

AXIP

2022 ESG REPORT



COMMITTED TO
DOING OUR PART

ABOUT AXIP

Headquartered in Houston, Texas, Axip provides natural gas compression services to upstream and midstream customers in all major producing basins in the United States and offshore Gulf of Mexico. Axip uses our long-standing industry leadership in digitization, automation, and electric-drive compression to optimize compressor performance and facility throughput, while minimizing the risk and carbon intensity of oil and gas production. We develop new product lines, including for carbon capture and methane reduction, to meet customer needs and market demand.

By investing in technological differentiation and building a truly data-driven culture focused on operational excellence, Axip designed our business model to achieve the three required and interconnected outcomes of Safety, Efficiency, and Decarbonization.

OPERATIONS MAP



OUR VISION

Natural gas compression is critical to both hydrocarbon production and the energy transition. As the oil and gas industry seeks to decarbonize, a major source of avoidable emissions is the routine flaring of associated natural gas. Compression is necessary to move natural gas from where it is produced. This movement can take place in the form of reinjection or gas lift, wellhead compression, in-field gathering, or high-volume gas transmission. Axip is committed to supporting the elimination of routine flaring and believes that enormous opportunities exist to optimize the compression services industry's efficiency and safety while reducing its own carbon footprint. Outages in compression service can significantly increase the risk and carbon intensity of oil and gas production by increasing waste, unnecessary work and site exposure, and greenhouse gas (GHG) emissions. Axip will thrive as a compression services provider and support customer success in a low-carbon future by fully digitizing our business and leveraging technological innovation in order to identify and eliminate waste sources, thereby minimizing the risk, cost, and carbon intensity of our customer partnerships. We are also committed to developing game-changing products that can meaningfully impact environmental performance for our customers and the industry.



AXIP's compression fleet of over 500,000 horsepower comprises both electric-and natural gas-driven units ranging from 100-2,500 horsepower.

ABOUT THIS REPORT

Our business model, evidence-based decision-making, and collaborative customer partnerships all drive accountability as a pillar of our culture and relationships. This Axip 2022 Summary ESG Report demonstrates our accountability for our environmental, social, and governance (ESG) performance.

This report provides an overview of key ESG programs and metrics for relevant disclosure topics in the Sustainability Accounting Standards Board's (SASB) Oil & Gas Midstream and SASB Oil & Gas Services standards. Unless otherwise noted, this report covers Axip's operated assets in the U.S. from January 1, 2021, through December 31, 2022.

This report was reviewed and approved by Axip's Executive ESG Committee and the Executive Chairman of our Board of Directors (Board).

MATERIALITY ASSESSMENT

Axip's Executive Committee engaged a third-party sustainability consultant to provide recommendations to strengthen our ESG strategy and reporting. The consultant facilitated a materiality assessment workshop with the ESG Committee to determine material areas for reporting. The concept of materiality used to prepare this report is not meant to correspond with the concept of materiality associated with disclosures required by U.S. Securities and Exchange Commission (SEC).

TO OUR STAKEHOLDERS

I am proud to present AxiP's 2022 ESG Report updating our environmental, social, and governance efforts to drive sustainability for our company and customers. AxiP delivers natural gas compression with a focus on safety and reducing carbon intensity, enabling our customers to achieve their ESG goals and to meet market demand.

We are accountable to our investors and other stakeholders for improving AxiP's ESG performance. Specifically, we aim to understand and mitigate our environmental impacts, provide a safe and healthy workplace, invest in our employees, and be a responsible and ethical corporate citizen.

Considering the environmental impacts of natural gas compression is central to our business model. Natural gas will remain a primary component of the energy mix for decades to come as the world transitions toward a lower-carbon future,



OUR FOCUS IS ON UNDERSTANDING AND MITIGATING OUR ENVIRONMENTAL IMPACTS, PROVIDING A SAFE AND HEALTHY WORKPLACE, INVESTING IN OUR EMPLOYEES, AND BEING A RESPONSIBLE AND ETHICAL CORPORATE CITIZEN.

and compression is required to produce and transport natural gas. Safe, efficient compression, with low carbon emissions and intensity from flaring or venting, enables our customers to reach their production goals and decarbonization targets, and helps them comply with increasingly stringent regulations and laws.

