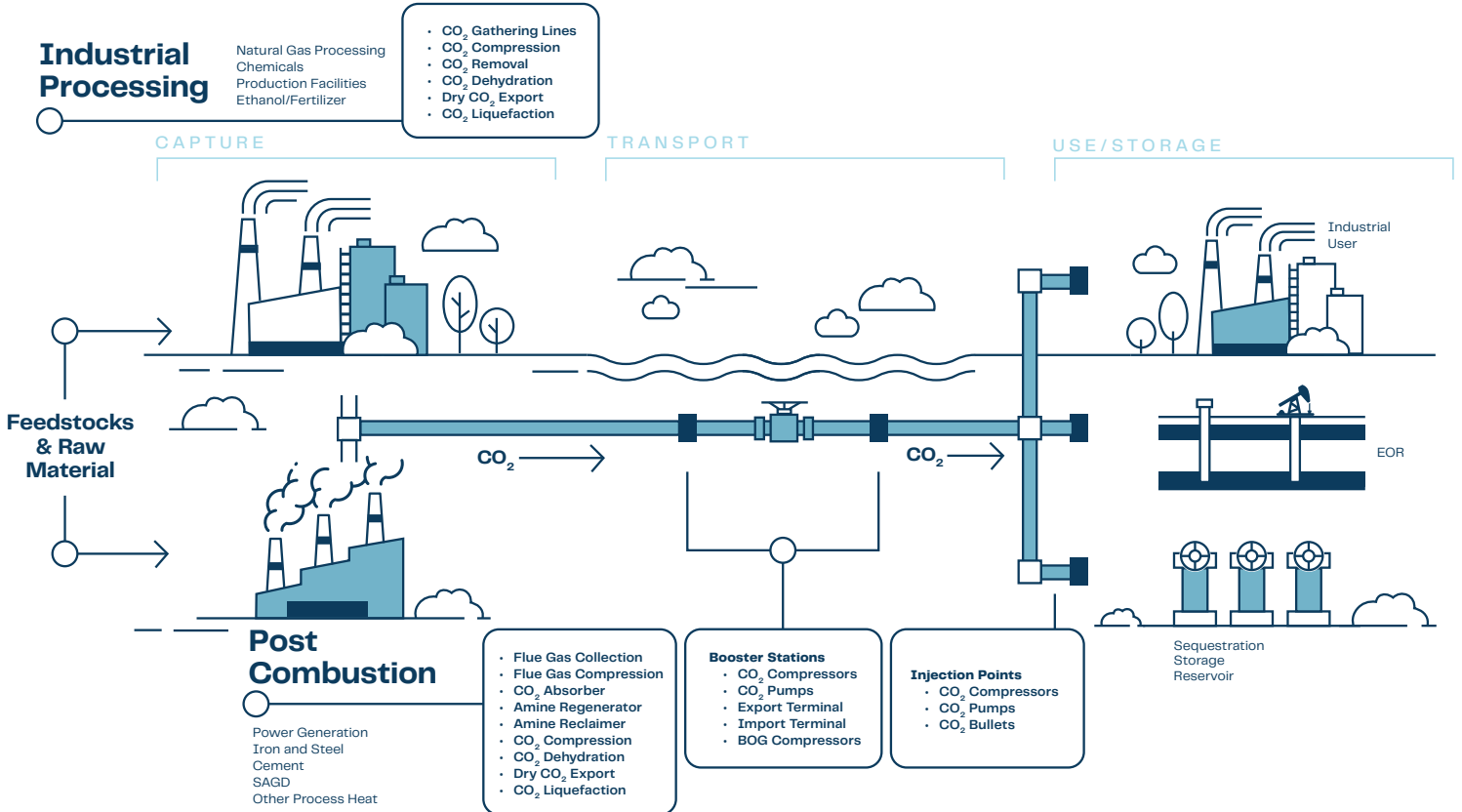


# CCUS

Enerflex is involved in enabling decarbonization through commercially viable CCUS solutions by collaborating with natural gas, ethanol, ammonia, and other industries, and building strategic relationships with technology developers. Leveraging our process engineering expertise, Enerflex offers modularized carbon capture and compression equipment, providing a range of solutions from early-stage engineering studies to integrated turnkey options and pilot project development. Enerflex's core competencies are suited to both pre- and post-combustion capture applications.

In the pre-combustion carbon capture space, Enerflex documented a milestone in partnership with two other entities, where carbon dioxide waste from a natural gas processing plant was injected into a CCUS facility, with a goal to sequester approximately 210,000 metric tonnes of carbon dioxide equivalent annually. As well, Enerflex continues to develop other pre-combustion carbon capture projects throughout North America. The Company has also dedicated significant resources to the development and testing of post-combustion carbon capture projects.

## CO<sub>2</sub> Solutions Across the Value Chain





## Electrification

Electrification is another avenue to achieve decarbonization across industries, and Enerflex is ideally situated to provide its client partners with electric drive compression. The Company has pioneered the electrification of gas compression with over 2 million horsepower of electric-motor compression globally, decreasing emissions by 1.3 million tonnes of CO<sub>2</sub> annually. Our tailored offerings, including BESS and compressor electrification, drive significant Scope 1 emission reductions for our client partners, showcasing our joint commitment to cost-effective greenhouse gas abatement. The list of client partners seeking to decarbonize their facilities with low-carbon new builds (including Enerflex's own electric motor drive fleet) continues to grow. Further development of carbon markets and the ability to claim carbon credits for compression electrification will increase the associated value proposition.

## Bioenergy

Enerflex provides equipment for RNG production and compression in addition to other bioenergy applications. Enerflex has completed over 20 bioenergy projects across various applications, including: biogas power generation, renewable natural gas systems, green distributed power, biorefining, waste-to-power, combined heat and power, and bioenergy with carbon capture and storage (commonly referred to as BECCS). While the scalable execution of bioenergy initiatives is still in its early stages and, in many cases, is dependent upon policy and regulatory support, these projects have the ability to incorporate Enerflex's engineering and modularized equipment for various applications. With a focus on diverse bioenergy projects including biogas power generation and BECCS, Enerflex is contributing to the global work within this expertise.



## Hydrogen

Green and blue hydrogen projects present opportunities to achieve decarbonization, especially in the heavy industrial sector. Enerflex believes that it can meaningfully participate in the hydrogen transition, using its experience in compression and electrolyzer packaging to drive sustainable value. While the scalable execution of hydrogen initiatives is still in its early stages, Enerflex continues to support client partners and technology developers through specialized electrolyzer packaging and balance of plant solutions. While green and blue hydrogen markets are still nascent and are dependent on policy and regulatory support, Enerflex views hydrogen applications as a potential driver of sustainable value.





In 2023, Enerflex undertook a comprehensive ESG materiality assessment, aiming to better understand and address ESG priorities most important to key stakeholders – being our employees, client partners, and investors.

# ESG at Enerflex



# ESG at Enerflex

## Materiality Assessment

In 2023, Enerflex undertook a comprehensive ESG materiality assessment, aiming to better understand and address the ESG priorities most important to key stakeholders – being our employees, client partners, and investors. By understanding the relative importance of each topic we could further understand the impact they have on our business.

