

PIONEERING EMISSIONS
MANAGEMENT TECHNOLOGY,
EQUIPMENT, AND SERVICES FOR A
SUSTAINABLE ENERGY FUTURE



2023



SUSTAINABILITY REPORT



ABOUT THIS REPORT

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As a leading provider of environmental solutions, Cimarron is dedicated to leading sustainability advancements within our organization and across the diverse communities and clientele we engage with. Our commitment to responsible practices is ingrained in every aspect of our operations, driving our continuous improvement culture.

In this report, we offer insights into our sustainability strategy, underpinned by performance metrics that highlight our ongoing progress. Our dedication to embedding sustainability principles pervades throughout our business, ensuring that we not only meet but exceed industry standards. All data pertaining to Environmental, Social, and Governance factors reflects the calendar year 2023, offering a transparent and comprehensive view of our performance, voluntary disclosures and opportunities for further improvement.

Disclaimer: The contents of this 2023 Sustainability Report are the property of Cimarron. The information contained herein is being provided to you for informational purposes only and is not and may not be relied on in any manner as, legal, tax or investment advice or as an offer to sell or a solicitation of an offer to buy an interest in the Company.

Alignment with Sustainability Frameworks
Cimarron's ESG reporting incorporates frameworks set forth by the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI), and the United Nation's Sustainable Development Goals (SDGs). Our emissions estimates and disclosures have been established in accordance with the World Resource Institute Greenhouse Gas Protocol.





A LETTER FROM OUR CEO

DEAR STAKEHOLDERS,

I am pleased to release our 2023 Sustainability Report, a testament to Cimarron's ongoing commitment to environmental stewardship, social responsibility, accountability, and business excellence. As we continue to deliver high quality equipment, innovative technology and dependable field services to our customers operating across the dynamic energy landscape, I am proud to share how Cimarron prioritizes sustainability in parallel to our core business goals.

"Our Company is well-suited to meet our customers' needs of today and innovate for their demands of tomorrow."

The past year has been defined by a continuing interplay between energy supply, affordability, security, and environmental stewardship. Amidst this backdrop, Cimarron has remained steadfast in its dedication to providing innovative solutions that empower our customers to expand their activities responsibly within complex and evolving regulatory frameworks. As a longstanding leader in emissions compliance and control solutions, we are uniquely positioned to meet the evolving emissions control needs of our customers while supporting profitable energy production.

Reflecting on our achievements in 2023, Cimarron's business has demonstrated robust organic growth, marked by substantial expansions in our workforce, backlog, and strong financial performance for our shareholders. As we've progressed, our unwavering focus on safety has yielded tangible results, exemplified by a notably low incident rate of **0.84**, down **15%** year-over-year. Our portfolio of environmental solutions once again achieved

incredible results for our customers including the avoidance of approximately **139 million tonnes** of CO2e across energy, industrial, and biogas sectors. Our collective commitment to our communities has been evident through more than **22** organized community impact events, exceeding **300 hours** of community reinvestment and **\$15,000** in charitable donations. At Cimarron, our dedication to sustainability remains paramount, underscored by our attainment of the EcoVadis Silver Sustainability rating, a third-party recognition placing us in the top 15% within our industry.

Strategically, we have made significant strides with our Sytelink360® Real-Time Monitoring platform and forged a new partnership with CleanConnect, a leader in emissions monitoring technology. This partnership underscores our dedication to innovation, particularly in real-time automation and emissions monitoring enhancements. Furthermore, Cimarron's embrace of a new corporate brand and logo, launched at year-end 2023, aptly reflects our commitment to delivering best-in-class emissions management products and solutions. Our focus on data-driven emissions management, equipment optimization, and technology-enabled services reaffirms our mission to support our customers in Creating a Cleaner Environment®.

In the following pages, you will discover insights into our multifaceted approach to addressing the challenges confronting energy, the environment, infrastructure, and communities. Your feedback and partnership are invaluable as we continue on our sustainability journey. I extend my gratitude to our stakeholders for their continued support and collaboration.

Jeff Foster
President and CEO



CORE VALUES

We aspire to be good citizens in the communities we serve and on the world stage. We share core values as to how we treat each other, serve our customers and hold each other accountable for achieving our business objectives and our broader ESG goals. Those core values originated from workshops involving key leaders from across the company with the notion that shared values bring safety, alignment, trust and teamwork that promotes individual and corporate success which all constituents STRIVE to achieve.

S AFETY

We prioritize safety first and foremost in all that we do in all circumstances.

T EAMS

We build cohesion to drive results and determine our ultimate success.

R ESPECT

We maintain respect for ourselves, our colleagues, customers and competitors.

I NTEGRITY

We maintain the highest standards in all that we do.

V ALUE

We deliver economic value and environmental benefits to our customers.

E XCELLENCE

We pursue excellence to drive performance and continual improvement in all that we do.

2023 SUSTAINABILITY HIGHLIGHTS

Substantial Emissions Mitigation for Customers

139

Million tonnes of CO2e avoided

6.6

Million tonnes of VOCs avoided

75%

Reduction Rate of Flare Emissions due to our DRE-MAX® Technology

41%

Representation of Minorities in Management

22

Community Impact Events Across Colorado, Ohio, Oklahoma and Texas

5,300

Hours Invested in Engineering (New & Existing Product Development)

CORPORATE REBRAND

Signifying our Mission in Creating a Cleaner Environment®

17%

Growth in Employment from 2022 (561 Total Employees)

4

New Products Introduced

0.84 TRIR

15% Incident Reduction Compared to 2022

cimarron AT A GLANCE

With decades of operating history and innovation across our trusted brands, Cimarron provides technology-driven emissions management solutions for the global energy system. Our leading-edge products, services, and real-time monitoring systems reduce emissions, optimize operations, ensure regulatory compliance, and drive sustainability progress for our customers operating in oil & natural gas production, energy storage & distribution, renewables & biogas, coal mine methane, and certain industrial end markets. In addition to being present in all major domestic energy regions, Cimarron serves more than 45 countries around the world from key operational centers in the United States, Italy, India, the United

Kingdom, and the United Arab Emirates. We are proud to be partnering with our valued customers in Creating a Cleaner Environment®.

Cimarron is headquartered in Houston, Texas with approximately 561 employees serving our global customer base. In addition to being present in all major regions in the U.S., Cimarron operates across more than 45 countries around the world. We support our customers from sales, engineering, manufacturing, and field service locations across the United States, Italy, India, the United Kingdom, and the United Arab Emirates, further supported by our network of international partners.

★ Headquarters: Houston, Texas

● Engineering / Technical Support Centers:

- Austin, TX
- Tulsa, OK
- Wheat Ridge, CO
- Mumbai, India

● Field Service Locations:

- Midland, TX
- Evans, CO
- Belpre, OH
- Norman, OK
- Carlsbad, NM
- Kenedy, TX
- Minot, ND

● International Operational Hubs:

- Legnano, Italy
- Abu Dhabi, UAE
- England, United Kingdom
- Coevorden, Netherlands

● Manufacturing Centers:

- Norman, OK
- Belpre, OH
- Marlow, OK
- Midland, TX
- Evans, CO



EXPERTS IN EMISSIONS CONTROL & ENERGY PROCESSING SOLUTIONS

KEY MARKETS

HYDROCARBON HANDLING & PROCESSING

Energy operators utilize Cimarron's products to facilitate the efficient and safe production of hydrocarbons, mitigate and reduce the release of methane and other pollutants, and ensure compliance with environmental regulations. Our robust equipment for hydrocarbon handling and emissions control is supported by our Sytelink360® Real Time Data and preventative maintenance programs to lower customer costs.

ENERGY STORAGE & DISTRIBUTION

Cimarron's emissions control equipment supports energy storage and distribution hubs including truck and marine transmission terminals, as well as pipelines and compression facilities. Our solutions mitigate and reduce the release of methane and other pollutants associated with the transportation, storage, compression, and distribution of oil, natural gas and other hydrocarbons moving toward, and handled within large downstream markets.