AxiP has developed differentiated capabilities in five areas of expertise and innovation: Electrification; Digitization and Automation; Methane Reduction; Carbon Capture; and Advanced Fleet Diagnostics. These areas are designed to achieve our three interconnected goals of Safety, Efficiency, and Decarbonization.

To meet customer demand, we have been electrifying our compressor fleet for over a decade. As part of this process, we plan to execute large-scale electrification projects for two multinational oil and gas producers by replacing gas-driven compression with electric-driven packages this year. We developed this project after collaborating closely with both companies to identify their objectives, conduct trials, optimize the systems, and supply the compressors. We continue to expand electric-driven compression with application-specific

technology across our fleet to reduce emissions and deliver superior performance.

AxiP is also looking beyond our core product line to carbon capture and methane reduction solutions that anticipate market and customer needs. Our newly patented Thermal Exhaust Carbon Capture CO₂ removal system and proprietary Zero Methane Seal System are examples of products we are investing in to decarbonize compressor systems. In addition, we are committed to maintaining our leadership in digitization, automation, and advanced fleet diagnostics.

Investing in our employees supports social responsibility and is good for our business. AxiP employees are empowered to improve our business, product and service quality, and they share in our success. We prioritize the safety of our workforce, provide training, and communicate openly to prevent

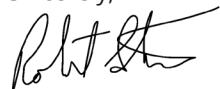
incidents and injuries. AxiP also hires locally whenever possible. We strongly believe in supporting our communities and encourage employees to give back by offering a volunteer paid time off policy. This allows them to spend up to eight hours each year volunteering

for eligible nonprofits where they live and work.

The energy transition presents significant opportunities to expand our offerings. AxiP remains at the forefront of electrification, digitization, and automation, while developing new solutions, such as carbon capture, fugitive methane elimination, and gas separation technologies. We are working on game-changing products that can meaningfully impact environmental and economic performance for our customers and the oil and gas industry. By continuously meeting our customers' needs, innovating, and improving our ESG and business performance, AxiP will be a sustainable company throughout and beyond the energy transition.

Thank you for taking the time to read about AxiP's ESG progress. We are committed to reporting, getting input, and improving our performance, and appreciate your interest.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert Stiles'.

Robert Stiles
Chief Executive Officer

AXIP STRATEGY MAP



EXECUTIVE-LEVEL OVERSIGHT

Axip’s Executive Committee oversees ESG matters. These include environmental policies and performance related to climate change, the energy transition, GHG emissions reduction, fuel efficiency, and air quality. It also oversees social performance—including employee safety, hiring, benefits and compensation—and certain governance matters such as our Code of Business Conduct and cybersecurity. The Executive Committee members are as follows:

Robert Stiles	<i>President and Chief Executive Officer</i>
John Guynes	<i>Vice President, Product Development</i>
Stephen Childress	<i>Chief Financial Officer</i>
Mike Wright	<i>Vice President, Sales and Business Development</i>
Earl Ashley	<i>Vice President, Operations</i>

AXIP IS COMMITTED TO
REDUCING CARBON INTENSITY BY



Developing and deploying technology to optimize efficiency and production as a means to reduce GHG emissions and intensity



Reducing fuel consumption to cut overall emissions



Collaborating with customers to reduce operational emissions from flaring and venting



Measuring GHG emissions under our control with the goal of setting a reduction target

ENVIRONMENT

To protect the environment, Axip develops practical and innovative solutions to reduce the carbon impact of oil and gas production and transmission. Gas compression is a critical component of this mission for our industry and customers: it is necessary to deliver and reinject produced gas, and to avoid venting and flaring of associated gas, a large source of avoidable greenhouse gas emissions.