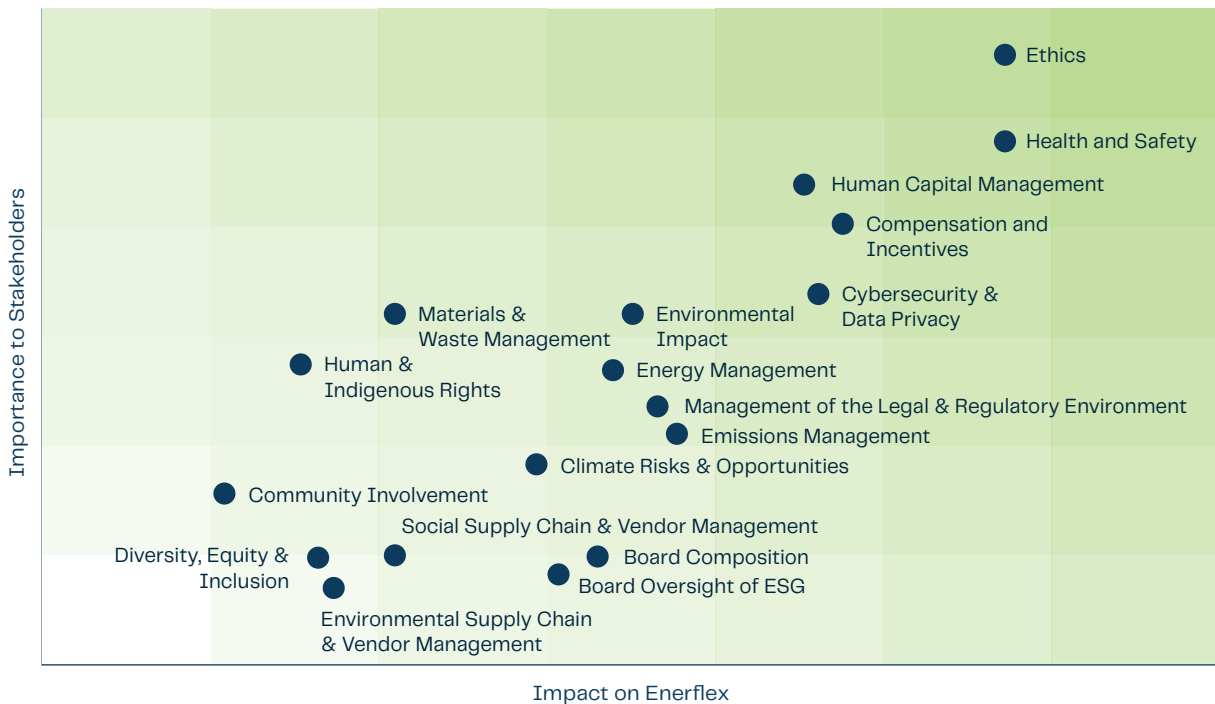
We started by closely reviewing the sustainability landscape, including ESG rating criteria and industry benchmarks. We then crafted a tailored survey to methodically collect feedback from our stakeholders. With active contributions from over 130 stakeholders in the survey, Enerflex gained valuable insights into how our stakeholders prioritized ESG topics and how impactful each topic was to Enerflex. Stakeholders provided a global perspective, with participants from Canada, the Middle East, Latin America, and the United

States. Additionally, Enerflex conducted in-depth one-on-one interviews with employees and external stakeholders, to further understand priorities and emerging sustainability trends.

The consolidated report was presented to the Executive Management Team, with the insights gathered serving as a foundation for the development of our sustainability strategy.

As a result, Enerflex identified five key priorities based on their significance and potential impact on the Company, including: **ethics; health and safety; human capital management; compensation and incentives; and cybersecurity and data privacy.**

## Impact vs. Importance



# Stakeholder Engagement

Stakeholder engagement is essential for understanding mutual interests, fortifying relationships, and addressing key concerns. 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.



## Employees

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



## Investors

Our Shareholder Engagement Policy is designed to foster open, sustained dialogue with our shareholders. We maintain contact via press releases, in-person meetings, 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.



## Clients

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



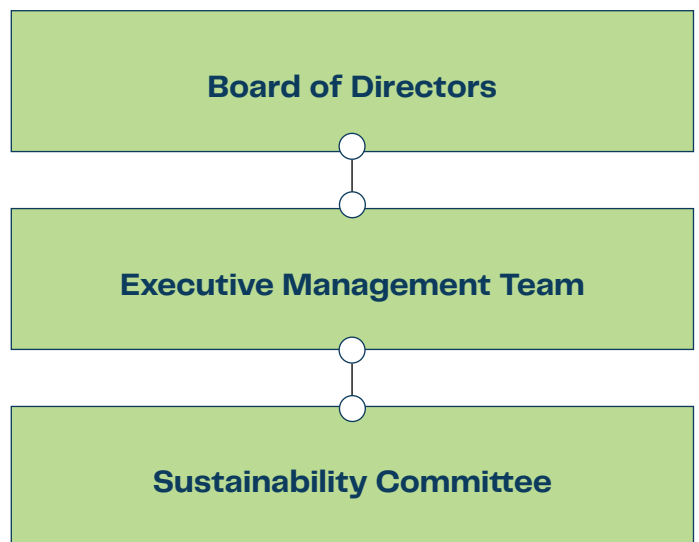
## Communities

Our active involvement in local communities underscores our support through philanthropic events, volunteering, and fundraising, in addition to 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 plan strategic steps forward, reflecting our commitment to sustainability.





# Environmental



# Environmental

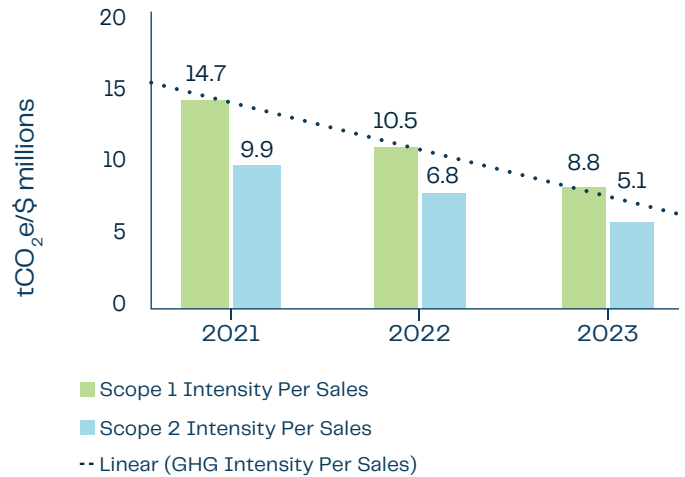
## Emissions Management

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 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 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 has made it a strategic priority to limit 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.

## Emissions Intensity



## Chemicals Management

Enerflex's manufacturing operations utilize workshop chemicals commonly used in standard welding and paint shop activities. Such chemicals are handled and stored within controlled environments according to the manufacturers' Hazard Communication (HAZCOM) guidance and applicable regulations. Enerflex's offsite construction activities may also utilize chemicals such as welding fuels, which are handled, stored, and transported according to the manufacturers' HAZCOM guidance and applicable local regulations. All such chemicals are consumed during use. Enerflex's activities do not produce hazardous waste for disposal.

# 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 Energy Infrastructure

projects in Latin America, Enerflex specifications mandate the use of double-walled tanks. Regional environmental regulation is a priority for all Enerflex locations and is closely monitored to proactively comply with applicable regulations and any changes or updates.

## COLOMBIA

### Repurposing Oil into Alternative Fuels

Contributing to sustainable practices in the industrial sector, Enerflex repurposes used oil into alternative fuels. This oil, refined to a minimal 0.5% humidity levels, fuels brick factories, boilers, and asphalters.

## CANADA

### Reduction in Paper Consumption

Our engineering team has significantly reduced paper consumption by implementing an electronic system for drawing and document review. This innovative digital method streamlines the markup, highlighting, and review processes, showcasing our dedication to reducing environmental impact.



## Energy Use

We believe that 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.

### LATIN AMERICA

#### Solar Panels

Solar panels provide the energy to illuminate some of our workshops, demonstrating our commitment to renewable energy where practical. Notably, in Brazil, these solar panels have generated 97 MWh, furthering our commitment to sustainable operations.

### NORTH AMERICA

#### LED Lighting

Our manufacturing facilities have embraced energy efficiency with the installation of LED lighting and air conditioner timers, minimizing energy consumption by ensuring operation only when necessary.

## Biodiversity

Understanding the importance of biodiversity, we have implemented educational programs in specific regions 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

We initiated the “Increase Awareness of Local Biodiversity” program, part of our environmental education effort. 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

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 as well as in the operations of 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.

