

Volt Carbon Technologies Inc.
Forced Labour And Child Labour Report

Introduction

This Forced Labour and Child Labour Report (this “**Report**”) is submitted by Volt Carbon Technologies Inc. (“**Volt**”, “**we**”, “**us**” or “**our**”) for the financial year ending December 31, 2023 and is made in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, c.9 (Canada), also known as the Modern Slavery Act (the “**Act**”). This is not a revised version of a previously submitted report.

This Report applies to, and describes the reasonable steps taken by, Volt to mitigate forced labour and child labour in our organization’s operations and supply chains. Volt is a junior resource company involved in the acquisition and exploration of property interests that are considered potential sites for future mining opportunities, as well as research and product development related to graphite processing. Volt is headquartered in Alberta Canada. Volt’s business number is 889186623.

Respect for Human Rights

Volt fully supports the objectives of the Act and opposes the use of all forms of forced labour and child labour, including in our operations and our supply chain. Respect for human rights is fundamental to our values and to the wellbeing of the communities in which we operate.

As set out in the United Nations Guiding Principles on Business and Human Rights (“**UNGPs**”), business enterprises have a responsibility to respect internationally recognized human rights. The responsibility to respect human rights requires that business enterprises: (a) avoid causing or contributing to adverse human rights impacts through their own activities and address such impacts when they occur; and (b) seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.

We are of the view that there is low risk that our operations have caused or contributed to adverse human rights impacts. However, in 2024, we anticipate instructing certain employees to begin to create or amend existing policies to include a Modern Slavery Act Policy to support our commitment and compliance to applicable laws against exploitative practices of forced labour and child labour.

Volt is headquartered in Calgary, on the territories of Indigenous peoples, including the First Nations of Treaty 7 as well as other non-Treaty First Nations and Métis We are committed to reconciliation.

Steps taken during 2023 financial year to prevent and reduce risk that forced labour and child labour used in supply chain [Section 11(1) of the Act]

Volt is committed to operating ethically, following practices, policies, and standards in compliance with the objectives of the Act and applicable labour and employment laws. As part of this commitment, we acknowledge the importance of considering modern slavery and child labour within our supply chains and activities.

In 2023, Volt had not begun to undertake activities specifically to address the objects of the Act.

However, to ensure the authenticity and quality of products used in our supply changes, Volt completes the following general supplier due diligence:

- Confirming the identity of all our suppliers;
- Validating and testing samples of certain input materials received from Suppliers prior to purchasing;
- Validating and testing machinery in our laboratory prior to purchasing;

- Specifically for suppliers from China, Volt requires such suppliers to send an image of their shipping label with the content declaration prior to shipping and requests Material Safety Data Sheets for all chemicals orders; and
- Volt signs Non-Disclosure Agreements with certain suppliers in order to, among other reasons, obtain disclosure regarding a suppliers business practices.

In addition, all employees of Volt must validate their identity with government issued photo identification and provide their SIN number or, if applicable work permit.

Corporate Structure, Activities and Supply [Section 11(3)(a) of the Act]

Corporate Structure:

Volt is a corporation existing pursuant to the provisions of the *Business Corporations Act* (Alberta) (the “BCA”) and is extra-provincially registered to carry on business in the provinces of Saskatchewan, British Columbia and Quebec.

Volt, then named Torch River Mines Ltd., was incorporated on June 18, 1997, pursuant to the provisions of the BCA. On March 26, 2004, the Company amalgamated with Tael Capital Inc., in accordance with the BCA to form Torch River Resources Ltd. This amalgamation was the Company’s qualifying transaction for listing on the TSX Venture Exchange. On October 30, 2013, the Company changed its name from Torch River Resources Ltd. to Saint Jean Carbon Inc. On February 16, 2022, the Company announced a change of corporate name from “Saint Jean Carbon Inc.” to “Volt Carbon Technologies Inc.”.

Volt is a reporting issuer in Alberta and British Columbia. Volt’s shares are traded on the TSX Venture Exchange under the symbol “VCT” and are also traded in the United States on the OTC market under the symbol TORVF.