Axip goes beyond prioritizing environmental protection. Our compression services business model is designed to achieve our required and interconnected outcomes of Safety, Efficiency, and Decarbonization aimed at reducing GHG emissions and intensity. In addition to offering compression services that result in lower carbon intensity energy, Axip is proactively developing and designing innovative carbon capture and methane reduction technologies that can reduce emissions from compression equipment and associated operations. We also design custom solutions targeting specific customer needs. Together, these Axip products and services address our customers' pressing concern to economically reduce GHG emissions and intensity and will drive our company's sustainability in a lower-carbon economy.

Our employees share our commitment to protect the environment, innovate, comply with all applicable laws and regulations, and promote environmentally sound operations. We reinforce our practices and expectations in our Code of Business Conduct (Code), Health, Safety and Environmental (HSE) Standard

Operating Procedure Safety Policy, HSE Safety Operating Procedures, and other HSE policies.

EFFICIENT COMPRESSOR SYSTEMS IMPROVE ENVIRONMENTAL PERFORMANCE

To support customers with their carbon intensity reduction targets, Axip works to control direct GHG emissions from compression by reducing waste and increasing efficiency. We invest in developing and improving differentiated technologies to increase production, maximize runtime, and reduce outages, all of which contribute to lower GHG emissions and carbon intensity.

One core component of making our compressors more efficient is completing the full digitization of our business. For instance, all of our compressor skids are equipped to collect and transmit pressure, temperature, level readings and other information. This data gives us insights into our operations that drive decisions and actions to maximize runtime while minimizing repeat or unnecessary work.

To keep compressors running continuously, thereby reducing flaring, Axip strives to engineer downtime out of the system. Many of our compressors are automated to avoid certain shutdowns altogether and to restart themselves remotely or automatically when it is safe to do so. This also improves safety and reduces carbon emissions by eliminating the need for personnel to drive to remote work sites to intervene manually.

INNOVATIVE CARBON ELIMINATION AND REDUCTION TECHNOLOGIES



In the past two years, Axip has developed new technologies to reduce the environmental impacts of compression operations. One example is our patented Thermal Exhaust Carbon Capture CO2 removal system for natural gas fired compression. This system allows operators to remove the CO2 from the exhaust of any compressor, internal combustion engine, or turbine. The resulting CO2 can then be transported for sequestration, used in enhanced oil recovery, or distributed for many other commercial uses. Axip is also developing new separation technology for liquid rich gas operations to improve operational and environmental performance.

