

Questor Technology Inc. – Fighting Against Forced Labour and Child Labour in Supply Chains Act

Questor Technology Inc. (“Questor”) report in response to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (the “Act”)

Reporting Organization

Legal name: Questor Technology Inc.

Financial reporting year: 2023

Version: 1

Business number: 887636967

Identification of a joint report: Joint with Questor Solutions and Technology Inc. and ClearPower Systems Inc.

Identification of reporting obligations in other jurisdictions: N/A

Entity categorization according to the Act: Corporation listed on the TSX Venture Exchange

Sector: Industrials

Industry: Pollution and treatment controls

Head office location: Calgary, Alberta, Canada

Attestation

This report was approved by the Board of Directors of Questor Technology Inc. In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the financial reporting year ending December 31, 2023.

I have the authority to bind Questor Technology Inc.

Audrey Mascarenhas

Board Chair and Chief Executive Officer, Questor Technology Inc.

Questor Overview

Values statement

Questor believes in every human's right to freedom and dignity. We are committed to ensuring the necessary controls and oversight are in place to combat forced labour and child labour in our direct and indirect supply chains. All of our employees, partners and stakeholders are to be aware of Questor's commitment towards these values and share the same ideals.

Structure

Legal structure: Corporation

Organizational structure: Functional departmentation

Organizational mandate:

Questor Technology Inc., incorporated in Canada under the Business Companies Act (Alberta) is an environmental emissions reduction technology company founded in 1994, with global operations. The Company is focused on clean air technologies that safely and cost effectively improve air quality, support energy efficiency and greenhouse gas emission reductions. The Company designs, manufactures and services high efficiency clean combustion systems that destroy harmful pollutants, including Methane, Hydrogen Sulfide gas, Volatile Organic Hydrocarbons, Hazardous Air Pollutants and BTEX (Benzene, Toluene, Ethylbenzene and Xylene) gases within waste gas streams at 99.99 percent efficiency. This enables its clients to meet emission regulations, reduce greenhouse gas

emissions, address community concerns and improve safety at industrial sites. The Company also has proprietary heat to power generation technology and is currently targeting new markets including landfill biogas, syngas, waste engine exhaust, geothermal and solar, cement plant waste heat in addition to a wide variety of oil and gas projects. The Company is also doing research and development on data solutions to deliver an integrated system that amalgamates all of the emission detection data available and demonstrates how Questor's clean combustion and power generation technologies can be used to help clients achieve zero emission targets.

Number of employees: 25

Subsidiaries: Questor Solutions and Technology Inc. (Colorado, USA)

Link to audited financial statements:

[Year End December 31, 2023](#)

Activities

Questor develops clean air technologies that safely and cost effectively improve air quality, support energy efficiency and greenhouse gas emission reductions. The company designs, manufactures and services high efficiency clean combustion systems that destroy harmful pollutant gases within industrial operators' waste gas streams.

Operating locations:

- Calgary, Alberta, Canada,
- Grande Prairie, Alberta, Canada
- Lupton, Colorado, United States of America
- Brooksville, Florida, States of America