On May 27, 2021, the Company acquired all the issued and outstanding shares of Solid Ultrabattery Inc. (“Solid”), an Ontario company involved in the research and development of solid-state batteries.

Volt, and its subsidiary Solid, employs approximately 5 employees in Canada and 0 employees outside of Canada. We also utilize a limited number of contractors from time to time and have students on a project basis who work off site from The University of Waterloo.

Activities:

Mineral Exploration and Development

The mineral exploration and development segment of Volt focuses on the acquisition and exploration of property interests that are considered potential sites of economic mineralization. The Company continues to hold mineral rights multiple historic molybdenum properties in British Columbia and a graphite property in Quebec.

Research and Development

The Company’s primary research is in development of its lithium-ion batteries, graphite separation products, battery anodes and graphene products. The company is partnered with the University of Waterloo to develop its lithium-ion batteries. The research is performed primarily at the Guelph location with support from the University of Waterloo.

Volt has proprietary technology consisting of an air classifier (the “Air Classifier”) that processes graphite bearing ore into high purity graphite. The Air Classifier is capable of processing and purifying graphite in small batches and is currently in the scale up phase. The process enables purification of graphite in a dry environment without the use of any water and reagents.

Volt obtains its graphite ore from Green Batteries Mineral Inc. located in Vancouver, British Columbia and E-Power Resources Inc. located in Montreal, Quebec. Because the Air Classifier is currently in product development phase, Volt does not currently sell or distribute the high purity graphite it processes other than for scientific research purposes.

In the course of its research and development initiatives, Volt purchases suppliers such as scientific research materials, technical instruments and other parts from various suppliers around the world. Given the small scale of Volt's operations, it does not import such supplies regularly and only makes purchases as needed to support its research and development activities.

Supply Chain and Operations

Volt is committed to complying with all applicable laws and regulations, including in respect of forced labour and child labour, and we expect our suppliers to demonstrate the same commitment in the regions in which they operate. We acknowledge the risk of forced labour and child labour existing in any complex supply chain.

The majority of Volt suppliers are located in Canada or USA. Volt has previously utilized a limited number of suppliers from China for one-time purchases. Historically, suppliers used from China have been referred to Volt on the recommendation contacts at The University of Waterloo (our trusted technical advisors), or by referrals within the scientific community. Generally, our suppliers have been sourced or recommended through the Prospectors & Developers Association of Canada, an industry association providing assistance to the mineral exploration and development community.

Procurement Expenditure and Suppliers

Total procurement expenditure from the previous financial year for Volt and Solid was approximately \$1,403,500. In the previous financial year, Volt purchased approximately \$1,228,000 from Canadian suppliers, \$113,000 from Chinese suppliers, \$40,000 from supplies based in the US and \$22,500 from UK suppliers.

Overall, in 2023, Volt and its subsidiary currently utilized approximately 200 suppliers, of which approximately 176 are located in Canada, 15 are located in the USA, 6 are located in China and 3 are located in the United Kingdom.

Description of Products

Most products and services procured in Canada represent professional fees such as lawyers, accountants, auditors, consultants or for regulatory filing fees, as well as rent for 2 work site locations and the utilities that correspond to these locations. Our suppliers in China provide laboratory machinery for battery fabrication such as glove boxes, battery testers and coin cell testers, and a small amount of chemicals required in battery fabrication such as lithium. Our suppliers in the UK supply primarily marketing and advertising services. Our suppliers in the USA provide chemicals used for battery fabrication and some research supplies.

In 2023, Volt did not distribute or sell any goods in Canada. In 2023, Volt processed certain amounts of graphite and such graphite was obtained from 2 Canadian suppliers.

Policies and Due Diligence Processes in relation to forced labour and child labour [Section 11(3)(b) of the Act]

At this point, Volt does not have any formal external policies or processes in place that are specific to the prevention of forced labour and child labour in our supply chain. However, in 2024 Volt anticipates considering changes to its existing policies and procedures or creating new policies to promote the objectives of the Act with respect to employee training.

