



Fluid[®]

A DORF KET L COMPANY

2023

SUSTAINABILITY REPORT

Performance Fueled by Innovation

TABLE OF CONTENTS

Page 3	CEO's Message
Page 4	About Fluid
Page 5	Mission, Vision & Values
Page 6	Sustainability
Page 7	Product Applications
Page 8	Sustainability Approach
Page 11	Internal Goals & Targets



It is with great pride that I share with you our fourth annual Sustainability report, which is endorsed by Fluid's Executive team and Board of Directors. In this report you will find information about our commitment to Environmental, Social and Governance (ESG) issues, Sustainability, Safety, Quality and Corporate Responsibility.



CEO'S MESSAGE

Fluid's mission is to create products that are effective, technically advanced, and minimize impact to our environment while providing the highest levels of quality and safety.

We make substantial investments in the research and development of materials that are better for the environment and for people, and will ultimately leave the world a cleaner, better place than we found it. If we have learned anything in our >12 year focus on Sustainability, it is that the best way to predict the future is to create it.

As with all complex issues, Fluid strives to learn first, define a thoughtful plan, and then take deliberate action. This 2023 Sustainability report is intended to share that journey with you. We aspire to go beyond a narrow focus on our company to look at a much bigger picture of the global regions in which we operate.

Fluid is a proud and passionate family that wants to maximize the benefits of our products and lead the industry into a new era of technology and stewardship. We view many ESG principles as foundational to our business strategy, and we work passionately to improve outcomes for all of our partners and customers in the Energy & Petroleum industry, the Energy Transition landscape, the Water Treatment space and the many other Industrial markets that we serve.



Chad Leier
Chief Executive Officer



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ABOUT FLUID

Fluid Energy Ltd.®, a subsidiary of Dorf Ketal Chemicals, specializes in the development and manufacturing of cutting-edge, eco-friendly, and low-hazard chemical systems.

Fluid's portfolio of eco-friendly technologies is distributed to industrial operators, product manufacturers, and institutions across multiple segments worldwide. These products are designed to replace hazardous commodity chemicals commonly used in the Energy & Petroleum, HI&I, Food & Beverage, Marine & Transportation, Water Treatment, and Construction & Coating industries, offering superior performance over traditional alternatives.

With a focus on innovation and sustainability, Fluid is dedicated to creating products that are not only transformative but also have a positive long-term impact in various industries and applications.

MISSION, VISION & VALUES

Since 2011, we have been dedicated to innovating and introducing sustainable, technologically advanced chemical products to the marketplace.

OUR MISSION

We endeavor to create products that are effective, technically advanced, and minimize impact to our environment while providing the highest levels of quality and safety.



OUR VISION

To be a respected and globally recognized developer of innovative, safe and sustainable technologies and products.

OUR VALUES

Create - We innovate new and better products and technologies.

Collaborate - We foster respect and trust with each other and our stakeholders.

Care - We continually improve to operate safely and protect our environment.

SUSTAINABILITY

In our consistent pursuit of innovation and excellence in manufacturing, we consume hazardous, toxic and dangerous commodities like Hydrochloric Acid (HCl) and caustic soda. However, our transformative processes ensure these materials are converted into products that are not only more efficient but also safer and environmentally friendly.

We are excited to announce that **91%** of these products met or surpassed our criteria for sustainability and environmental friendliness. We define these standards under our "Green" classification, reflecting our commitment to the environment and the creation of products that align with our sustainability goals.



Sustainability

Responsibly addressing the entire life cycle of chemicals, including feedstocks and manufacturing processes, while reducing energy needs, emissions and water use.



Eco-Friendly

Readily biodegradable and not harmful to the environment.

Product Family	% of Portfolio (Sold in 2023)	Green Chemistry
Modified & Synthetic Acids	75.61*	Yes
Modified Caustic Soda	0.01	Yes
Corrosion Inhibitors	22.1	Yes
Specialty Dissolvers	1.5	Yes
Commodity HCl	0.8	No

*Products are completely or partially biodegradable, eco-friendly, not toxic and safe for humans and the environment.



91% of Fluid products manufactured in 2023 met or exceeded our sustainability and eco-friendly classification.