## NORTH AMERICA

### Recycled Water Mandates

We have mandated recycled water for pressure testing and cleaning at select facilities, significantly cutting down on our freshwater use. Introducing water tanks with filtration systems has also allowed us to recycle water during vital equipment manufacturing stages.

## BRAZIL

### Repurposing Water

Our team finds new uses for water from air conditioners, employing it for cleaning, gardening, and equipment maintenance.



At Enerflex, our commitment extends beyond reducing our own carbon footprint – we are equally dedicated to aiding our partners in their decarbonization journeys. A prime example of this commitment in action is the completion of a large-scale produced water treatment facility in the Middle East. Despite this project's size, **we managed to reduce its physical footprint by 40%** compared to conventional sites, with preliminary results indicating a **40% reduction in carbon emissions** during plant operations. Safety was a top priority

throughout this project, as evidenced by our logging **over 4 million person-hours without a single lost-time incident**. Furthermore, this project led to the development of an emissions tracking and verification platform, showcasing our commitment to delivering innovative and tailored sustainable solutions that meet our clients' specific needs. This project is a testament to our global leadership in promoting responsible water management and environmental stewardship.

## Waste Management

Across our global operations, we are dedicated to implementing waste management practices that not only meet regulatory standards but also 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 sustainable habits, such as using reusable water bottles. 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.

### CANADA

#### 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. In our offices, we have set up recycling and compost bins to promote proper waste segregation among staff. We also offer composting in shared spaces, supported by informational signs, to properly handle organic waste.





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

### Oversight

At Enerflex, we're committed to health and safety from the ground up, ensuring everyone plays a part in our safety culture. Health and safety is a team effort across the company, supported at every level—from the boardroom to the frontline. Acknowledging regional regulatory variations, we strategically capitalize on commonalities throughout our global operations, fostering collaboration and sharing knowledge across diverse regions. This 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.

### 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. Our global HSE Policy Statement, backed by our President and CEO, underscores our pledge to conduct business in a way that protects the well-being, safety, and environment of our people, our clients, and our communities.

Our unwavering HSE goal is clear:

- **Ensuring no harm comes to anyone**
- **Preventing damage to the environment**
- **Effectively managing and mitigating all recognizable risks**

### Health and Safety Management System

At Enerflex, we are dedicated to safety excellence across all our operations. Our Health and Safety Management Systems in each region adhere to internationally recognized risk management standards. 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.

We pride ourselves on having over 30 certifications across numerous locations, reflecting our commitment to recognized standards for quality, occupational safety, and environmental management. These certifications include ISO's Quality Management System (QMS) (ISO 9001) certification, ISO's Occupational Safety and Health (ISO 45001) certification, and ISO's Environmental (ISO 14001) certification. 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; and
- Supply and service of equipment for gas processing, as well as turnkey projects and oil and gas and petrochemicals industries.

Our safety programs includes:

- 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 authority/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

## 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 that 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 ITK and BOOM projects requiring installation in the field, Enerflex designs and installs safety systems in adherence with client partner requirements and the proper design codes applicable in the jurisdiction.

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 functioning at all times.

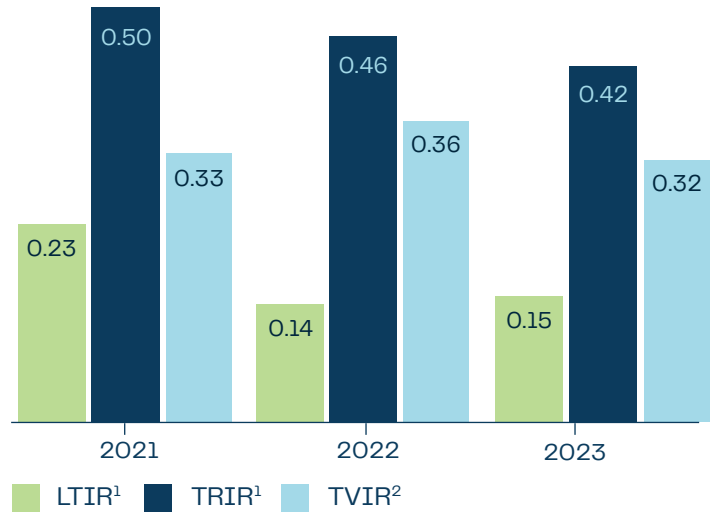
Every Enerflex location has a local emergency response plan, including evacuation plans, muster stations, and medical response contingency. These plans are reviewed periodically and updated as required. Ultimately, the Company's strong safety culture enables its people to effectively minimize, detect, and respond to health and safety incidents.



# Performance

We are deeply committed to preventing injuries and illnesses resulting from our operations. To this end, we monitor, evaluate, and enhance our occupational health and safety performance by drawing insights from investigations, audits, regulatory compliance, industry inspections, best practices, and proactive corporate governance. In 2023, our Lost Time Injury Rate (LTIR)<sup>1</sup> was 0.15, while our Total Recordable Incident Rate (TRIR)<sup>1</sup> was 0.42, and our Total Motor Vehicle Incident Rate (TVIR)<sup>2</sup> was 0.32, underscoring our continued commitment to health and safety.

## Performance Metrics 2021 to 2023



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

# 12.61

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

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



# Incident Prevention and Reporting

## Hazard Identification

Our risk assessment and job hazard analysis procedures are grounded in a systematic, task-based approach that includes identifying and mitigating hazards. Through this process, we aim to pinpoint, analyze, and eliminate risks, leading to the implementation of controls for hazard elimination, mitigation, and reduction. Leadership teams regularly review the results of this process to ensure quality and continued improvement.



## 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.

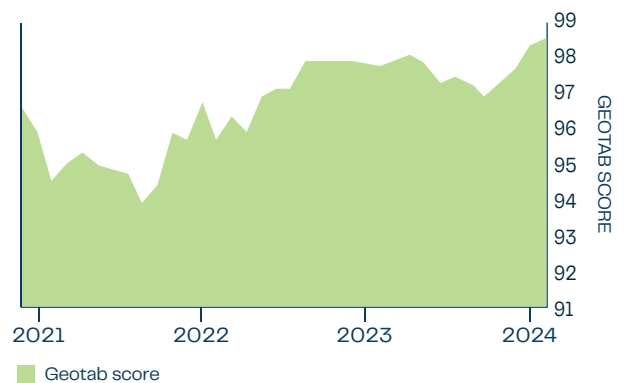
## Driver Safety

With hundreds of vehicles on the road, we've embraced in-vehicle monitoring systems across most of our operational footprint to track driver performance. These systems not only enhance awareness among our drivers but also provides real-time data to improve safe driving behaviors.

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 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. Our focused efforts over the last two years have yielded significant results, as indicated in the following table which reflects improved driving performance scores in our USA operations.

## USA Geotab Driving Score



## 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.

# Talent Management

## Recruiting Talent

Enerflex actively engages in regional recruitment strategies to meet the unique needs and seize opportunities in each area of our operations. We operate a global referral program that motivates our team members to recommend individuals for open roles, creating a dynamic and rewarding hiring atmosphere. True to our dedication to nurturing talent, we offer apprenticeship programs that pave the way for participants to acquire technical skills and real-world experience. These efforts are part of our broader mission to develop talent from within and make a significant contribution to the energy sector's workforce.