RENEWABLES & BIOGAS

Biogas is a renewable energy source produced through the anaerobic digestion or fermentation of organic materials such as agricultural waste, food waste, landfill waste, and wastewater. Biogas contains greenhouse gas impurities which require monitoring and destruction via combustion. Cimarron's technologies are employed to capture and/or combust excess gases that cannot be utilized or stored, ensuring safe disposal while minimizing emissions. We partner with developers on beneficial use and renewables projects to provide gas treatment solutions as well as control integration.

COAL MINE METHANE ABATEMENT

Methane drainage systems, also known as degasification systems, are installed in coal mines to capture methane gas released during coal extraction and abandoned mine remediation. These systems typically involve drilling boreholes into coal seams to capture and combust methane, reducing the amount of gas that would otherwise be emitted into the atmosphere. Cimarron's technologies are employed to combust excess gases that cannot be utilized or stored, ensuring safe disposal while minimizing emissions.

INDUSTRIAL

Cimarron's environmental solutions are often used in industrial markets such as power generation, chemical manufacturing, and petrochemical refining management to reduce emissions, minimize environmental impact, and ensure compliance with applicable environmental regulations.

SOLUTION SEGMENTS



Sytelink360® Real Time Data Monitoring

Cimarron's Sytelink360® Real Time Data Monitoring enables our field service crews and our customers to track and minimize wellsite emissions, automate Leak Detection & Repair (LDAR) programs, and reduce remote field and equipment interactions required by manual processes. The Sytelink360® platform combines software, proprietary intelligent edge hardware including Optilink™, DRE-Max®, ARC Burner Management System (BMS), NOVENT®, and our field service capabilities providing customers with equipment optimization, data quantification, performance guarantees, and remote emissions monitoring and management. Sytelink360® can operate on a standalone basis or as a complement to customer systems, regulatory compliance, and sustainability programs to provide accurate data sets that increase production, reduce labor time, lower incident risk, and mitigate hazardous gas emissions.



Emissions Management Solutions

Cimarron's Emissions Management Solutions includes a vast portfolio of emissions control and destruction technologies used to identify, quantify, rectify, capture and/or destroy fugitive emissions for customers. Supported by an expert team of application engineers and strategically located manufacturing personnel, Cimarron offers among the world's most expansive emissions control technologies for energy and infrastructure applications. We are the "E" in our customers' ESG program, offering products including compression vapor recovery units, vapor recovery towers, carbon vapor recovery units, enclosed combustion units, thermal oxidizers, BTEX condensers & combustors, ultra-low NOx emissions combustors, and high destruction flares.



Production & Processing Equipment

Cimarron offers a complete line of standardized and customizable production and processing equipment to process and control well stream products including oil, natural gas, natural gas liquids, and water. Our equipment handles a wide variety of operating conditions with solutions for low or high pressure, solids removal, vapor-liquid and liquid-liquid separation, emulsion treating, and natural gas dehydration. Our production equipment solutions stand out due to their enduring, robust, and highly efficient designs, honed over decades of engineering expertise and a proven track record in the field. Additionally, Cimarron operates a network of ASME code-compliant facilities certified to manufacture, refurbish, and repair pressure vessels, ensuring the highest levels of safety and quality.



Aftermarket Parts & Field Services

Cimarron's aftermarket parts and service segment plays a crucial role in enhancing the overall effectiveness and efficiency of our solutions while ensuring customer support and satisfaction. Our Aftermarket Parts and Field Services segment specializes in supporting customers with emissions control, advancing regulatory compliance, extending equipment lifespan, optimizing performance, reducing operating costs, and retrofitting dated and/or unsafe equipment. In addition to our service presence in all major energy regions in the U.S., we serve more than 45 countries around the world through our international locations in Europe and the UAE, supported by our strategic third-party partners. We take care of what customers need, when and where they need it.



OUR SOLUTIONS DRIVE SUSTAINABILITY PROGRESS

ENVIRONMENTAL STEWARDSHIP:

Environmental stewardship is an increasingly crucial aspect of the operations of the energy value chain. We embrace environmental stewardship and support our customers' efforts to protect ecosystems, reduce carbon emissions, conserve resources, and promote sustainable operating practices. By helping our customers reduce carbon emissions per unit of hydrocarbon production, we actively contribute to supporting a cleaner environmental ecosystem.

REGULATORY COMPLIANCE:

Regional and national governmental bodies are increasingly imposing stricter regulations on carbon emissions. We aim to be a strategic partner to our customers in understanding, meeting and/or exceeding environmental regulations and standards. Through proactive partnerships with our customers and access to our unique solutions, our clients can stay compliant with existing regulations and remain better prepared for future regulatory changes.

REPUTATION AND SOCIAL RESPONSIBILITY:

Public awareness and concern about environmental issues associated with energy production have grown significantly. Adopting emissions control technologies allows oil and natural gas companies to enhance their reputation, demonstrate social responsibility, and align with the expectations of stakeholders, including investors, customers, and communities.



ECONOMIC VIABILITY:

Transitioning to a lower-cost, lower-carbon economy is becoming ever more important for business strategies and investor interests. By implementing Cimarron's emissions control technologies, energy companies can better position themselves for strong long-term economic viability and become more agile to adapt to changing market dynamics while reducing operational costs.

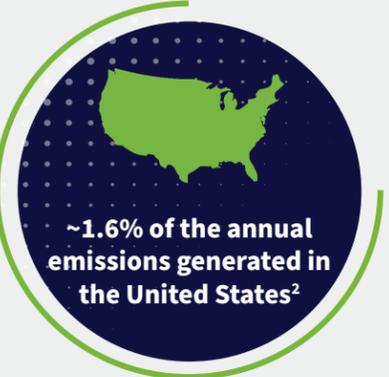
COMPETITIVE ADVANTAGE:

Embracing technology-driven emissions reduction initiatives fosters innovation and competitive advantage. At Cimarron, we pioneer advanced emissions control technologies that provide our customers with opportunities to achieve a competitive edge through efficiency, cost reduction, community and stakeholder reputation, risk management, and sustainability differentiation.

EMISSIONS AVOIDANCE:

Cimarron's annual equipment installations of emissions management technologies help customers **avoid over 100 million tonnes of CO₂e** per year through capture and destruction.

THAT IS EQUIVALENT TO:



1. New Jersey Department of Environmental Protection net GHG emissions in 2021.
2. Source: U.S. EPA Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2022.

Our solutions are critically important to capturing and destroying emissions, and Creating a Cleaner Environment®.

TECHNOLOGY INNOVATION

MONITOR + MEASURE + MONETIZE + MANAGE

Data-Driven Software For Emissions Management

Symlink360®

REAL TIME EMISSIONS REMOTE MONITORING & MANAGEMENT (eRMM)

Throughout 2023, we have continued to invest in developing our Symlink360® Real Time Data Monitoring platform which provides customers with hardware-enabled software supported by Cimarron's skilled field service crews for world class preventative maintenance. Leveraging the power of technology, we can automate operations and help customers deliver lower cost, cleaner energy to downstream consumers. The power of Symlink360® provides numerous benefits including:

- ✓ Adding intelligence to operations with real-time data and analytics
- ✓ Efficiently monitoring and managing remote equipment (eRMM)
- ✓ Optimizing equipment uptime and performance
- ✓ Remotely troubleshooting facility alerts, prompting the dispatch of skilled field service crews
- ✓ Reducing facility emissions



CleanConnect.ai

24/7 EMISSIONS MONITORING POWERED BY COMPUTER VISION AI

In early 2024, we announced the formation of a new strategic alliance with CleanConnect.ai, a technology company that uses advanced computer vision and deep learning algorithms to provide 24/7 facility monitoring. CleanConnect.ai utilizes proprietary cameras as sensors offering clear visual data that customers can trust. By adding CleanConnect.ai's solution to Cimarron's Symlink360® platform, we enable an advanced and comprehensive emissions management and performance optimization solution. The combined offering assures regulatory compliance and more efficient operations based on source-level visual automation and real-time data analytics supported by machine learning to provide methane emissions reduction as well as data integrity and reporting.