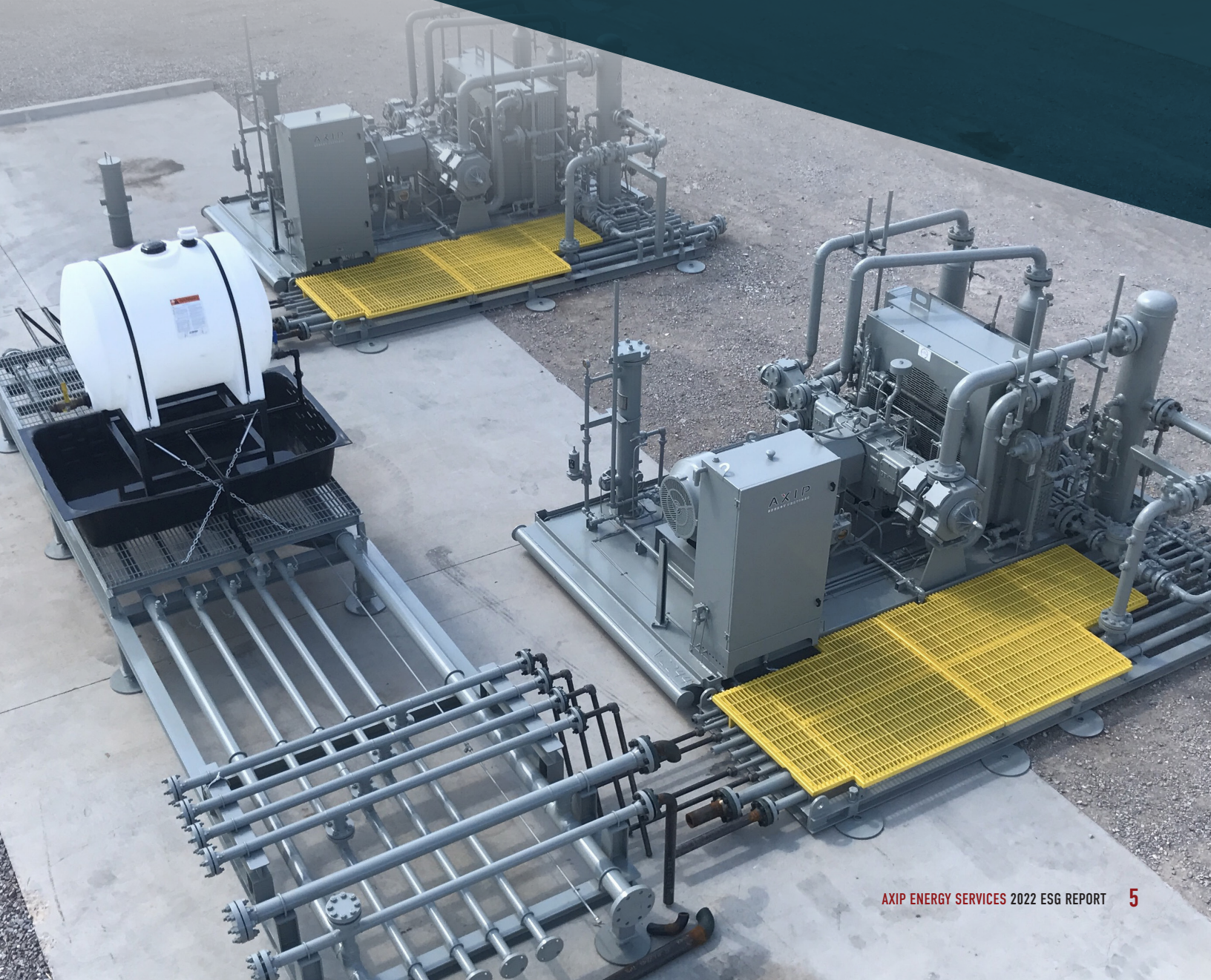
Our proprietary Zero Methane Rod Packing and Oil-free Piston seal systems will be the first in the world to eliminate fugitive methane leakage from reciprocating compressor systems. The seal system is easy to install during scheduled packing maintenance, which dramatically reduces future compressor maintenance and operating costs. Axip is testing and evaluating these new technologies with customers in preparation for marketing them across the industry.

KEY COMPRESSION FLEET HIGHLIGHTS

FLEET-WIDE CAPACITY TO
REDUCE FLARING BY OVER
2 BILLION
CUBIC FEET PER DAY

OVER 1 MILLION
METRIC TONNES
OF CO₂e DISPLACED BY
AXIP ELECTRIC COMPRESSORS
SINCE 2015

OVER 25%
OF AXIP FLEET IS ELECTRIC
MOTOR-DRIVEN



ENVIRONMENT *(Continued)*

ELECTRIFYING OUR FLEET TO REDUCE EMISSIONS

Continuing to expand electric-driven compression across our entire fleet is an essential part of AxiP’s vision and strategy to support partner success and thrive in the energy transition. For nearly a decade, AxiP has been the trusted provider for some of the largest, most sophisticated electric compression programs in the U.S. Since 2015, our electric-drive compressors have helped reduce over 1 million metric tonnes of CO2e emissions relative to equivalent natural gas-powered machines.

In addition to reducing emissions, electric motors can deliver greater reliability and performance, which reduces excess emissions associated with downtime. AxiP is committed to

electrifying our fleet to deliver and support large-scale electric-driven compression programs that optimize environmental performance.