## AUSTRALIA

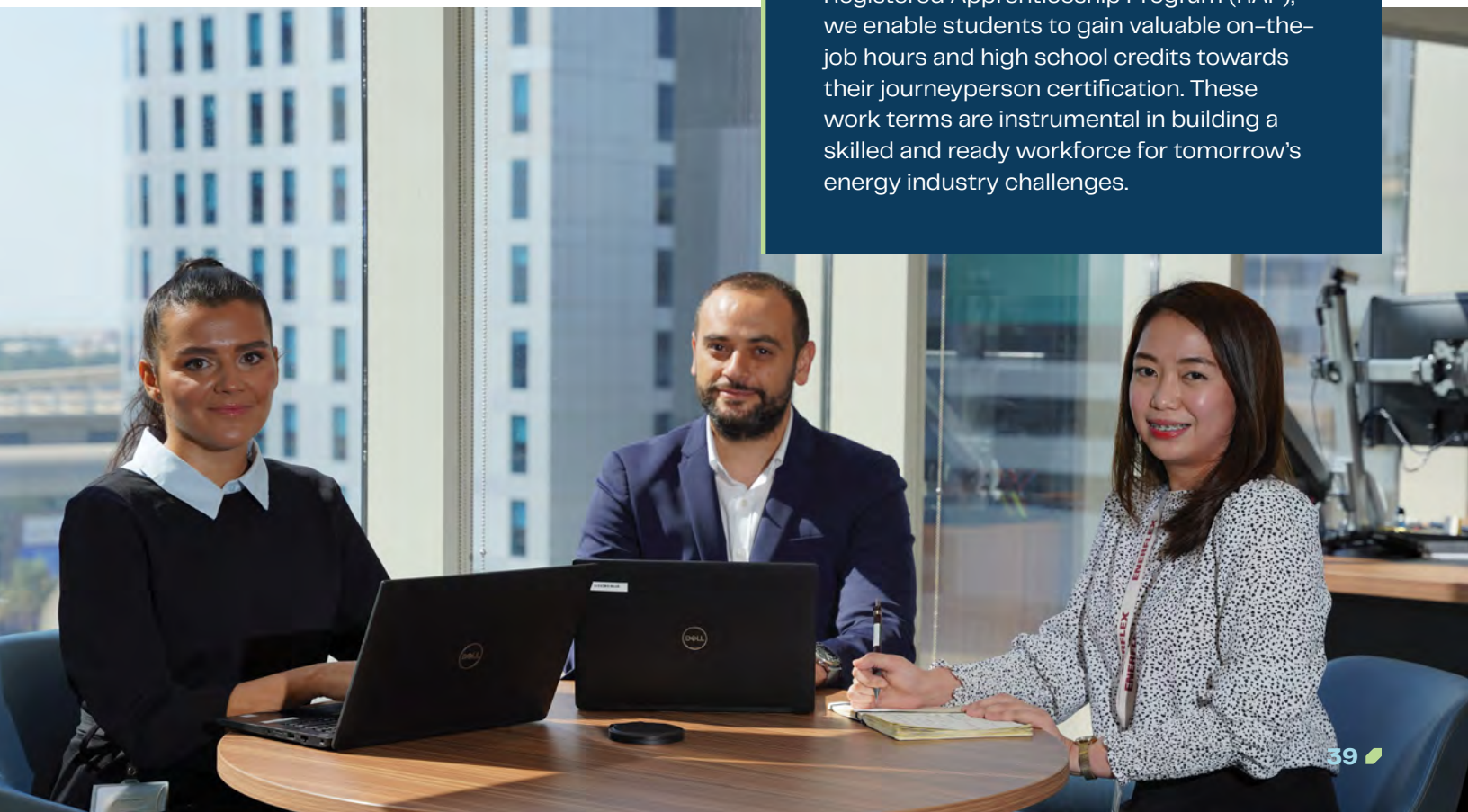
### Apprenticeship Programs

Enerflex's four-year apprenticeship program trains both school-based and adult apprentices, blending trade college education with practical, on-the-job experience. This initiative has seen the successful completion and advancement of four out of thirteen apprentices into lead mechanical roles.

## CANADA

### Workforce for Tomorrow

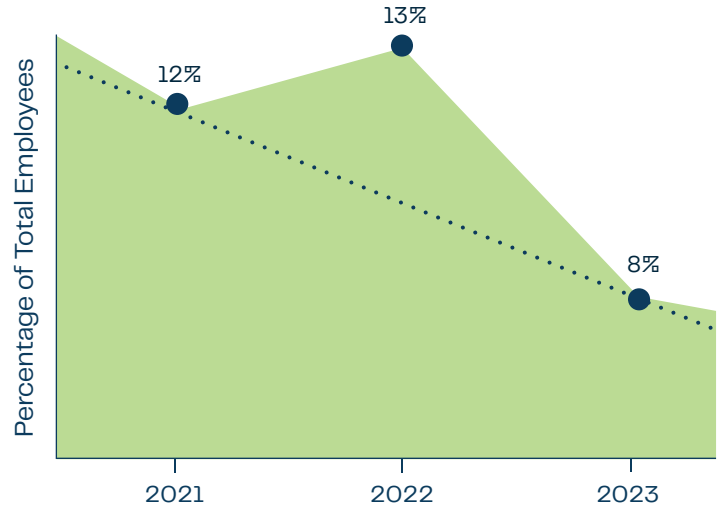
Our talent recruitment strategy focuses on fostering early interest in the trades and providing valuable work experiences. Through active involvement in the Registered Apprenticeship Program (RAP), we enable students to gain valuable on-the-job hours and high school credits towards their journeyman certification. These work terms are instrumental in building a skilled and ready workforce for tomorrow's energy industry challenges.



## Retain

At Enerflex, we prioritize culture and wellness in our retention strategy through comprehensive well-being initiatives and resources. Our regionally tailored programs include employee assistance programs, online resources, medical coverage, dental and prescription plans, life and disability insurance, pensions, savings plans, financial resources, health and well-being activities, and social clubs. We also actively engage with employees to integrate corporate cultures. This involves understanding collaboration dynamics, decision-making processes, and alignment with our core values. The inclusive approach fosters a shared sense of purpose and commitment to building a unified and culturally integrated workplace.

## Voluntary Turnover



### CANADA

## Mental Health

We prioritize employee mental health through an industry-leading program. The Mental Health and Wellness Committee, in collaboration with healthcare providers, delivers communication, resources, and learning opportunities, including articles, webinars, and newsletters. This comprehensive initiative includes leadership training and employee engagement to foster a supportive workplace environment.



## Develop

At Enerflex, we're committed to fostering a culture of continuous learning and professional development. Our extensive learning and development programs are strategically designed to attract and retain top-tier talent across the globe.

At every organizational level, employees gain access to tailor-made training initiatives, customized to align with their specific roles. These opportunities are not limited by location, with programs accessible worldwide in multiple languages to accommodate our diverse team. Our training modalities encompass web-based courses, hands-on experiences, and group sessions, providing a dynamic learning environment.

We have also implemented an enterprise-wide learning platform that serves as a comprehensive resource hub for employees. This platform provides on-demand access to a wide range of courses and materials, allowing employees to tailor their learning experiences to their needs. Whether it's technical training through partnerships with Original Equipment Manufacturers (OEMs) or leadership development programs, we ensure our teams have the tools they need for their career growth.

As part of our Performance Management System, we follow a structured three-step review process designed to guide employees in setting and achieving individual goals and objectives which support regional and enterprise goals. Beginning with goal-setting and developmental objective establishment in January and February, this process establishes clear expectations for individuals and teams. Mid-year reviews provide

a platform for ongoing feedback and adjustments, culminating in comprehensive end-of-year evaluations in December. This thorough evaluation allows for a holistic assessment of individual accomplishments and identifies areas for further growth, ensuring employees are continually progressing in their professional journeys.

**Recognizing Employees:** Enerflex recognizes employee contributions through Service Awards, honoring team members for 5 to 40 years of service during quarterly townhalls. Additionally, the Peer-to-Peer program allows employees to nominate peers for commendable task completion, acknowledged in townhalls and across the enterprise.



In 2023, our employees participated in over **2,200** hours of leadership training, skills, and career development courses.