- ✓ Digital Twin (Facility Camera Placement)
- ✓ AI-Powered Gas Imaging Cameras
- ✓ Empirical Emissions Inventory
- ✓ Investment Grade Clean Production Data (NFT)
- ✓ Symlink360® Data Integration for Automation & Facility Management



BENEFITS TO OUR CUSTOMERS AND THE ENVIRONMENT INCLUDE:

- ✓ Unparalleled approach to cost-effective methane emissions management and reductions based on complementary technologies, which are available as a single, integrated solution.
- ✓ Real-time performance optimization based on source-level visual quantification of methane emissions and real-time automation to provide timely and actionable intelligence to maintain optimal throughput and assure regulatory compliance.
- ✓ Third party verification and certification with substantive data supporting accuracy and timeliness of reporting metrics to regulatory agencies.
- ✓ Best-in-class technology provides a robust system to detect and measure emissions as well as to identify the source and duration of those emissions.

REDUCING ENVIRONMENTAL IMPACT

Case Studies

Reducing Emissions for our Customers

CASE STUDY 1

Customer: Major Oil & Gas Operator (Eagle Ford Shale)



Challenge: Our client was experiencing challenges related to the average uptime of their fleet of 18 VRUs across 5 locations. This low uptime (~80%) resulted in increased operational costs, production declines, and the undesirable practice of unnecessary flaring.

Cimarron Solution & Action: Cimarron was engaged to develop a comprehensive VRU optimization program to improve and guarantee uptime through a combination of (i) VRU equipment retrofits and technical upgrades, (ii) Sytelink360® Real Time Data Monitoring, and (iii) Cimarron's field service team of qualified technicians.

Result: Within the first month of operation, the 18 VRUs in the program achieved 97.8% uptime (a 22%+ improvement), enabling substantial cost savings for the operator. In aggregate, we estimate that the direct results contributed to an ~18% increase in captured gas volumes representing \$1.2mm per year in additional revenue, lower field crew miles driven resulting in safer operations, and ~37,000 mtCO2e per year of Scope 1 emissions reduction.

CASE STUDY 2

Customer: Midstream Operator (Permian Basin)



Challenge: Our client was cognizant of occasional emissions leaks caused by third-party trucking companies leaving storage tank thief hatches open during condensate and water offloading but were unable to track these events and unaware of other emission leaks, including flash emissions, from tank thief hatches.

Cimarron Solution & Action: Cimarron implemented the Sytelink360® Real Time Data Monitoring solution that combined its Novent® thief hatch monitoring hardware, enabling real time monitoring and management of pressure differentials within the operator's tanks to identify incidents when thief hatches were open.

Result: In the first month of Cimarron's Novent® and Sytelink360® installation, Cimarron recorded over 21,000 minutes (350+ hours) of opened thief hatch time across 10 tank batteries. With this new data source, our client implemented immediate actions with third party trucking companies and field service techs. In aggregate, the Cimarron solution enabled our client to achieve (i) a 30% reduction in venting events by the third month of using Novent®, (ii) lower environmental footprint, (iii) improved compliance and (iv) operational efficiencies from data monitoring and management.

MISSION: CREATING A CLEANER ENVIRONMENT®

Cimarron leads the charge in environmental stewardship through a comprehensive array of technologies and engineered solutions that support energy and industrial industries in Creating a Cleaner Environment®. We are uniquely positioned as a strategic partner in maximizing production efficiency while mitigating emissions through a backdrop of increasing regulations and compliance challenges as the world seeks rapid decarbonization.

THE ENERGY CHALLENGE: MAXIMIZE ENERGY, MINIMIZE EMISSIONS

There is no one-size-fits-all solution to achieving a sustainable energy future which hinges on the imperative of collaboration and innovation across diverse energy sources. The challenges of energy and sustainable development are compounded by the growth of populations and economies. As the world continues to expand, the demand for secure, dependable, and cost-effective energy will surge in the years ahead.

To navigate this complex landscape, it is vital to ensure both energy security and accessible affordability while concurrently mitigating global emissions. This monumental task necessitates the convergence of all available energy resources, accompanied by investment and innovation.



CHALLENGE #1

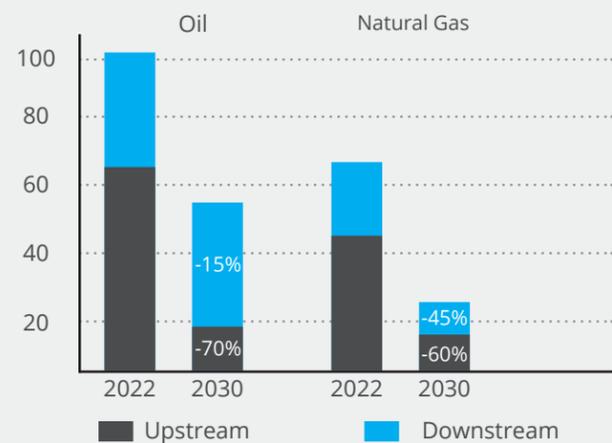
ENERGY INVESTMENT MUST CONTINUE

Meeting the energy needs of the 8 billion people worldwide who have less access to and thus consume considerably less energy per person than the fortunate 1 billion residing in the United States, Western Europe, Canada, Japan, and Australasia, will require a diverse array of energy sources. While low-carbon options like renewable energy are experiencing significant growth from modest foundations, hydrocarbons will continue to play a vital role in satisfying the world's future energy demands. Credible energy forecasts predict that

long-term oil and natural gas consumption is expected to be near or above current levels for decades. Considering depletion rates of hydrocarbon reservoirs, energy investment across the globe must continue to ensure oil, natural gas, and petrochemical byproducts remain available, affordable and reliable to support the world's infrastructure development, transportation, electricity generation, plastics, pharmaceuticals, agriculture, and manufacturing.

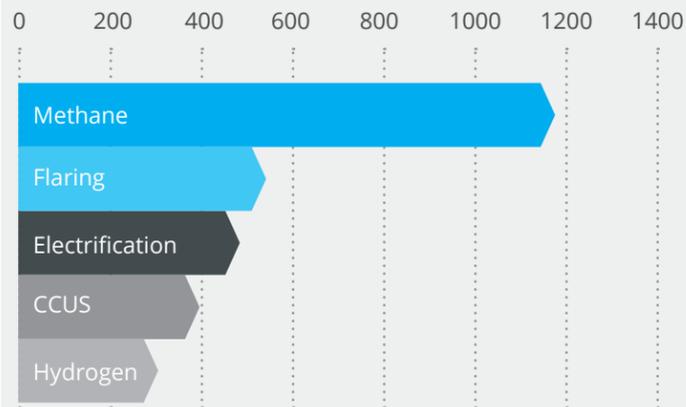
ENERGY-RELATED EMISSIONS OUTLOOK¹

Kg CO₂e / barrel of oil equivalent



EMISSIONS REDUCTION OPPORTUNITIES¹

mtCO₂e



1. IEA, Emissions reductions in the NZE Scenario, 2030, IEA, Paris <https://www.iea.org/data-and-statistics/charts/emissions-reductions-in-the-nze-scenario-2030>, IEA. Licence: CC BY 4.0

CHALLENGE #2

ENERGY EMISSIONS INTENSITY MUST DECLINE

The latest IEA data suggests that the upstream energy industry accounts for approximately 15% of global greenhouse gas emissions. While significant progress has been made over the last decade, more investment and technology innovation is needed to meet increasingly strict regulations and to meaningfully reduce

Scope 1 emissions across the energy sector. In the IEA's NZE forecast, a normative scenario illustrating the roadmap for the global energy sector to achieve sharp emissions reduction of many national and corporate targets, emissions from oil and natural gas extraction will need to be reduced.