REDUCING ENVIRONMENTAL IMPACTS THROUGH SUPPLY CHAIN EFFICIENCIES

AxiP takes advantage of supply chain efficiencies to reduce our carbon footprint. By prioritizing local vendors and staging replacement parts strategically in our operating areas, we can reduce transportation mileage, while improving deployment and response times. Our highly standardized fleet supports an optimized supply chain, and we invest in longer run-life parts to reduce consumption and safety risks.

LOWERING CARBON INTENSITY

Preventable shutdowns and downtime reduce production and increase carbon intensity relative to continuous operation
Consider two 200 HP gas-driven compressors, each moving 1.0mmscf/d. One runs all day without stopping; the other goes down on a process trip, requiring an operator to go to the site and restart the machine.

	24 Hours Continuous Operation	24 Hours One Downtime Event	Source
Daily Runtime	100%	92%	
Combustion Emissions—Engine, kg CO2e	2,034	1,864	Industry standard 200 horsepower natural gas engine specs and EIA conversion factors
Blowdown, kg CO2e	0	144	AxiP estimate for compressor described
Flared Volumes, kg CO2e	0	4,427	Estimate of combustion emissions for 2 hours flaring of 1.0 mmscf/d volume (assumes compressed volumes go to flare when compressor is offline)
Miles Required	0	100	AxiP estimate from a typical process-related shutdown
Vehicle Emissions, kg CO2e	0	58	Assumes 100-mile round trip for heavy duty, gasoline-powered work truck
Drive Time & Site Exposure	0	2 Hours	AxiP estimate from a typical process-related shutdown
CO2e Contribution, kg CO2e	2,034	6,493	

Carbon Impact Of A Single 2-Hour Service Outage In Common Conditions

4,459 kg CO2e

In this example, one avoidable downtime event requiring manual intervention creates unnecessary drive time and site exposure, and more than triples daily carbon intensity compared to uninterrupted operations

SAFETY, EFFICIENCY, AND DECARBONIZATION LEADERSHIP

Since 2011, Axip has developed differentiated capabilities in five areas that have allowed us to improve the safety and efficiency of our compression services, while lowering carbon intensity for our customers.

Axip Leadership Area	Efficiency Impact	Safety Impact	Carbon Impact
ELECTRIFICATION			
Offering electric-driven compressors as an alternative to gas-driven compressors	Motor durability relative to internal combustion engine, fewer moving and consumable parts, and less downtime associated with maintenance and major overhauls	No hot surfaces or heavy lifts associated with engine swings	Reduces combustion emissions from engine, because there is no oil consumption for the motor compared to internal combustion engine
DIGITIZATION AND AUTOMATION			
Collecting, monitoring, analyzing, and centrally storing operating data for accurate decision-making	Granular visibility allows optimization of work, resource allocation, and planning. Simplified root cause analysis and streamlined reporting for work done on sites	Reduces miles traveled and unnecessary site exposure	Reduces vehicle emissions, flaring associated with downtime, and blowdowns of raw methane
Engineering downtime from shutdowns and restarts out of equipment	Reduces downtime by reducing manual intervention required to restart and keep compressors online		
METHANE REDUCTION			
Eliminating fugitive methane leakage from compressor systems	Frictionless, non-contacting operation with no design life limitations, reduced future compressor maintenance and operating costs	Reduces manned maintenance and down-time intervention, and eliminates oil requirements	Eliminates fugitive methane leakage, eliminates lubrication system oil use
CARBON CAPTURE			
Removing CO2 from compressor system equipment exhaust	Lowers carbon emissions	No high voltage electricity required, small and modular system footprint	Removes all CO2 from natural gas fired compression for sequestration, sequestration, enhanced oil recovery or commercial use
ADVANCED FLEET DIAGNOSTICS			
Technologies to monitor mechanical integrity and equipment leaks	Proactively checks vibration and fugitive emissions to help ensure mechanical integrity of fleet	Minimizes risk of mechanical integrity events	Minimizes risk of LOPCs (Loss of Primary Containment) and preventable releases

SOCIAL

Axip and our employees aspire to the highest standards of ethical and professional conduct. We empower employees to take responsibility and ownership for improving our business, product and service quality, and HSE performance. We communicate openly with each other and our customers to continue growing as a trusted and proven service provider and a responsible corporate citizen.