PRODUCT APPLICATIONS



ENERGY & PETROLEUM

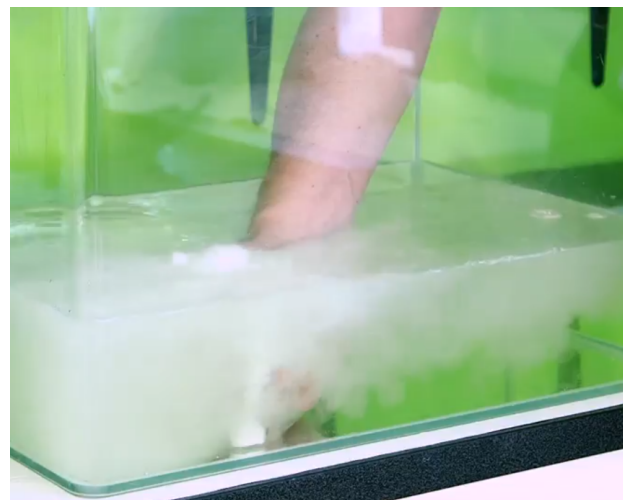
ENVIRO-SYN HCR-7000

Application: Completions – Wireline, Spearhead or Bullhead Acid

Enviro-Syn® HCR-7000® minimizes the hazardous exposure levels, corrosion rates and negative HSE properties of hydrochloric acid (HCl), while maintaining the positive aspects of solubilizing ability and reactivity rates.

BENEFITS OF USE

- Not corrosive to skin
- Provides ultra long term corrosion protection on metals
- Shorter frac stages and overall completion time
- Reduced water requirements
- Non-regulated for transportation (USA)
- Biodegradable



COMPETITOR SHORTFALLS

- Hazardous to workers
- Harmful to the environment
- Destructive to equipment
- Transportation and storage restrictions
- Limited or no water savings

Any company NOT using Fluid's wireline acid is unnecessarily lowering their own ESG profile while also putting countless workers and the environment at risk. We just refuse to do that.

- VP, Drilling & Completions

SUSTAINABILITY APPROACH

Sustainability Frameworks Utilized at Fluid

Given the evolving landscape of Fluid's operations, the expanding range of products within our Energy and Industrial chemical portfolios, and our engagement across diverse industry sectors, we have adopted four sustainability frameworks. This approach allows for comprehensive monitoring of key performance indicators (KPIs), and enhanced performance assessment.

1. United Nations Sustainable Development Goals
2. 12 Principles of Sustainable Chemistry
3. Master Corporate Governance Scorecard
4. Renewable Carbon Index

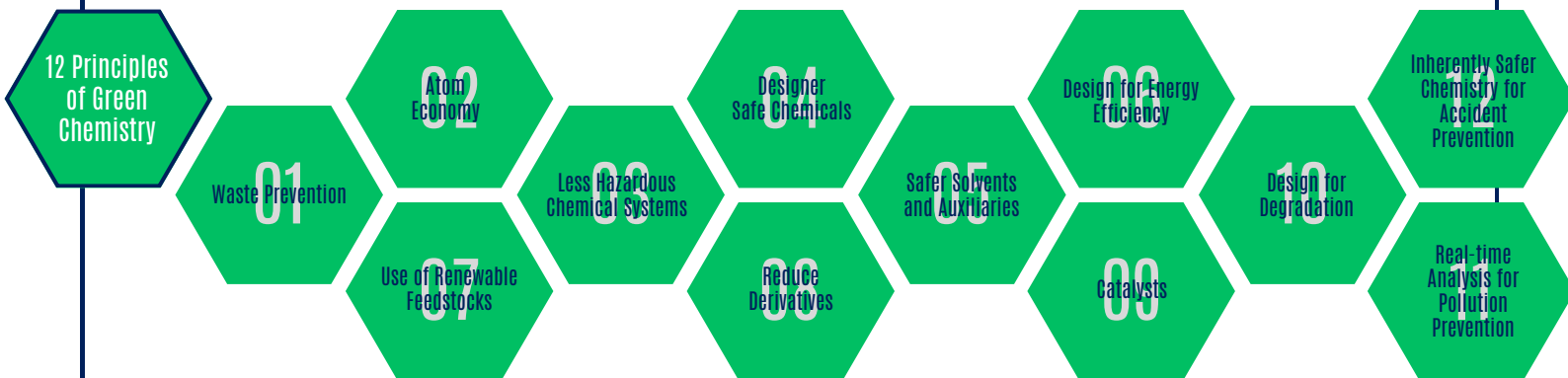
United Nations Sustainable Development Goals

In our journey towards sustainability, the United Nations Sustainable Development Goals (SDGs) serve as an essential guide for businesses to synchronize their strategies with worldwide sustainability objectives. The SDGs offer Fluid a well-defined pathway for making meaningful contributions and generating a positive impact towards a more sustainable planet.






12 Principles of Sustainable Chemistry

Developed by the Environmental Protection Agency (EPA), the 12 Principles of Green Chemistry provide a framework for sustainable chemistry practices that are both economically viable and environmentally responsible. Fluid has adopted the 12 principles of Green Chemistry to drive innovation, reduce environmental impact and create long-term value for stakeholders.