THE EMISSIONS OPPORTUNITY: CAPTURE, CONTROL & MONITORING TECHNOLOGY

Recent advances in processes and technology have made it more feasible for operators to reduce the carbon intensity of assets and operations across the energy and industrial landscape. Through a series of cost-effective measures such as capturing and destroying methane emissions, reducing non-emergency flaring, electrification, facility automation, carbon capture and storage, and embracing and investing in emissions capture and control technologies, operators can remain competitive, reduce Scope 1 and Scope 2 emissions, and contribute to a more sustainable energy future.

Our environmental control solutions enable our customers to immediately reduce their emissions, while also improving the operational efficiency and safety of their assets. In 2023, Cimarron sold our emissions products to more than 300 customers around the world, and enabled the avoidance of more than 139 million tonnes of CO₂e and 6.6 million tonnes of VOCs in the communities in which they operate. We are proud to continue innovating step-change emissions reduction opportunities for our customers.



CIMARRON'S EMISSIONS MITIGATION PORTFOLIO

EMISSIONS MANAGEMENT SOLUTIONS

Mechanical Vapor Recovery Units



Thermal Oxidizers



High DRE Flares



Carbon Vapor Recovery Units



Certified Ultra-Low Emissions Burner (CEB)



Enclosed Combustion Units



SYTELINK360® REAL TIME MONITORING SOLUTIONS

Symlink360® Real Time Monitoring



DRE-MAX Smart Air Assist Flare Controller



Emissions Detection & Remote Monitoring



ARC® Burner Management System



NOVENT® Tank Emissions Monitor



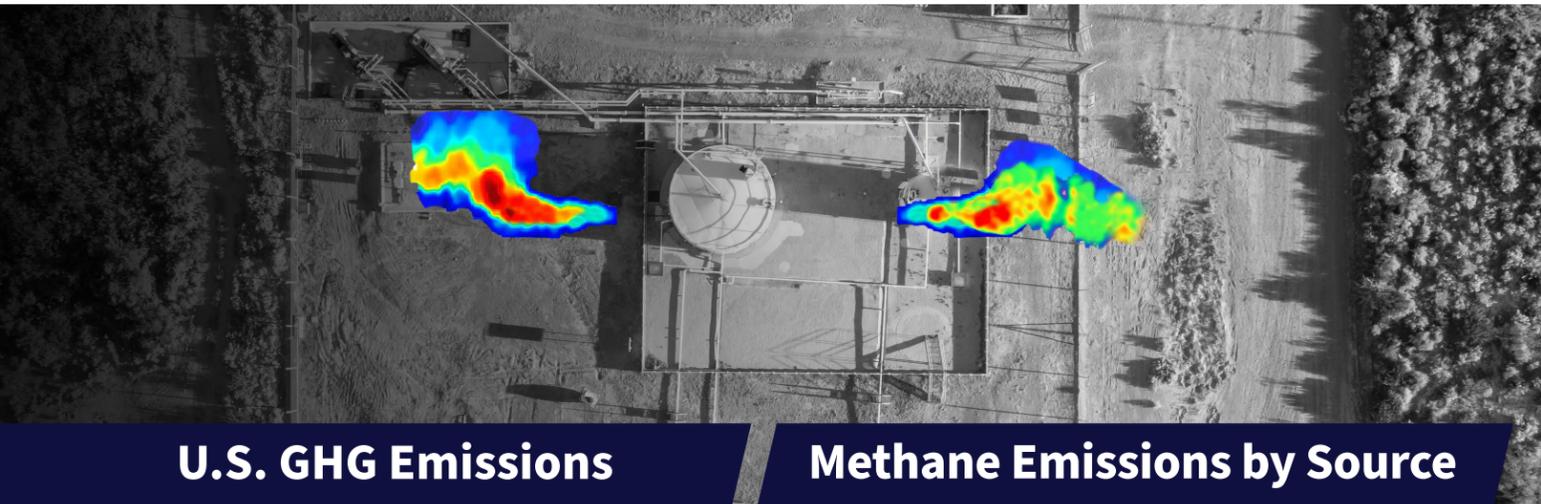
Field Services & Emissions IQR



REGULATORY FRAMEWORKS TARGETING METHANE EMISSIONS

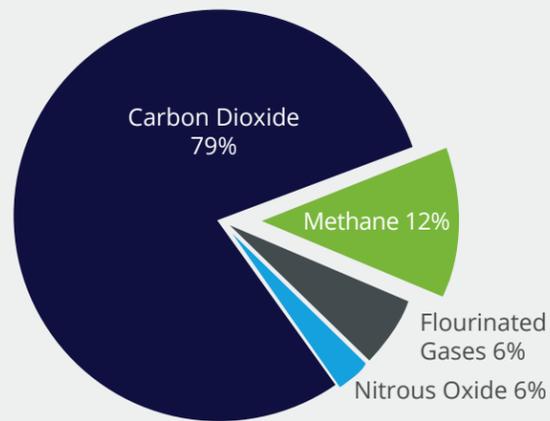
In tandem with the global imperative and corporate commitments to combat climate change, regulatory frameworks are increasingly targeting methane emissions due to their substantial impact on greenhouse gas concentrations. Methane, a potent climate pollutant with approximately 80 times the warming potential of carbon dioxide, has garnered significant regulatory attention from international, national, state and local regulators.

In the U.S., the EPA has identified that methane emissions are most prominently concentrated in oil and gas production, agriculture, landfills, manure management, coal mining and select other industries. The EPA has implemented regulations, monitoring and reporting requirements, and potential fines aimed at reducing methane emissions and improving overall environmental sustainability.



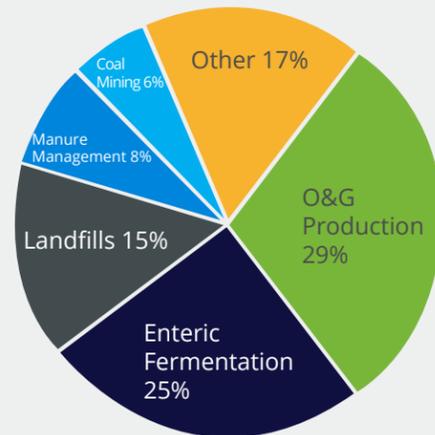
U.S. GHG Emissions

Methane Emissions by Source



Methane accounts for >50% of non-CO2e U.S. GHG Emissions

Source: EPA.



In the U.S., methane emissions are concentrated in Oil & Gas, Landfills and Agriculture

CASE STUDY: CERTIFIED COMBUSTOR WITH INTEGRATED CONTINUOUS MONITORING

In response to the new EPA NSPS 0000b and EG 0000c regulations for oil and gas operators' combustion equipment performance, monitoring, operations, testing, and routine emissions inspections, Cimarron developed the Certified Combustor with integrated Continuous Monitoring. The solution combines Cimarron's industry-leading EPA Certified Combustors, Smart Hardware, Sytelink360® Real Time Monitoring, and field services to offer customers a complete compliance solution to adhere to stricter regulations and emissions abatement:

EPA 0000B/C COMBUSTOR REQUIREMENTS

EPA Regulatory Requirement (NSPS 0000b and EG 0000c)	Cimarron Solution
Emissions Control Equipment Testing & Operations	
Manufacturer-Tested Combustors	10 combustor models that meet 0000b testing requirements with control efficiency of 98%+
Continuous Parameter Monitoring Plan	Written operating procedures, maintenance schedules and continuous monitoring
Emissions Control Equipment Performance	
95% Control Efficiency	Control efficiency of 98%+
Pilot Flame Always Present	Continuous pilot with auto-reignition
Leak-Free Operations	Autonomous AI-driven LDAR on complete facility through partnership with CleanConnect.ai
No Visible Flame or Emissions	Designed and sized to operate without visible emissions. Cimarron field service crews conduct Method 22 visible emissions testing and repair as needed (IQR)
Emissions Control Equipment Monitoring	
Continuously Monitor Pilot, Record Data & Alert	Sytelink360® continuous pilot flame sensing with digital records saved every 5 minutes or less, with real-time alerts
Continuously Monitor Inlet Gas Flow	Flowmeters can be seamlessly added to Cimarron Combustors to monitor and record inlet gas flow rate
Monthly LDAR Emissions Testing	24/7 Autonomous LDAR + field service Method 22 emissions testing (IQR) as needed
Net Heating Value (NHV) Monitoring	Periodic inlet gas sampling and chemical analysis for NHV