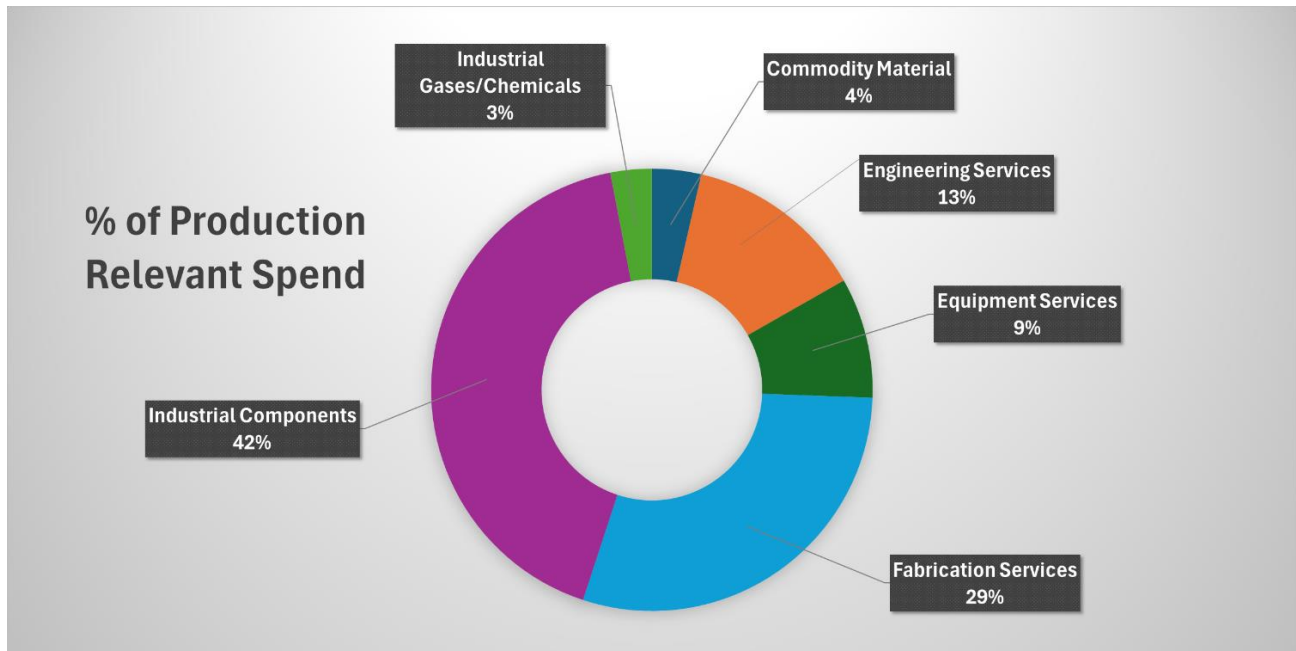
Supply Chains

In the production of new systems for sale to clients, Questor typically procures components through local distributors, outsources heavy metal fabrication to local partners and performs the final assembly in-house.

Supply Category	Description	Source Countries
Industrial components	Assorted heating, ventilation, piping, valves, fittings and pressure equipment.	Various international.
Fabrication services	Contract	Labour local to Questor's operating locations in Canada and USA.
Engineering services	Contracted engineering to supplement or consult on design and operating specifications.	

Transportation services	Delivery and logistics services for the transportation of components or completed units.	
Commodity material	Construction related material such as steel.	>90% USA.
Industrial gases and chemicals	Chemicals and gases required for welding, refrigerant, etc.	TBD – Airgas to reply.

A representative sample of Questor’s fiscal year 2023 production relevant expenditures by category is shown below:



Identified Risks

Current

Questor’s services categories spend is deemed low risk being local to Canada and the USA under governance of federal and provincial / state license, certifications and oversight.

Challenges existing in determining the source country profile of “industrial components” spend as visibility into manufacturer (and sub-manufacturer) details is disseminated across multiple various distribution suppliers. However, selected manufacturers are of high industry reputation usually operating in jurisdictions with anti-forced labour or human rights standards. Questor’s engagement with its key distribution suppliers has also ensued a

reasonable level of confidence that those suppliers have enacted policies and oversight to address the purpose of the Act.

“Commodity material” suppliers of construction materials such as steel, have pledged that 90% of their product is provided by foundries in the USA, although exact details on the source countries of the input raw commodities (iron ore, nickel, etc.) are unknown.

Future

Prospective business development plans may potentially involve service supply partnerships in higher risk locations in Asia. Further considerations and due diligence around forced and child labour will be applied prior to advancing business relationships in these geographic locations in order to manage risk and exposure.

Policies and due diligence processes

Embedding responsible business conduct (RBC) into policies and management systems

Upon development and roll out of responsible business conduct and supplier management policies and training planned by the third quarter of 2024, Questor employees will be empowered to proactively identify and assess human risks associated risks for on-going or future planned business relationships.

Identifying and assessing adverse impacts in operations, supply chains and business relationships

Annually, in conjunction with the Act’s reporting guidelines, Questor will reassess and engage key suppliers from the past fiscal year in reaffirming commitments to responsible business conduct and the fight against forced & child labour. Key findings from the engagement are reviewed internally in consultation with the operations and engineering functional areas.

In addition, beginning March 1, 2024, suppliers new to Questor are requested to provide information on relevant policies and transparency into their sources of supply through a set questionnaire as a part of the supplier qualification process.

Ceasing, preventing or mitigating adverse impacts

Upon discovery of suspicion or incident, Questor employees are directed to provide the details to Questor’s commercial manager for investigation and report to the chief executive officer recommendations for remediation and prevention of future risk.

Remediation measures and remediation of loss of income

Not applicable as Questor did not surface any incidence of forced or child labour in its business or supply chains.

Training

Questor has begun an awareness campaign with all employees and contracted staff to communicate its values statement, purpose and spirit of the Act, requirements in supplier engagement and reporting responsibilities.

Future training on supplier management processes, covering forced labour and child labour, is under development internally and applicable for all employee and contracted staff involved in the engagement of suppliers.

Assessing effectiveness

Not applicable, pending development of supplier management processes.