Master Corporate Governance Scorecard

We partner with industry leaders to enhance our expertise as we utilize Life Cycle Assessments to measure and ensure our solutions are based on science, sustainable, and reduce our environmental impact across all industries. Fluid is dedicated to integrating sustainability at every phase, delivering solutions that not only excel in performance but also significantly lessen environmental impact.

 Environmental				 Social				 Governance	
GHGs & Climate Change	Natural Resource Protection	Waste & Pollution	Land & Environment Use	Human Capital	Safety & Liability	Stakeholder Engagement	Communities & Social Opportunities	Structure & Oversight	Corporate Behaviour
Carbon Emissions	Fresh Water Systems Stress	Toxic Waste & Emissions	Clean Tech	Diversity & Inclusion	Safety Performance	Controversial Sourcing	Charitable Giving	Board	Business Ethics
Carbon Footprint Reduction	Raw Material Sourcing	Packaging & Material Waste	Biodiversity & Land Use	Health & Safety	Chemical Safety & Sustainability	Community Relations	Two Way Communication	Pay	Financial System Stability
Financing Environmental Impact	Water Re-Use	Electronic Waste	Green Building	Labor Management & Development	Product Safety & Quality	Renewable Carbon Index	Health Care	Ownership	Corruption & Instability
Climate Change Vulnerability			Renewable Energy	Supply Chain Labor Standards	Privacy & Data Security		Nutrition & Health	Reporting	Anti-competitive Practices
					Responsible Investment				Accounting & Tax Transparency

Renewable Carbon Index

The Renewable Carbon Index measures sustainability by dividing the number of carbons derived from renewable sources by the total number of carbons in an active ingredient. A high RCI product or material, for example, contains a high percentage of carbon atoms from natural and renewable sources.



Fluid's 2023 ESG Scorecard

Scorecard Legend:

- A: Outperformer
- B: Peer group leader
- C: Conforming/compliant
- D: Poor performer
- E: Extreme laggard
- F: Total deficiency

		2023 Score	2022 Score	2021 Score
Environmental Commitment				
GHG Reduction & Climate Change	Helping partners lower their greenhouse gas emissions	A	A-	B+
Water Protection	Reducing fresh water consumption by billions of gallons annually	A	A-	A-
Waste & Pollution	Products with higher biodegradability and lower bio-accumulative effects	A-	A-	A-
Land & Environmental Use	Utilizing a land and environmental assessment tool to identify risks	B+	B+	B+
Social Commitment				
People, Diversity & Inclusion	Enhancing workplace diversity, removing barriers, promoting inclusion	A-	A-	A-
Safety Management	Frontline-driven safety culture where all employees can contribute	A	A	B+
Stakeholder Engagement	Working with all stakeholders, continuously	B+	B	B
Communities & Social Opportunities	Supporting communities to create shared value and sustainability	A	A	A
Governance Commitment				
Structure & Oversight	Providing stewardship and reporting on sustainability performance	A-	A-	A-
Corporate Behavior, Conduct & Ethics	Acting ethically while building and maintaining trust	A+	A	A
Overall Score				
		A	A-	B+



ESG /// Environment

Why is this topic relevant to our business?

As we look toward what is next – and the world we want to leave to future generations – we realize there is always room to think bigger and better. Greenhouse gases, waste/pollution, water use and land use were identified by Fluid's stakeholders as the most important aspects of the organization's sustainability program.



GHG REDUCTION & CLIMATE CHANGE

We are committed to lowering greenhouse gas emissions in all industries that we serve and will continue to create long-term value on our journey to help others lower their impact on the environment.



WASTE & POLLUTION

We research, develop and deploy products with higher biodegradability levels and lower bio-accumulative effects than other toxic materials currently and historically utilized.



LAND USE & ENVIRONMENTAL PROTECTION

We use a land and environmental assessment tool to identify and assess environmental risks in the industries we serve and we focus on continuous performance improvement through investment in new technologies and innovation, comprehensive practices, and collaboration with various groups.



WATER USE & PROTECTION

We innovate solutions to help our partners reduce annual consumption of water by billions of gallons and we are committed to finding ways to significantly decrease the amount of waste/effluent generated in our customers' operations.

Our Goals

- ✓ Reduce internal GHG emissions 30% by 2025 (from 2019 levels)
- ✓ Develop plastic recycling and sustainability strategy and set a target by 2025
- ✓ Develop a strategy for sourcing or creating renewable alternatives to inputs currently procured for use in product formulation by 2025
- ✓ Decrease internal fresh water use by 30% by 2025 (from 2019 levels)
- ✓ Develop recycled water strategy and set target by 2025

ESG /// Social

Why is this topic relevant to our business?