Cimarron EPA Certified Combustors



Cimarron ARC Burner Management System + Pilot Monitoring



Flowmeter + BMS ARC + Opti Link (Cimarron Managed Cloud Data Storage)



CleanConnect.ai Autonomous365 Visual Monitorin



Field Service Support + LDAR & IQR Services

CIMARRON'S ENVIRONMENTAL IMPACT

GHG Emissions

As a leading provider of emissions mitigation solutions, Cimarron is deeply committed to measuring and reducing our operational emissions footprint as part of our broader sustainability efforts. In 2021, we began measuring and reporting our Scope 1 and Scope 2 emissions, laying the foundation for transparent and accountable environmental practices. Building on this initiative, 2023 marked a significant milestone in our journey as we proactively enhanced the accuracy, transparency, and reliability of our emissions data through a strategic partnership with an external firm. This collaboration aimed to incorporate advanced methodologies and industry best practices into our disclosures, aligning with recognized standards such as the World Resources Institute's GHG Protocol.

Below is a summary of our annual GHG emissions for both direct (Scope 1) and indirect (Scope 2) emissions across our operations.

(mtCO2e)	2021	2022	2023
Scope 1 Emissions	1,333	2,454	2,791
Mobile Combustion	NR	1,492	1,732
Stationary Combustion	NR	962	1,048
Use of Refrigerants	NR	NR	10
Scope 2 Emissions	1,747	734	948
Electricity Consumption (Market-Based)	NR	NR	787
Electricity Consumption (Location-Based)	1,747	734	948
Total GHG Emissions (S1 & S2, Location-Based)	3,080	3,188	3,739
Emissions Intensity (mtCO2e/1000 hours worked)	3.49	3.18	3.15

In 2023, our absolute emissions increased due to (i) the continued growth in our business and operational employee base, driving higher energy demands, (ii) an expanded operational boundary and inclusion of select domestic and international locations in our reporting, and (iii) increased fuel usage across our field services fleet. Despite this increase, we are pleased to report a reduction in emissions intensity which we express as mtCO2e per 1,000 hours worked. This accomplishment underscores our dedication to operational efficiency and sustainable practices, even amid our company's considerable expansion.

Looking ahead, we strive to continuously improve our emissions reporting and management strategies that align with our vision for Creating a Cleaner Environment®.

RECYCLING & REUSE PROGRAMS

At Cimarron, we hold a deep appreciation for the principles of recycling and reuse, which are a part of our dedication to waste reduction, resource conservation, and environmental harmony across our operations. Throughout 2023, we continued our journey to further expand and refine our recycling and reuse initiatives, contributing to the advancement of a more circular economy and the mitigation of Cimarron's ecological footprint.

Our commitment to recycling is most significantly exemplified across our manufacturing centers, ensuring that residual paint is captured and repurposed whenever feasible. This approach both minimizes waste but also fosters a culture of responsible resource management within our organization. Our manufacturing centers also produce a considerable volume of scrap metal which is recycled. By diverting these materials from landfills and reintegrating them into production, we uphold our commitment to sustainable business practices and resource efficiency.

Across our service organization, our field technicians regularly change out and replace both oil and activated carbon in our customers' emissions control equipment. We are proud to report that we regularly recycle these used byproducts which help our customers in Creating a Cleaner Environment®.



✓ PAINT RECYCLING



✓ OIL RECYCLING



✓ SCRAP METAL REPURPOSING



INVESTING IN OUR ORGANIZATION

DEMOGRAPHIC & SAFETY STATISTICS

561

Total Employees

211

of Racially/
Ethnically Diverse Employees

15%

Women in Management



SOCIAL PROGRAMS

Cimarron has steadfastly upheld the principles of social responsibility, which encompass ensuring a safe and secure workplace, implementing formal training and development programs for our employees, facilitating career path and advancement opportunities, and offering fair compensation based on performance evaluated against clearly defined metrics. We firmly believe that by prioritizing these aspects, our employees can attain a harmonious work-life balance that benefits both individuals and the organization as a whole. Cimarron also places a strong emphasis on diversity and inclusion, fostering a work environment that values and respects the unique perspectives and contributions of every team member.

Our commitment to employee development extends beyond formal training programs to include ongoing education and awareness initiatives. Through workshops, seminars, and other learning opportunities, we strive to empower our workforce with the knowledge and skills necessary to thrive in their roles and contribute meaningfully to the company's success. In addition to fostering a supportive and inclusive work culture, Cimarron also prioritizes financial wellness for our employees. We offer robust 401k investment options and financial planning resources to help our team members build a secure and prosperous future, further enhancing their overall job satisfaction and long-term career fulfillment.

41%

Minorities in Management

85%

% of Workforce Participating in 401k Program

0.84

Total Recordable Incident Rate (TRIR)

IMPACTING OUR COMMUNITIES

At Cimarron, we firmly believe in our capacity and obligation to cultivate thriving communities where our employees and their families reside and work. Our company-wide commitment to citizenship serves as a compass, guiding our philanthropic endeavors and encouraging our employee volunteers to generate significant and measurable societal impacts locally and globally.

Each year, we allocate substantial resources towards charitable donations, championing causes spanning education, healthcare, veteran rehabilitation, conservation, and social welfare. These contributions are strategically directed to

yield enduring effects, fostering greater equity and sustainability within our communities.

Our commitment to community service is exemplified by the active engagement of our employees in diverse volunteer programs. Cimarron not only encourages but also supports our employees in participating in volunteer activities that resonate with our core values and contribute to the welfare of local communities. In 2023, we proudly supported twenty-two organizations through service and charitable giving events, demonstrating our ongoing dedication to making a meaningful difference in the world.

UNITED WAY

United Way mobilizes communities around the world to close gaps and open opportunities, so everyone can thrive. Through a global network spanning 37 countries and 1,100 communities, United Way connects partners, donors, volunteers, and community leaders to tackle the root causes of the world's most complex challenges while making a positive impact on the lives of millions of people.

Cimarron Involvement: Cimarron donated school supplies and backpacks.



MONTGOMERY INDEPENDENT SCHOOL

Montgomery ISD, in partnership with families and the community, seeks to graduate all students with the knowledge, skills and leadership necessary to thrive as productive and responsible citizens.

Cimarron Involvement: Cimarron provided monetary charitable donations to teachers for assistance with the purchase of supplies needed for their classrooms.



TEXAS CHILDREN'S HOSPITAL

As the nation's largest and most comprehensive pediatric and women's health care organizations, Texas Children's supports creating a healthier future for children and women through patient care, education, and research.

Cimarron Involvement: Cimarron provided monetary charitable donations, including toys for children under pediatric care and for educational programs.



CLOTHES TO KIDS

Clothes to Kids provides new and quality used clothing to low-income or in crisis school-age children, free of charge.

Cimarron Involvement: Cimarron provided monetary charitable donations, clothing donations and participated in a volunteer event to help separate, organize and pair clothes and shoes in the Denver Metro Area.

SNOWDROP FOUNDATION



The Snowdrop Foundation provides scholarships for college-bound pediatric cancer patients and childhood cancer survivors while raising awareness and funding for continued research to cure childhood cancer.

Cimarron Involvement: Through a combination of fitness events, camps, and holiday fundraisers, both Cimarron and our employees contributed time and monetary contributions to support the Snow Drop Foundation.



SPECIAL OLYMPICS OKLAHOMA

The mission of the Special Olympics is to provide year-round sports training and athletic competition in a variety of Olympic-type sports for children and adults with intellectual disabilities, giving them continuing opportunities to develop physical fitness, demonstrate courage, experience joy and participate in a sharing of gifts, skills and friendship with their families, other Special Olympics athletes and the community.