We hire within our local communities whenever possible and place a premium on retaining our employees. Axip strives to foster a professional workplace free of all forms of harassment, where diversity is embraced, and personal differences are valued and respected.

The Executive Committee is responsible for developing and implementing employee and social policies. For guidance, we look primarily to the Code and applicable Axip policies.

POLICIES AND TRAINING FOR A HEALTHY AND SAFE WORKPLACE

Safety is a core pillar of our business model. Our HSE standard operating procedures and policies define our expectations and safe work protocols for activities such as energy isolation, crane/lifting equipment, chemical exposure, driver and vehicle safety, spill management, and process safety management. In addition, Axip employees must follow our customers' safe work practices.

We provide new-hire safety training, monthly and annual refresher safety training, and job-specific training as needed for a safe work environment and regulatory compliance. Our training modules, which were updated and enhanced in 2022, include annual required introductory training on basic HSE topics such as first aid and fire extinguisher use for all new hires and current employees. We also require all employees

to take annual refresher training on our highest-risk activities such as lock out tag out (LOTO) and hydrogen sulfide (H₂S) procedures, as well as fatigue and other health-related issues. Training is tracked to completion in our learning management system (LMS), which notifies employees about annual refresher training.

EACH PERSON AT AXIP HAS STOP WORK AUTHORITY for any job or operation that could be unsafe or have a negative environmental impact. Employees stay in touch regularly via mobile apps while working alone at remote field locations. We discuss safe work behaviors during monthly safety meetings at our large facilities, led by our Director of Health, Safety and Environment (HS&E) and the Vice President of Operations.

Axip has a zero tolerance policy for violating certain critical safety procedures and policies related to workplace violence, contraband, and incident reporting. Employment can be terminated for failure to adhere to these rules and standards of conduct.

If an incident or near miss does occur, employees must immediately notify the Axip supervisor, Axip HSE representative, and a customer representative. Incidents and near misses are investigated to determine root cause, and corrective actions are documented and tracked to completion. We share lessons learned to prevent incidents and near misses during safety meetings, as well as through management interactions and our Safety Notice Alert Program (SNAP).

To work with Axip, contractors must have liability and environmental clean-up insurance coverage and upload their safety policies to the ISNetwork platform. ISNetwork assesses and grades contractors based on our scorecard, and we consider scorecard grades when selecting contractors.

SUPPORTING OUR COMMUNITIES

To enhance the communities where our employees live and work, Axip introduced a volunteer time off policy this year. The policy provides each part-time and full-time employee four or eight hours per year, respectively, to volunteer individually or as a team for 501(c)(3) nonprofit organization that aligns with our Code.

SAFETY METRICS

Metric	2020	2021	2022
Total Recordable Incident Rate (TRIR)	0.89	1.57	1.06
Days Away / Restricted Time (DART)	0.89	1.05	0.53
Fatality Rate	0.00	0.00	0.00
Total Axip Hours Worked	381,794	381,794	379,139

GOVERNANCE

Our commitment to accountability, transparency, and open communications is a crucial part of our culture and reputation. The Axiip Executive Committee provides oversight of key business processes that help us maintain this reputation and manage risk as we deliver value to our customers, employees, and other stakeholders. Our Executive Committee consists of the Axiip CEO, Chief Financial Officer, Vice President of Operations, Vice President of Product Development, and Vice President of Sales and Business Development.

IDENTIFYING AND MANAGING ENTERPRISE RISK

As part of our enterprise risk management efforts, the Executive Committee meets monthly to identify certain business and financial risks. In addition to discussing these risks, our executive leadership team monitors business and macroeconomic trends and the competitive landscape to help Axiip address developments proactively. These risk-related interactions have led us to strengthen cybersecurity and other business practices.