# Diversity, Equity & Inclusion

As a company with a global and diverse workforce and client partner base, we believe that the unique differences of our employees make us stronger, more innovative, and better equipped to tackle the challenges of a global marketplace. Our diversity, equity, and inclusion strategy is targeted towards creating a workplace where all employees feel valued and respected. This strategy encompasses comprehensive initiatives, from recruitment and talent development to leadership programs and cultural awareness training, ensuring that diversity, equity, and inclusion remain an inherent part of our identity and how we operate on a global scale. In defining diversity, Enerflex encompasses a broad spectrum of characteristics, including but not limited to gender, geographical representation, ethnicity, race, nationality, culture, religion, language, indigenous status, sexual orientation, political affiliation, family and marital status, age, disability, education, and industry experience and expertise.

## Lean-In Programs

Enerflex supports global Lean-In circles made up of dedicated individuals who periodically gather to discuss topics including technology and leadership, offering a supportive environment for open discussions supporting the professional journeys of women. Additionally, the Lean-In initiative includes book clubs, broadening the scope of its support and engagement.

## Respectful Workplace

Enerflex is committed to providing all employees with a safe, respectful workplace, fostering a climate conducive to meaningful contributions. Our global Respectful Workplace Policy outlines Enerflex's expectations for an environment free from harassment, discrimination, and violence. To ensure understanding, executive officers and managers undergo annual mandatory reviews and quizzes, while company-wide employee reviews occur at least biennially. New employees receive respectful workplace training during orientation, completing policy acknowledgment within a week of hire. Regional training sessions further empower employees to identify, respond to, and prevent harassment. The Respectful Workplace Policy is available in multiple languages, including Arabic, English, French, Indonesian, Portuguese, and Spanish, ensuring accessibility for all employees.



## Supply Chain Management

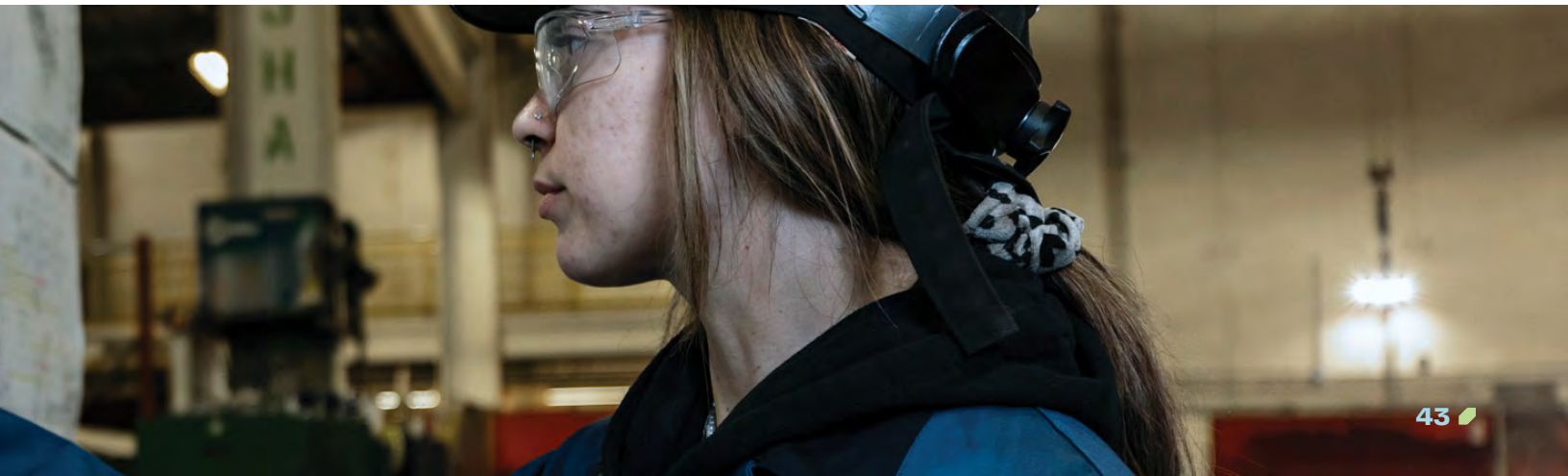
Enerflex prioritizes the integrity and sustainability of its supply chain, believing that a strong and resilient supply chain is critical to delivering sustainable value to stakeholders. Oversight is a key component of our strategy for our supply chain, with Regional Supply Chain Managers and Directors,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

Our supplier onboarding process involves due diligence, including an examination of OSHA standards, safety protocols, and quality benchmarks before engagement. International suppliers undergo further assessments to ensure alignment with 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. In 2021, the Company implemented a Modern Slavery Policy, solidifying 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.

In May 2023, the Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff was adopted by Canada. The purpose of this Act is to implement 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 elsewhere or importing goods produced outside Canada. In compliance with the Act, Enerflex prepared a report on the steps taken by Enerflex during the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by Enerflex or of goods imported into Canada by Enerflex. The full report may be found on Enerflex's website at [enerflex.com](https://www.enerflex.com).



# Community Involvement

Enerflex is dedicated to making a lasting positive impact beyond just our business. 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

We actively support 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 participants 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

Another pillar of our community involvement centers around children. Our 27-year partnership with Kids Cancer Care in Canada has enabled this important nonprofit to expand and grow substantially. Our collaborative relationship with this charity includes initiatives like “Camp 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 nearly \$2 million since inception. During these events, children who have attended Camp and their families are invited to share their inspiring stories. The Company supports various camp programs, including counselor training, and hold internal fundraisers, including a 150 km bike ride. 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 instance, employees participate in a bike ride for the MS Society, which also fosters team building, with non-cyclists contributing through cooking, setting up camp, and even providing amenities like a remote cell phone charging station.

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, beautifying 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 getaway 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.

# Governance



# Governance

## Board of Directors

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

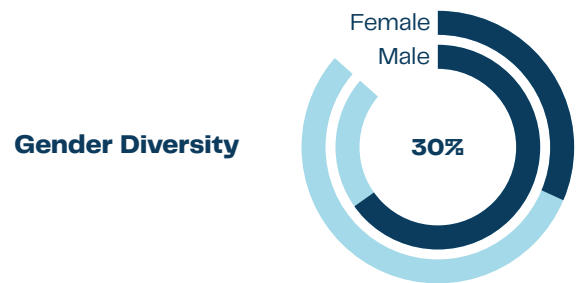
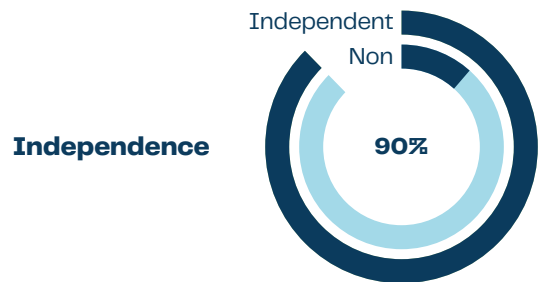
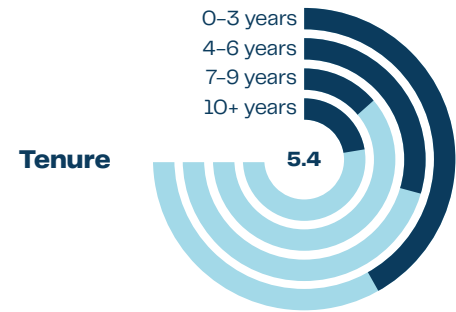
The Board has three standing committees:

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

## Governance Structure

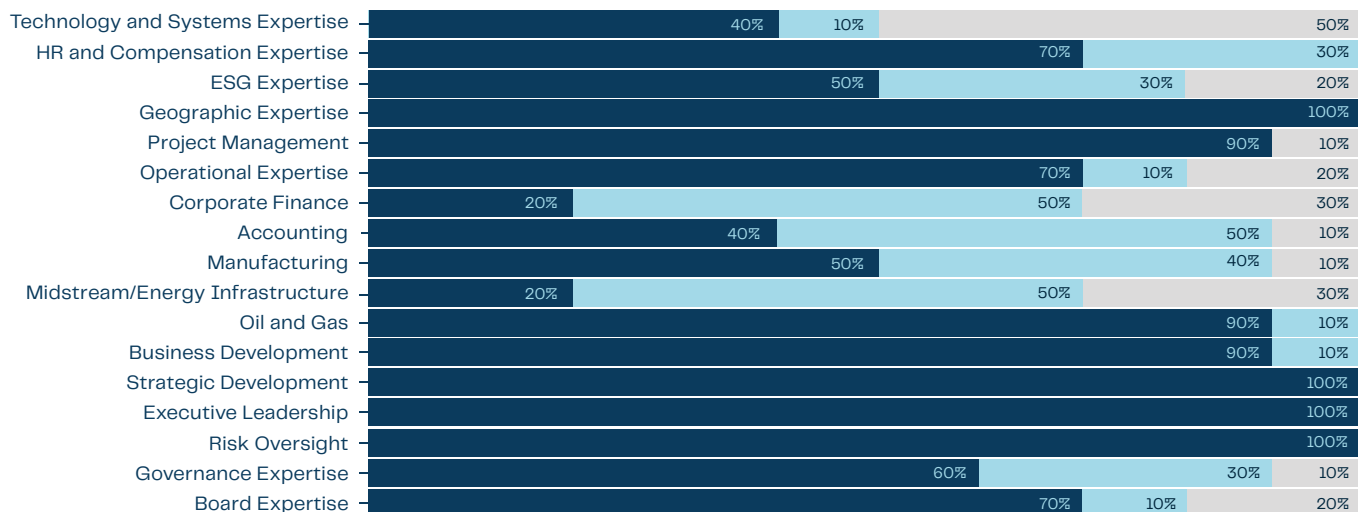
As of December 31, 2023, our Board was comprised of 10 directors, 90% of whom were independent. Supporting and embracing diversity starts at the highest level of the Company, and our Board of Directors reflects our commitments.

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



## Skill Matrix as at December 31, 2023

■ Advanced ■ General ■ Limited





## Sustainability Governance

Our Board adopts a collaborative and forward-thinking approach to the oversight of ESG matters, acknowledging their far reaching impact that transcends conventional corporate structures. The Board integrates ESG 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 ESG practices and policies, encompassing disclosures, sustainability strategies, cybersecurity, compliance programs, HSE initiatives, and workplace diversity, inclusion, and well-being practices. The Board remains proactive in staying well-informed about ESG matters through a multi-faceted approach. Regular Board and Committee meetings incorporate updates on regulatory changes, including anticipated regulations and requirements. External speakers are occasionally invited to share insights, enriching the board's understanding. In recognizing the global nature of ESG, the Board 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.

## Risk Management

Enerflex places a strong emphasis on risk management, guided by the ISO 31000 standards. Our Enterprise Risk Management (ERM) program effectively identifies and ranks risks, including ESG elements and climate considerations. These risks are regularly reviewed to assess their potential effect on operations and strategic goals. Management provides regular updates to the Board of Directors to ensure transparency and appropriate governance of operational, market, and budgetary risks, encouraging an active stance that keeps the Company in step with its long-term goals in a changing business environment.

### Audit Committee

The Audit Committee oversees Enerflex's financial statements, disclosures (including disclosures under the IFRS Sustainability Standards), and communications, establishing financial policies, ensuring accounting system integrity, and approving services by the independent auditor. It maintains independence by directly consulting with the auditor, monitors internal audit activities, and oversees compliance, cybersecurity, and information technology programs. Find detailed information in Enerflex's Annual Information Form for the year ended December 31, 2023 under the "Audit Committee" section.

### HRC Committee

The Human Resources and Compensation Committee holds pivotal responsibilities, including reviewing and recommending compensation for executives, and assessing incentive programs and benefit plans. It oversees executive appointments, evaluates the performance of the President and Chief Executive Officer, and manages succession planning and development. Additionally, the HRC Committee oversees matters relating to HSE and ensures compliance with Enerflex's policies and programs, receiving an annual presentation on succession planning for the Executive Management Team and key talent development.

### NCG Committee

The Nominating and Corporate Governance Committee plays a crucial role in corporate governance by reviewing and advising on various aspects, such as the Board of Directors' effectiveness, size, and composition, director compensation, the Board's relationship with management, and individual director performance. The NCG Committee is also responsible for aligning the Company's governance policies with regulatory changes and best practices. Additionally, it oversees the Company's ESG and sustainability disclosures, conducting a thorough review before presenting them to the full Board for oversight.



## 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 Team for seamless transitions and talent cultivation.

## Ethics

Enerflex strives to maintain a culture of integrity, ethical business conduct, transparency, and compliance, which is made evident in its Business Code of Conduct (the “Code”) that applies to directors, officers, employees, and independent contractors of Enerflex and its subsidiaries. The Code covers a variety of topics, including conflict of interest, corporate property, confidentiality, HSE, human rights, anti-corruption, and more. The Code 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. New hires are expected to acknowledge compliance within their first week of employment.

## Ethics Training

Enerflex prioritizes ongoing ethics training, including to integrate the Code sessions into new employee orientations. In accordance with the compliance provisions and the Company’s training initiatives, directors, officers, and all Enerflex managers are required to acknowledge annually their compliance with the provisions of the Code. Company-wide certification occurs at least every 24 months, with the latest completed in the fall/winter of 2022. The Code, available in multiple languages, is accessible on SEDAR+ at [sedarplus.ca](https://www.sedarplus.ca) and the Company website at [enerflex.com](https://www.enerflex.com), reflecting Enerflex’s dedication to transparency and ethical governance.

## Anti-Bribery and Anti-Corruption

Integral to Enerflex's compliance program is the Anti-Bribery and Anti-Corruption Policy, reinforcing the Company's commitment to adhere to Canada's Corruption of Foreign Public Officials Act, the U.S.A.'s Foreign Corrupt Practices Act, and all other relevant anti-bribery and anti-corruption laws applicable to our 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. To ensure widespread understanding, the policy is available in multiple languages, including Arabic, English, French, Indonesian, Portuguese, Spanish, and Thai.

Management reinforces employee comprehension of prohibited conduct through the Code certification process and regular compliance training, particularly for individuals in senior management roles or those directly engaging with the Company's client partners, suppliers, and government officials. Additionally, the Legal department diligently monitors developments in, and enforcement of, anti-bribery, sanctions, and export laws, conducting periodic evaluations to ensure ongoing compliance and foster improvement. 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.

## Anti-Money Laundering

In 2023, Enerflex updated its Code to explicitly address money laundering and affirm its commitment to complying with all anti-money laundering laws in the countries where it operates. Further, 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.

## Whistleblower Protections

Enerflex has a Whistleblower and Compliance Hotline which is independent and available 24 hours per day/seven days per week for employees, suppliers, client partners, or members of the public. The Whistleblower and Compliance Hotline supports the Company's commitment to financial and accounting integrity and ethical business conduct, and outlines the procedures to submit a confidential anonymous report of suspected accounting or auditing irregularities or unethical behavior impacting Enerflex, including, without limitation, breaches of the Code (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 investigated and reported to the Audit Committee or HRC Committee, as applicable. To ensure widespread awareness, information about the availability of the hotline is distributed across all operating areas, and posted to our website, with translations provided as needed in each region.

# 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 maintains a robust cybersecurity framework, with 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 annual 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.

Hours of Employee Cybersecurity Training

6,100+

Political Contributions

\$0

# Summarized TCFD Disclosure



# Summarized TCFD Disclosure

## Governance

### Board

The Board actively oversees the management of climate-related risks and opportunities within our risk management framework. This includes detailed evaluations of our climate-related risks and opportunities.

**NCG Committee:** The NCG Committee also has responsibility and oversight over the ESG and sustainability disclosures of the Company and will review 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 Standards), and communications, establishing financial policies, ensuring accounting system integrity, and approving services by the independent auditor.

## Management

Enerflex is committed to weaving climate-related risks and opportunities into its strategic 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.