Cimarron Involvement: Cimarron employees volunteered at a Tulsa Special Olympics event, helping paint goal lines, preparing ribbons for competing teams, setting up event equipment, monitoring water stations, and cheering on the athletes.



JACKSON ELEMENTARY SCHOOL:

Located in Norman, OK, Jackson Elementary School works together to build a positive, safe environment that creates challenging and successful learning.

Cimarron Involvement: In celebration of Earth Day, Cimarron employees and their children volunteered to help clean the outdoor classroom, an outdoor space for learning through observing the wildlife, flora and pollinators.

CIRCLE OF HOPE COMMUNITY CENTER

The Circle of Hope Community Center in Pflugerville, TX helps to connect people and provide food, resources and hope to our neighbors in need.

Cimarron Involvement: Cimarron employees volunteered at the Circle of Hope food pantry providing meat, frozen items, fruits, vegetables, dairy & deli products, dry goods, shelf stable food, breads, desserts, household items, and pet food to a cumulative total of 2,187 households (8,954 individuals).



CAMP HOPE

Camp Hope is an interim housing program located in Houston, Texas that aims to relieve the effects of combat trauma on American veterans. The PTSD Foundation of America aims to bring hope and healing to veterans and their families suffering from the effects of combat-related post-traumatic stress through peer support, mentor programs, and professional development.

Cimarron Involvement: Cimarron provided monetary charitable donations for the purchase of facility supplies



UNITED WAY OF NORMAN

United Way of Norman funds multiple programs across 25 nonprofit organizations in the Norman, Oklahoma area, supporting approximately 61,000 people annually. Additionally, the organization provides services to the community through programs and community initiatives like the Stuff the Bus School Supply Program, Student United High School Leadership programs (Freshman Engage & LEAD) and the FamilyWise discount drug cards.

Cimarron Involvement: Our Cimarron Team volunteered at the Stuff the Bus United Way of Norman event and helped fill nearly 1,000 backpacks with grade appropriate school supplies and handed them out to Oklahoma families in need.



MAINTAINING GOVERNANCE STANDARDS

GOVERNANCE POLICIES

Cimarron's policies ensure the Company operates in a transparent and responsible manner. Our policies help establish a culture of transparency and accountability and provide a framework for decision-making that is aligned with our core values. Our Board and leadership team believe that effective governance policies also help mitigate risks, build trust with our stakeholders, and contribute to the long-term success of our Company.

Key policies include but are not limited to:

- ✓ Code of Conduct
- ✓ Anti-bribery and Corruption
- ✓ Discrimination
- ✓ Whistleblower Policy
- ✓ Supplier's Code of Conduct
- ✓ Human Rights Policy

Cimarron's governance model is based on best practices taken from reviews of many of the most successful companies in the U.S., and benefits from the input of advisors and risk experts regularly engaged by the Company's leadership. Our governance protocols are designed to manage risks and drive returns while adhering to our established policies and procedures.

BOARD OF DIRECTORS

Cimarron's Board of Directors ("the Board") is the highest governing body for the company, which helps guide our strategy, identify and isolate risks, guide and oversee management, and prioritize investments and growth initiatives. The Board currently consists of four individuals, with a collective ~140 years of relevant industry experience and an average of seven years of

tenure per member, including our CEO and an Independent Director. The members of the Board have also served, and/ or are currently serving, on the boards of numerous public and private organizations. The Board supports Cimarron's sustainability framework and helps the ESG Committee identify key performance metrics tied to our ESG goals and objectives.



ESG COMMITTEE

Cimarron's ESG Committee is a dynamic assembly of cross-functional experts spanning diverse levels of the organization. This collaborative team fosters a culture of innovation, providing unique and objective insights into environmental,

social, and governance (ESG) matters. Meeting quarterly, the ESG Committee diligently aligns key metrics with the organization's ESG goals and objectives, ensuring strategic alignment and tangible impact throughout the year.

4

ESG Committee Meetings

15

Quality Audits

900+

Cybersecurity Training Hours

THIRD-PARTY AUDITS & ACCOUNTABILITY

Financial Accountability: Cimarron engages a top 5 third-party audit and tax firm to assess and report on the financial accuracy, governance, risk management, and internal controls of the company, which helps ensure that Cimarron achieves operational, financial and compliance objectives. The 2023 third-party audit was issued with a favorable opinion validating financial accuracy and internal controls with no material misstatements or deficiencies within the organization.

Operational Accountability: Cimarron employs adheres to the American Society of Mechanical Engineers (ASME) Code which stands as a beacon of excellence in engineering practices for pressurized equipment. Our safety data is reviewed annually by a third party (OSHA), led internally by our vice-president HS&E who reports to the CEO. Furthermore, we engage in third-party facility validation of our processes and procedures, which ensures that our operations

meet core operational safety, processes, and control requirements.

Sustainability Accountability: In 2023, we engaged a third-party sustainability consulting firm to meticulously review, document, and enhance the data quality, emissions factors, emissions methodologies, and conversions pertinent to our estimates and disclosures of our Scope 1 and Scope 2 greenhouse gas (GHG) emissions. Additionally, we continue to report all of our sustainability-related processes, procedures, policies, goals, and performance metrics through EcoVadis for supply chain and customer transparency. These strategic initiatives underscore our commitment to governance and accountability in our sustainability practices, ensuring transparent and accurate reporting that aligns with global standards and best practices.

Enterprise Risk Management: As part of our enterprise risk management efforts, our Board, in collaboration with our external audit firm, meets regularly to remain informed about critical business, financial, and control risks. This process includes discussions on emerging threats, regulatory changes, and industry benchmarks.

Beyond these formal meetings, our executive leadership team remains vigilant, continuously monitoring business and macroeconomic trends, investing significantly in cybersecurity training.

These interactions aimed at risk management have been instrumental in strengthening our overall business practices. By staying ahead of the curve and adapting swiftly to evolving challenges, Cimarron remains resilient and well-prepared in today's dynamic business environment.



Cimarron is pleased to report its achievement of an EcoVadis silver rating in 2023. The EcoVadis assessment and score is an indicator of positive intent for companies striving to improve their sustainability management performance and drive impact, particularly across the supply chain. The silver rating classifies Cimarron's performance against all rated companies in the EcoVadis database over the previous 12 months, and represents the top 15% (85+ percentile) of all reporting companies.

APPENDIX

SASB Index

Topic	Accounting Metric	2022	2023	SASB Code
Environmental				
Greenhouse Gas Emissions	(i) Gross Scope 1 emissions, (ii) % CH4, (iii) % Covered under emissions limiting regulations (tonnes CO2e)	2,454 mtCO2e ¹ % Methane - not disclosed % Covered under emissions limiting regulations - NA	2,791 mtCO2e % Methane - <0.5% % Covered under emissions limiting regulations - NA	EM-MD-110a.1
	Long-term and short-term strategy to reduce Scope 1 emissions	See 2022 Sustainability Report.	Page 24 of this report.	EM-MD-110a.2
Air Quality	Air emissions of NOx, SOx, VOCs, and particulate matter	VOC emissions are only from paint used in our MFG process = 4.7 tonnes	VOC emissions are only from paint used in our MFG process = 6.6 tonnes	EM-MD-120a.1
Emissions Reduction Services & Fuels Management	Total fuel consumed and percentage renewable in (i) on-road service trucks and (ii) off-road equipment	167,864 gallons of fuel consumed Off road equipment is NA % Renewable = 0	196,951 gallons of fuel consumed Off road equipment is NA % Renewable = 0	EM-SV-110a.1
	Strategy to reduce air-related emissions and goals	See 2022 Sustainability Report.	Page 20 of this report.	EM-SV-110a.2
	% of engines in service that meet tier 4 compliance for non-road diesel engines	NA - none are used	NA - none are used	EM-SV-110a.3
Social				
Workforce Health and Safety	(i) TRIR (ii) Fatality rate (iii) HSE training hours	TRIR 0.99 Fatality Rate 0 HSE training hours = 5,885	TRIR 0.84 Fatality Rate 0 HSE training hours = 7,642	EM-SV-320a.1
	Description of management systems used to integrate a culture of safety and health throughout the value chain and project life cycle	See 2022 Sustainability Report.	Page 34 of this report.	EM-SV-320a.2
Governance				
Business Ethics & Payments Transparency	Amount of net revenue in countries that have the 20 lowest ranking in the transparency international's corrupting perception index	None - Cimarron does not have sales in these 20 countries	None - Cimarron does not have sales in these 20 countries	EM-SV510.a1
	Description of the management system that prevents corruption and bribery throughout the value chain	See 2022 Sustainability Report.	Pages 32-33 of this report.	EM-SV510.a2
Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks	See 2022 Sustainability Report.	Page 35 of this report.	EM-SV-540.a1
Activity Metric	Total hours worked by all employees	1,001,667 Hours	1,188,519 Hours	EM-SV-000.D

1: Cimarron's 2022 GHG emissions has been restated to reflect an expanded operational boundary.