As part of Fluid's purpose-driven culture, we strive to develop respectful and positive relationships with our employees, contractors, suppliers, customers and local communities, and to contribute positively to society.



PEOPLE, DIVERSITY & INCLUSION

We are committed to enhancing workplace diversity, fostering a workplace representative of the resident population we serve and removing barriers for diverse employees in recruitment, advancement and retention.



SAFETY MANAGEMENT

Safety is a core value emphasized through strong leadership and workforce participation at all levels. Management and supervisors spend significant time fostering our frontline-driven safety culture, where every employee contributes to a safe workplace.



COMMUNITIES & SOCIAL OPPORTUNITIES

We are committed to a long-term presence in the communities where we operate. We regularly engage with local communities to create shared value and work together to ensure a sustainable world we can all enjoy.



STAKEHOLDER ENGAGEMENT

Our stakeholder group is diverse, spans four continents and includes more than 500 customers, partners, vendors, industry regulators, governments, academia and non-governmental groups. We work together with these groups to identify opportunities for education and training, employment, business development and community investment.

Our Goals

- ✓ Women and visible minorities will comprise no fewer than 30% of all key leadership roles annually by 2025
- ✓ By 2025, 100% of assigned contractors will have local indigenous inclusion commitments and goals
- ✓ Develop and implement a targeted approach to measure the impact of sustainability and community investments by 2025
- ✓ Employee volunteer hours will exceed 12 hours per person per year annually by 2025

ESG /// Governance

Why is this topic relevant to our business?

Corporate governance that is aligned with Fluid's purpose and focused on reducing risk exposure increases our competitiveness as a company while creating long-term value and resiliency for all our stakeholders.



STRUCTURE & OVERSIGHT

Our Board of Directors oversees management's risk identification assessment and mitigation processes, including review of long-term strategic and operational planning, executive development and evaluation, code of conduct compliance, regulatory compliance, safety and environmental compliance, financial reporting and controllership, and information technology and security.

Our Management Committee is responsible for the identification, assessment and management of risks and opportunities.

Our Environmental, Social and Governance Committee provides internal stewardship reports to the Board, reporting on sustainability performance, key indicators and actions taken to mitigate risks.

Our Goals



100% of assigned employees will complete Compliance & Ethics training annually by 2025



Maintain zero tolerance policy for corruption and bribery

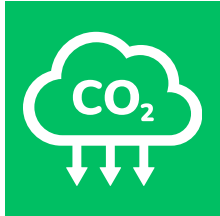


CODE OF BUSINESS CONDUCT & ETHICS

Having a strong ethical business culture is core to our business, allows us to focus on our performance and supports all our other business functions. We believe that acting ethically builds and maintains the trust of our people, our communities and our investors.

At Fluid, we pride ourselves on our reputation as an ethical, high-performance company, employer, partner, and member of the communities where we operate.

PERFORMANCE MILESTONES



CO2 REDUCTION

In 2023, Fluid helped reduce the CO2 footprint of our customers' operations by more than 36,623 tonnes. Since inception, the overall CO2 reduction that Fluid has had on the energy industry is 128,123 tonnes.



Did you know?

The average passenger vehicle emits approximately 4.6 tonnes of CO2 per year, this is the equivalent of taking 7,961 passenger vehicles off the road in 2023 and almost 27,852 over Fluid's lifetime!



Calculation accounts for reduced operational times, reduced transportation, reduced fuel usage and other factors.



WATER CONSERVATION

In 2023, Fluid helped reduce the water waste of our customers' operations by more than 1,324,000 m3. Since inception, the overall water volume that Fluid has helped the industry save 5,125,000 m3 of water.



Calculation accounts for reduced fresh and recycled water usage, as well as reduced waste water creation, where applicable.

Performance Milestones



CHEMICAL EXPOSURE

In 2023, Fluid helped reduce the risk of exposure to harmful acids and bases for our customers, their employees, contractors and the public by more than 5,800,000 hours.



Since inception, Fluid has helped to reduce the risk of exposure to harmful acids for our customers and their employees by 21,234,600 hours, or 80,000 man-days.



OPERATIONAL PRODUCTIVITY & EFFICIENCY

In 2023, Fluid helped to maximize our customers' collective operational and frac productivities while reducing corrosion-related downtime by more than 27,807 hours.



Since inception, Fluid has saved operators 97,600 hours (4,066 days) through fracturing and other operational efficiencies.




Calculation accounts for reduced fresh and recycled water usage, as well as reduced waste water creation, where applicable.

Performance Milestones



COST SAVINGS

In 2023, Fluid helped operators save \$152,000,000 through water savings, reduced time on location, risk reduction and other efficiencies.

Since inception, this number has exceeded

\$539,000,000