Protecting our own and our customers' data is our daily focus at Axiip. Cybersecurity and data privacy policies are covered in our Code of Business Conduct and through new-hire, ongoing and refresher training. An update is sent to employees when there is an increase in phishing attempts, and we send simulated phishing tests to improve security awareness. In addition, our clients who use certain Axiip applications must sign an agreement that explains how the resulting information can be used.

Axiip is committed to creating an environment where every person feels comfortable reporting issues and seeking guidance, and we prohibit retaliation for reports made in good faith.

Axiip considers ESG risks to be fundamental to our business and assesses them at multiple levels. The Executive Committee updates the Board on policies, performance, and risks related to the environment, safety, human capital, and other ESG matters.

UPHOLDING HIGH STANDARDS OF BUSINESS ETHICS

Our Code of Business Conduct highlights our principles for ethical and professional business conduct in our dealings with customers, each other, suppliers, business colleagues, equity holders, and communities. The Code applies to each Axiip director, officer, employee, and consultant, who are responsible for complying with applicable laws, regulations, and Axiip policies.

Each employee receives Code training when hired and annually thereafter, is tested upon completing the training, and must periodically certify to reading, understanding, and complying with the Code. Suspected or actual violations of the Code, laws, regulations, and policies are required to be reported promptly through internal channels or the ethics hotline. Individuals can make reports anonymously and confidentially.



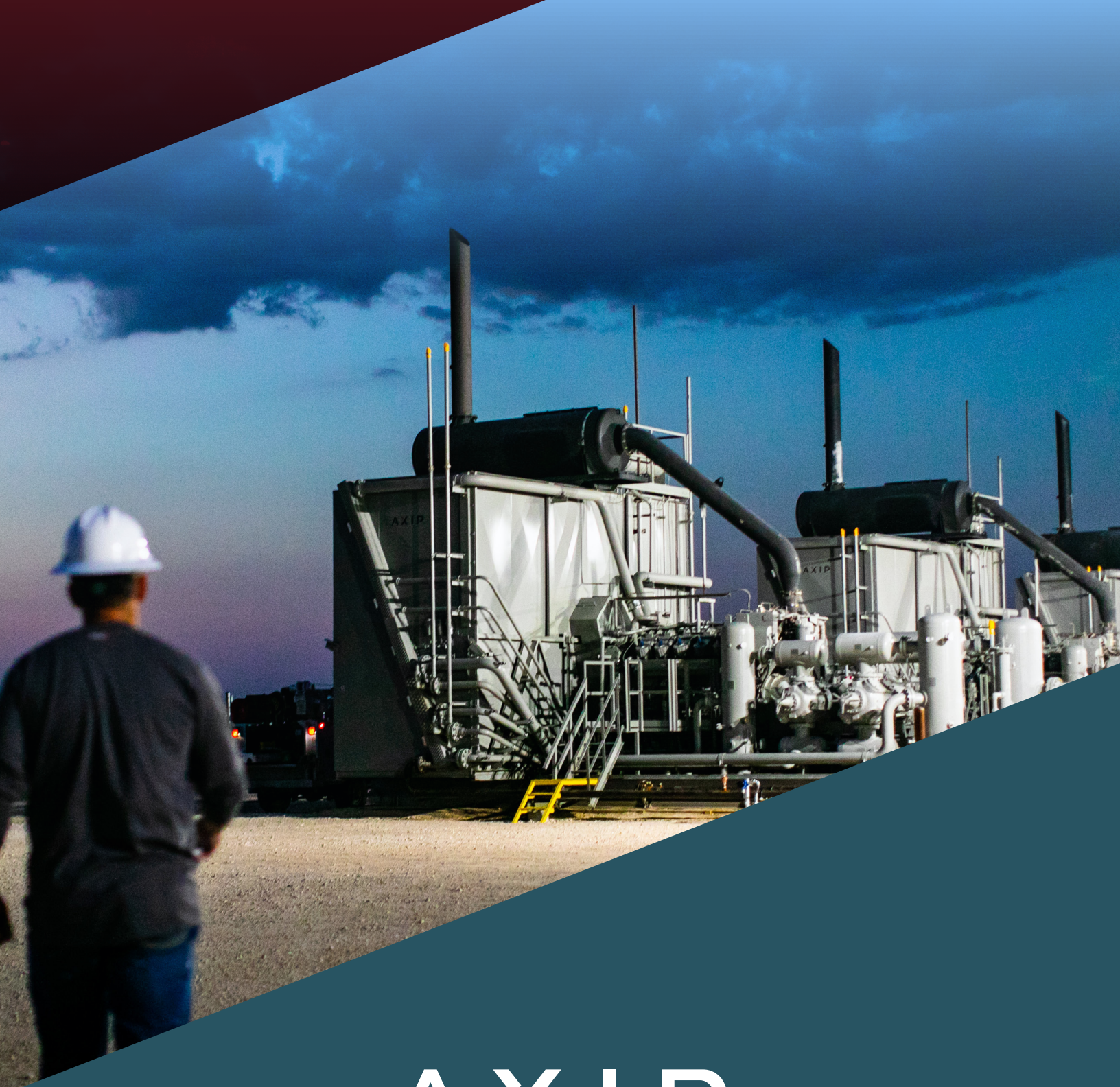
ESG PERFORMANCE DATA AND SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