GRI Index

Statement of use	Cimarron Energy, Inc. has reported the information cited in this GRI index for the period of January 1, 2023 to December 31, 2023.	
GRI 1 used	GRI 1: Foundation 2021	
GRI Standard	Disclosure Topic	2023 Response
GRI 2: General Disclosures 2021		
GRI 2-1	Name of Organization	Cimarron Energy, Inc.
GRI 2-1	Location of Headquarters	Houston, Texas, USA
GRI 2-1	Location of Operations	Page 9 of this report.
GRI 2-3	Reporting Period	January 1, 2023 - December 31, 2023
GRI 2-3	Reporting Frequency	Annually
GRI 2-3	Date of Most Recent Report	May 2024
GRI 2-3	Contact Point for Questions Regarding the Report	Gauthier Pierozak gpierozak@cimarron.com
GRI 2-5	External Assurance	Our safety data are reviewed annually by a third party (OSHA). The assurance process is led by the vice-president of HS&E, who reports to the CEO. Our GHG emissions inventory has been assessed and prepared by a third party (Full Scope Insights).
GRI 2-6	Markets Served	Page 10 of this report.
GRI 2-7	Information on Employees and other Workers	Page 27 of this report.
GRI 2-22	Statement from Senior Decision-Maker	Page 4 of this report.
GRI 2-23	Values, Principles, Standards, and Norms of Behavior	Human Rights Code of Conduct Business Partner Code of Conduct Ethics & Compliance
GRI 2-26	Mechanisms for Advice and Concerns About Ethics	Human Rights Code of Conduct Business Partner Code of Conduct Ethics & Compliance
GRI 3: Material Topics 2021		
GRI 3-1	Defining Report Content and Topic Boundaries	Page 3 of this report.

United Nations Sustainability Development Goals (UN SDGs) Mapping

Goal	IPIECA Focus Area	Cimarron Focus Area
3 – Good Health and Well-Being	Health Impact Assessments Road Safety	HSE Management System, Fatality Goals, Health & Safety Performance Data, HSE Training, Stakeholder Engagement, Employee Benefits & Compensation Field, Trucks Live Monitoring
5 – Gender Equality	Women's Employment Opportunities	Commitment to Diversity Policies, Transparency on Company Leadership Metrics
7 - Affordable and Clean Energy	Renewable Energy Energy Efficiency Energy Technology	Transition to LED lighting, Fleet Electric/Hybrid Conversion, Scope 2 renewable roadmap, Customer Scope 1 Reduction Initiatives, NPD of GHG Reduction Products, DOE Collaboration on GHG Emissions Reductions
8 – Decent Work and Economic Growth	Technology & Innovations Resource Efficiency	Scope 1 & 2 Emissions Roadmap, New Production Development, Department of Energy Program Participation
9 – Industry, Innovation, and Infrastructure	Enhance Research	Investment in R&D
13 – Climate Action	Emissions Mitigation	Emissions Capture Products Offering, NPD and Launch of GHG Reduction Solutions, Internal and External Education Programs on GHG Impact and Solutions
16 – Peace, Justice, and Strong Institutions	Inclusive Engagement Anti-Corruption	Inclusive HR Policies, FCPA Policy, Whistleblower Policy, Board Oversight
17 – Partnerships for the Goals	Technology Transfer Community Partnerships	DOE Partnership, ARPA-E Award, Community Engagement Programs, Board Governance Structure

2023 ESG Key Performance Indicators (KPIs)

KPI #	Topic	KPI Description	2022	2023
Energy Use & GHG Emissions				
KPI 1	GHG Emissions	Lower Scope 1 emissions and shift to renewable energy in Cimarron's operations.	2,454 mtCO ₂ e 2.45 mtCO ₂ e / thousand hours worked	2,791 mtCO ₂ e 2.35 mtCO ₂ e / thousand hours worked
KPI 2	GHG Emissions	Lower Scope 2 emissions and shift to renewable energy in Cimarron's operations.	734 mtCO ₂ e 0.73 mtCO ₂ e / thousand hours worked	948 mtCO ₂ e 0.80 mtCO ₂ e / thousand hours worked
Product Stewardship, Product Development, and Innovation				
KPI 3	GHG Emissions	Reduce customers' GHG impacts through the use of Cimarron's products and introduction of new GHG reduction products that perform above the industry standard.	1,300,000 mtCO ₂ e 119,000 tonnes VOCs	1,650,000 mtCO ₂ e 117,000 tonnes VOCs
KPI 4	GHG Emissions	Improve customer productivity through the use of Cimarron's Service / IOT Solutions.	50% of fleet	60%+ increase in productivity ²
KPI 5	GHG Emissions	Launch new and enhanced products that reduce GHG emissions.	Developed & launched 3 products	Developed & launched 4 products
KPI 6	GHG Emissions	Support regulatory GHG reduction projects with Engineering/testing and financial resources.	>2,800 Sr level engineering hours	>5,300 Sr level engineering hours
Labor, Employee Matters and HSE				
KPI 7	Workforce Health and Safety	Maintain our high level of safety as measured BY OSHA TRIR and LTIR criteria.	TRIR 0.99 Fatality Rate: 0 HSE Training Hours: 5,885 Hours Worked: 1,001,667	TRIR 0.84 Fatality Rate: 0 HSE Training Hours: 7,642 Hours Worked: 1,188,519
KPI 8	Learning & Development	Provide structured training programs to all employees to advance awareness of safety and enhance career development.	Total Training Hours: 48,475	Total Training Hours: 62,947
KPI 9	Company Culture	Support our local communities through volunteer service events.	2 community events per major worksite (>10 service events)	2.75 community events per major worksite (22 service events)

2: KPI 4 has been updated to reflect customers' reported increase in productivity after implementing Cimarron Service / IOT Solutions.

The Accuracy Behind the Data

In crafting this sustainability report, we prioritized detailed data collection across Cimarron's business units, functional departments, and engaged third party support for the detailed GHG emissions inventory accounting. Our disclosures remain driven by our commitment to transparency and accountability and are informed by global frameworks including the GRI Standards, SASB, and the WRI's GHG Protocol.

While we perform internal reviews of the data herein to ensure reliability and integrity throughout this report, the data herein is not externally audited.

Report Contact:
Gauthier Pierozak, VP of Business Development (gpierozak@cimarron.com)

Our Materiality Assessment Process

In 2022, Cimarron completed a materiality assessment process to identify material topics, collect stakeholder feedback, and prioritize topics for internal ESG strategy and disclosure. The assessment processes followed the GRI Standards framework with the goal of pinpointing topics most impactful to Cimarron and our customers. GRI's materiality principles were applied throughout the process to guide topic selection and evaluation.