The Sustainability Committee has been central to our approach to ESG, including climate considerations, and draws members from crucial departments like Human Resources, Communications, Product Management, Engineering, Health and Safety, Legal, Internal Audit, Investor Relations, and Supply Chain. This committee is tasked with addressing sustainability priorities from our 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 quarterly 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.

### 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 such 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. Any such claims, laws, or regulations could also increase the costs of compliance for Enerflex's client partners, and thereby negatively impact demand for the Company's products and services. 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.

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.

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 expect that renewable energy sources will play an increasingly significant role in meeting energy demands. Alongside offering natural gas solutions, Enerflex actively seeks out and will continue to explore opportunities that support global climate change efforts. This includes delving into new energy transition solutions, like CCUS, renewable natural gas, electrification, and hydrogen; finding economical ways to reduce energy and emissions in its operations; and pursuing energy-efficient procurement opportunities.

**CCUS Opportunities:** Enerflex stands at the forefront of the CCUS sector, leveraging years of experience and expertise in delivering CCUS solutions. With a remarkable history of over 150 CCUS projects since its first venture in 1983, Enerflex showcases its technical prowess in modular equipment, a key area of its expertise. The demand for CCUS is growing, in line with energy transition forecasts by analysts like the International Energy Agency (IEA), which include scenarios such as STEPS, APS, and NZE. These outline the essential role of technologies like CCUS, hydrogen, and bioenergy in achieving policy goals for reducing emissions. CCUS plays a significant role in the APS scenario, identified as crucial for reaching net-zero emissions by 2050, with current global projects contributing significantly towards these objectives. North America in particular is seeing a

surge in CCUS projects, driven by tax incentives and funding programs, leading to the announcement of over 100 projects in the value chain since January 2022. However, the IEA notes the importance of robust policy support and strategic infrastructure investments to align with government commitments to net-zero targets. The expansion of CO<sub>2</sub> capture projects across more than 45 countries underscores the global acknowledgment of CCUS's critical role in transitioning to a lower-carbon future.

**Hydrogen Opportunities:** Enerflex offers the expertise to provide essential components for the hydrogen industry, including compression solutions and hydrogen electrolyzer packages. The Company's international experience is underscored by the successful installation of multiple solutions, reflecting a robust track record. With an installed capacity exceeding 200,000 horsepower, Enerflex's contributions span the hydrogen value chain. Compression solutions play a fundamental role in elevating hydrogen pressure for efficient transportation and storage, thereby contributing significantly to the overall hydrogen infrastructure. Hydrogen electrolyzer packages, encompassing the essential equipment for the electrochemical process of hydrogen production, further highlight Enerflex's comprehensive capabilities.

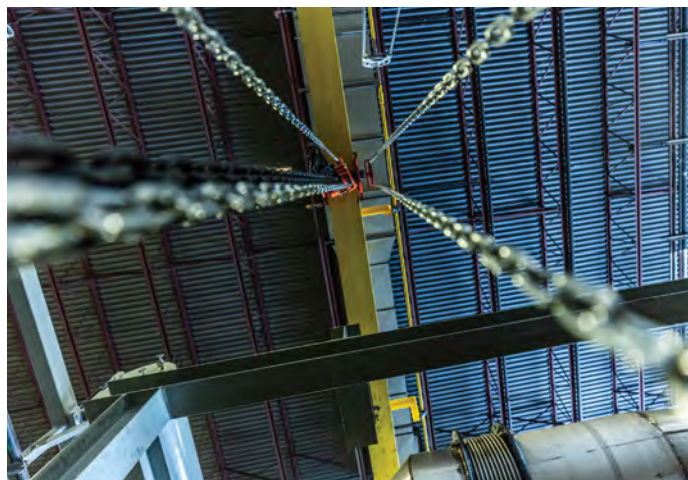
The global push for sustainable hydrogen production gains momentum with government support for large-scale projects. In North America and Europe, initiatives promoting low-emission hydrogen are at the forefront, supported by policies like the US Hydrogen Production Tax Credit, the EU Important Projects of Common European Interest (IPCEI), and the UK Low Carbon Hydrogen Business Model, driving progress in hydrogen technology.

Looking forward, we anticipate the global trade of hydrogen and hydrogen-based fuels will be a critical component of reaching a lower carbon intensity future. As outlined in the Net Zero Emissions (NZE) Scenario, it is expected that over 20% of the market demand for merchant hydrogen and hydrogen-derived fuels will engage in international trade by 2023<sup>1</sup>. This highlights Enerflex's significant contribution to the dynamic field of sustainable hydrogen production and trade.

## Risk Management

Management'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 (including ESG and climate-related risks), assigning each principal risk to a member of the Executive Management Team as the risk owner, and regularly assessing such risks at Executive Management Team meetings. For each risk scenario, the Executive Management Team estimates the likelihood and potential impact that such risks could have on Enerflex's business and how they may impact its strategy. Management compiles all risks identified as critical on an integrated risk register. 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.

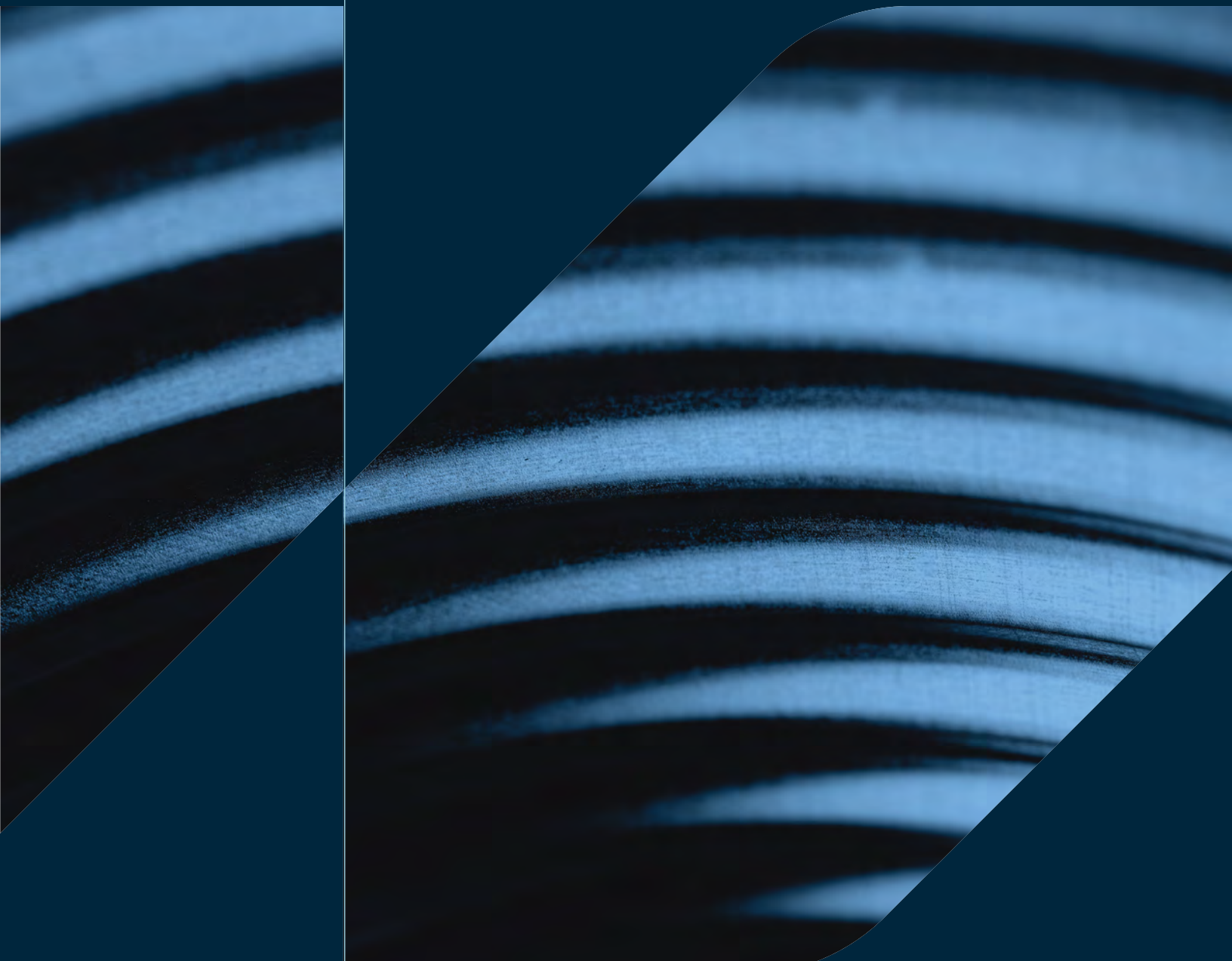
Management ensures that the Board and its committees are kept well informed of the Company's ERM systems and principal and emerging risks (including ESG and climate-related risks), including by way of: quarterly reports on operational and earnings risks; quarterly reports on market valuation risks; annual 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.