ACCOUNTING METRIC	2021 PERFORMANCE & DISCLOSURES	2022 PERFORMANCE & DISCLOSURES	SASB CODE
GREENHOUSE GAS EMISSIONS			
Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	821,757 Metric tonnes CO2e % methane — Not currently disclosed % covered under emissions-limiting regulations — None	809,103 metric tonnes CO2e % methane — Not currently disclosed % covered under emissions-limiting regulations — None.	EM-MD-110a.1
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Axiip is not subject to emissions-limiting regulations. 'CFO Message' and 'Environment' section, pages 2, 4, 6		EM-MD-110a.2
EMISSIONS REDUCTION SERVICES & FUELS MANAGEMENT			
Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	1) On-road equipment: 60,907 GJ 2) Off-road equipment: Not currently disclosed	1) On-road equipment: 55,516 GJ 2) Off-road equipment: Not currently disclosed	EM-SV-110a.1
Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	'About Energy Services' 'CEO Message' & 'Environment' section, pages 2-6		EM-SV-110a.2
Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	Not applicable. Axiip does not use diesel generators.		EM-SV-110a.3
WORKFORCE SAFETY & EMERGENCY PREPAREDNESS			
1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	1) TRIR = 1.57 2) Fatality rate = 0.00 3) NMFR = Not currently disclosed 4) TVIR = Not currently disclosed 5) Average HSE training hours = Not currently disclosed	1) TRIR = 1.06 2) Fatality rate = 0.00 3) NMFR = Not currently disclosed 4) TVIR = Not currently disclosed 5) Average HSE training hours = Not currently disclosed	EM-SV-320a.1
Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	'Environment' section, pages 4-6 & 'Social' section, page 8		EM-SV-320a.2
BUSINESS ETHICS & PAYMENTS TRANSPARENCY			
Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Not applicable. Axiip only operates in the U.S.		EM-SV-510a.1
Description of the management system for prevention of corruption and bribery throughout the value chain	'Governance' section, page 9		EM-SV-510a.2
ACTIVITY METRIC			
Total hours worked by all employees	381,794	379,139	EM-SV-000.D

¹ Axiip defines Scope 1 emissions according to the GHG Protocol. Scope 1 emissions include all direct emissions from sources owned or controlled by Axiip. We include emissions from our contract compression fleet in Scope 1, even though Axiip's customers provide the natural gas needed to fuel the compressors and operate and control the units.

² Emissions from compression equipment were estimated based on OEM provided emissions specifications, total operating horsepower, and internal estimations of equipment running time.

³ Includes only gasoline and diesel fuel consumed by vehicle fleet.



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