1. Topic Identification

The assessment process evaluated key topics that demonstrated high economic, environmental and/or social impact as well as those that have essential influence on the valuations and decisions of stakeholders. Topics were selected from:

1. Employee dialogue
2. Customer requests
3. ESG dialogue and questions with regulatory agencies
4. Benchmarking
5. Reputable sustainability standards and protocols
6. ESG indicators

2. Stakeholder Feedback

We identified internal and external stakeholders because they offer critical value in making decisions, shaping strategy and promoting long-term sustainability. We solicited input from the following: Cimarron employees, Cimarron leaders, customers, ESG regulatory authorities.

3. Prioritize Topics

The feedback received from our stakeholders guided our preparation of a matrix to review the sustainability issues that deemed most material based on the results of the assessment. We identified issues based on their relative importance to stakeholders and to Cimarron's business. Topics were assessed and prioritized based on three criteria:

1. If not done correctly or addressed, it will negatively impact our business.
2. Differentiates us within our industry to achieve above market growth.
3. Provides an opportunity to contribute to solving one or more pressing global issue(s).

4. Incorporate Outcomes

The material topics were aligned with our strategic imperatives and outcomes were established for each material topic that support the UN Sustainable Development Goals. In addition, for each material topic, we analyzed where Cimarron has the greatest ability to influence and have an impact.

5. Targets In Support of Our Material Topics

Through continuous focus on our material topics, we strive to keep our strategy aligned with stakeholder expectations and the needs of our communities.

Performance Data Supporting this Report

Notes and Methodology On Emissions Reduction Calculations

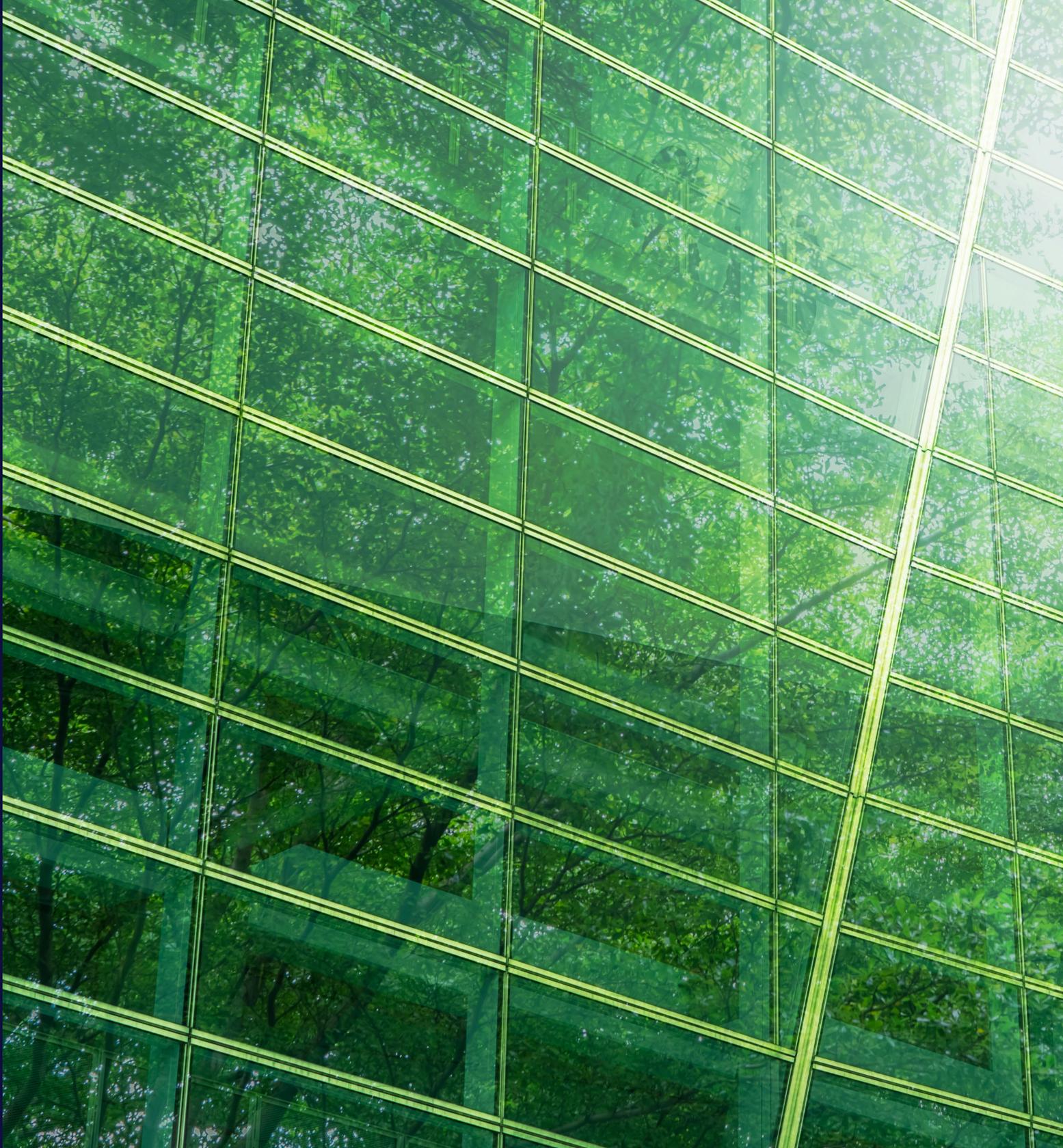
Calculation Assumptions:

Units sold in normal operation for a full year at nominal flow rates/conditions. For all combusted and vented hydrocarbons, CO₂e includes the effects of ultimate products after atmospheric oxidation. VOC is assumed as non-methane Hydrocarbons. A GWP factor of 25 is applied to all methane emissions to calculate CO₂e. GHG assumed as CO₂ and Methane only, negligible effect from N₂O. Inlet flow composition assumed as Tank Flash gas with 100% Hydrocarbon composition, 2000 BTU/SCF LHV for low pressure cases, Oil Handling Residue Gas with 100% Hydrocarbon, 1200 BTU/SCF LHV for high pressure cases. For mechanical VRUs, 99.9% Capture of Inlet Flow, remaining 0.1% is assumed to be vented to atmosphere with associated GHG and VOC emissions deducted from capture totals. For combustion equipment, emissions capture includes deduction of CO₂e and VOC combustion products produced and non-combusted components of inlet flowrate (1-DRE%)* Inlet Flowrate). Uptime is assumed as 20% usage on high pressure inlet cases, 40% usage on low pressure inlet cases. Cimarron technology advantage due to higher tested destruction efficiencies than industry benchmarks, assumed as API required 98% DRE on open combustion systems and Quad-O required 95% DRE on enclosed combustion systems.

Methodology Notes:

It is important to note that the mechanism by which GHGs is ultimately reduced differs amongst the product lines. For example, mass GHG reduction for a mechanical VRU is the mass GHG entering the unit minus any normal operational venting to the atmosphere such as packing leakage, pneumatic control bleeding instruments, or pressure safety venting. This is conservatively estimated as 0.1% total inlet flow. For combustion equipment, mass GHG reduction is the mass GHG entering the unit minus the GHG (primarily CO₂e) of the combustion products and a standard % if inlet flow (1-DRE%) that bypasses the combustion reaction. While installing a high efficiency open- or enclosed combustion system significantly reduces the impact of GHG on the atmosphere and thus the amount of hazardous venting, it is understood that customers would not have otherwise vented this gas to atmosphere instead of using alternative technologies. Ultimately the customer determines the technology utilized to reduce GHGs based on economics, regulatory environment and feasibility, not necessarily which solution has the lowest GHG intensity. Cimarron therefore chooses to optimize its products to offer the lowest in class GHG intensity amongst similar products offered by the competition, thus the focus of KPI #3 being on incremental improvement rather than total reduction.*

** Cimarron's portfolio of products on emissions reduction is uniquely positioned to have an oversized impact on reduction with respect to a company of similar revenues and footprint in other industries. When researching industry benchmarks on combustion equipment, we did not find information or benchmarks to compare to, thus much of the methodology stated above was created by Cimarron for the purpose of this report. The decision to focus on incremental benefit on emissions reduction due to technology advantages from our products and the framework we present in was based on more mature and vetted reporting frameworks.*



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