<sup>1</sup> <https://www.iea.org/reports/global-hydrogen-review-2023/executive-summary>



# I Data Appendix



# Appendix A

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

	UNITS	2023	2022	2021	SASB CODE
<b>Gross global direct GHG emissions (Scope 1)</b>	tCO <sub>2</sub> e	27,700	18,700	14,100	EM-MD-110a.1
Energy Infrastructure	tCO <sub>2</sub> e	18,700	9,600	7,700	N/A
After-market Services	tCO <sub>2</sub> e	8,500	8,500	6,300	N/A
Engineered Systems	tCO <sub>2</sub> e	610	570	140	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	16,200	12,000	9,500	N/A
<b>Combined gross global GHG emissions (Scope 1 and 2)</b>	tCO <sub>2</sub> e	43,900	30,700	23,600	N/A
<b>GHG emissions intensity per revenue generated (Scope 1)</b>	tCO <sub>2</sub> e/ \$ millions	8.8	10.5	14.7	N/A
<b>GHG emissions intensity per revenue generated (Scope 2)</b>	tCO <sub>2</sub> e/ \$ millions	5.1	6.8	9.9	N/A
Discussion of emissions management		Refer to "Environmental – Emissions Management" section of this Report			EM-MD-110a.2 EM-SV-110a.2

## Energy Consumption<sup>2</sup>

	UNITS	2023	2022	2021	SASB CODE
<b>Total fuel consumed</b>	GJ	71,770,000	45,532,000	32,100,000	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	0.3	0.5	EM-SV-110a.1
Percentage used in off-road equipment	%	99.6	99.7	99.5	EM-SV-110a.1
Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	%	35.0 <sup>3</sup>	11.1	58.3	EM-SV-110a.3
<b>Total electricity consumed</b>	MW/h	30,000	19,000	13,100	N/A
Percentage renewable	%	23.9 <sup>4</sup>	19.4	12.8	N/A
<b>Combined energy (fuel and electricity) consumed</b>	MW/h	19,970,000	12,666,000	8,930,000	N/A

## Water, Chemicals & Ecological Impact Management

	UNITS	2023	2022	2021	SASB CODE
Total volume of fresh water handled in operations and percentage recycled <sup>5</sup>	m <sup>3</sup>	0	0	N/A	EM-SV-140a.1
Volume of hydraulic fracturing fluid used, percentage hazardous, and discussion of related chemicals management <sup>6</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>7</sup>	acres	0	0	N/A	EM-SV-160a.1 EM-SV-160a.2

<sup>1</sup> 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.

<sup>2</sup> Enerflex has calculated fuel and electricity consumed using the methodology set forth in the API Compendium (August 2009).

<sup>3</sup> In 2023, Enerflex had a total of 20 non-road diesel engines in service globally.

<sup>4</sup> For 2023 data, Enerflex has calculated renewable electricity consumed 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).

<sup>5</sup> 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 2023. 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.

<sup>6</sup> 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.

<sup>7</sup> 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

	2023	2022	2021	SASB CODE
Total recordable incident rate <sup>8</sup>	0.42	0.46	0.50	EM-SV-320a.1
Fatality rate <sup>8</sup>	0.00	0.00	0.00	EM-SV-320a.1
Near-miss frequency rate <sup>8</sup>	12.61	11.35	13.72	EM-SV-320a.1
Lost-time incident rate <sup>8</sup>	0.15	0.14	0.23	N/A
Total motor vehicle incident rate <sup>9</sup>	0.32	0.36	0.33	EM-SV-320a.1
Average hours of health, safety, and emergency response training for employees and contractors <sup>10</sup>	17	12	15	EM-SV-320a.1
Global HSE fines and penalties	CDN\$0	CDN\$0	CDN\$0	N/A
Description of management systems to integrate culture of safety	Refer to "Social – Health and Safety – Health & Safety Management System" section of this Report			EM-SV-320a.2
Description of management systems to identify and mitigate catastrophic and tail-end risks	Refer to "Social – Health and Safety – Catastrophic Risk Mitigation" section of this Report			EM-SV-540a.1

## People, Diversity & Culture

	UNITS	2023	2022	2021	SASB CODE
Total number of hours worked by all employees	number	13,322,339	6,908,047	4,430,134	EM-SV-000.D
Total employees at year-end	number	4,842	4,916	2,077	N/A
Voluntary employee turnover <sup>11</sup>	%	8	13	12	N/A
Values-based decision-making training	hours	1,104	2,184	372	N/A
Leadership series training	hours	1,163	1,168	1,091	N/A
Cybersecurity training	hours	6,134	2,367	2,530	N/A
Description of global cybersecurity program		Refer to "Refer to "Cybersecurity and Data Privacy" section of this Report			N/A
Charitable organizations supported by direct financial contribution or employee volunteer hours	number	30	30	30	N/A
<b>Gender Diversity</b>					
Female employees at year-end	%	13	13	15	N/A
Female directors at year-end	%	30	27	20	N/A
Female executive officers at year-end	%	10	11	14	N/A
<b>Workforce by Geography (at year-end)</b>					
North America	%	41	35	61	N/A
Latin America	%	27	28	16	N/A
Eastern Hemisphere	%	32	37	23	N/A
Description of diversity and inclusion practices		Refer to "Diversity, Equity & Inclusion" section of this Report			N/A

<sup>8</sup> Cases / Reports per 200,000 work hours.

<sup>9</sup> Vehicle incidents exceeding \$2,500 x 1,000,000 per total business kilometers driven.

<sup>10</sup> Total number of employee training hours divided by headcount at December 31st.

<sup>11</sup> Includes all hourly and salaried employees, and excludes retirements for legacy Enerflex only.

# Appendix A

## Transparency & Regulatory Environment

	UNITS	2023	2022	2021	SASB CODE
Net revenue from countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	CDN\$ millions	200.6	25.9	0	EM-SV-510a.1
Legal or regulatory fines, settlements, or penalties associated with bribery and corruption	CDN\$	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	CDN\$	0	0	0	N/A
Lobbying Expenses	CDN\$	0	0	0	N/A

## Governance

	UNITS	2023	2022	2021	SASB CODE
Independent directors	%	90	90	89	N/A
Board committee independence	%	100	100	100	N/A
Average director meeting attendance	%	100	100	100	N/A
Average director tenure	years	5.4	6.2	5.8	N/A
Director election results (range for the 10 directors nominated)	%	89.8 to 99.9	85.1 to 99.9	91.1 to 99.3	N/A
"Say on Pay" vote results	%	74.6	86.1	91.4	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

# 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 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; expectations that the demand for CCUS will continue to grow; expectations that the global trade of hydrogen and hydrogen-based fuels will be a critical component of a lower carbon intensity future; 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, 2023 accessible on SEDAR+ and in Enerflex’s management’s discussion and analysis for the year ended December 31, 2023 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.



**Enerflex**

**Enerflex Ltd.**  
Suite 904, 1331 Macleod Trail SE  
Calgary, AB, Canada T2G 0K3  
1-403-387-6377 | [enerflex.com](http://enerflex.com)