Risk Assessment and Management [Section 11(3)(c) of the Act]

During the 2023 fiscal year, Volt had not formally assessed or identified which parts of its supply chain may carry a risk of forced labour or child labour. However, in preparing this report, we reviewed and assessed risks in our supply chain. We believe that our activities carry a lower risk of forced labour and child labour being utilized given the small size of our operations and because the graphite we process is obtained from sources located in Canada. However, we acknowledge that one of our largest risks likely relates to the raw materials that our suppliers obtain and process into products used in our research and development business. We also acknowledge that our suppliers may source raw materials from jurisdictions that have a higher risk of modern slavery and child labour.

Specifically, Volt has used one supplier based in China that provides cathode material to Volt that contains cobalt. Volt acknowledges that the supply of cobalt globally carries a high risk. In purchasing cathode material from this supplier, Volt acknowledged and reviewed the suppliers Labour and Human rights policy which contains a specific prohibition on the use of child labour.

Volt manages this risk by using suppliers that are approved by the Prospectors & Developers Association of Canada or referred to Volt through The University of Waterloo or otherwise through the scientific community.

Forced Labour and Child Labour Remediation Measures [Section 11(3)(d) of the Act]

We have not identified any forced labour or child labour practices occurring within our supply chain and we believe that our supply chain presents a low risk of forced labour or child labour being utilized. Accordingly, we have not undertaken any measures to remediate any forced labour or child labour to date.

Loss of Income - Remediation Measures [Section 11(3)(e) of the Act]

We have not identified any forced labour or child labour practices occurring within our supply chain and we believe that our supply chain presents a low risk of child labour or forced labour being utilized. Accordingly, we have not undertaken any measures to remediate any loss of income relating to any forced labour or child labour to date.

Training [Section 11(3)(f) of the Act]

Other than general employee onboarding and training, which includes a code of conduct, Volt does not currently offer training to its employees or to employees of its subsidiaries on forced labour and child labour. Typically, the onboarding and training process for an employee last 30 days (which is technical training) and all of our employees receive such training as part of the onboarding process. Standard onboarding training consists of confidentiality training and protection of Volt and Solid intellectual property.

Mentoring of all new and junior employees is conducted by senior staff with many years of experience in the business industry to ensure ethical business practices are learned from onboarding. In particular with regards to procurement of goods or services, new staff are trained to obtain quotations from at least 3 vendors, review vendor website and on-line reviews, meet in person with vendor sales representatives where possible, ask scientific colleagues for vendor references, work with senior business manager on a purchase order request who further “vets” and validates the vendor business ethics.

From an occupational health and safety training, employees are trained on a number of established policies such as: the 5S program which focuses on workplace organization, cleanliness and decluttering of the work environment for safety, proper use of personal protective equipment.

We provide personal protective equipment to all employees such as safety shoes, eye protection (goggles/welding masks/face shield, eye wash centre), gloves, lab coats, chemical safety use and storage, proper use of flammable storage safe storage for chemicals, fire safety prevention and use of fire prevention equipment such as fire extinguishers, fire blankets and fume hood, first aid kit location and use.

During training, all Staff are informed of the sick day policy, and asked to stay home when they are unwell or unfit for work. All injuries or incidents are fully investigated and documented by the safety engineer, which is a dedicated role. Working hours are logged and employees are asked to work a maximum of 8 hours, and to take frequent breaks as the lab working temperature is approximately 25 degrees celcius. Beverages and snacks are provided to employees to support hydration and energy levels while working. Safety equipment such as step ladders, raisers, anti-slip mats and anti-fatigue mats are provided in the lab environment to mitigate slips, falls or fatigue from standing. Weekly cleaning and sanitization of all work environments is completed by staff and external cleaning companies to ensure a safe, clean and sanitized work environment to prevent illness.

Assessing Effectiveness [Section 11(3)(g) of the Act]

Volt does not currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour or child labour are not being used in its activities and supply chains. Accordingly, we have not taken action to assess our effectiveness at preventing and reducing risks of forced labour and child labour in our activities and supply chains.

Forward Looking Information

concerning the Company's business and affairs. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "intends" "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

These forward-looking statements are based on current expectations and are naturally subject to uncertainty and changes in circumstances that may cause actual results to differ materially due to any number of factors, including such variables as new information regarding potential mineral reserves, changes in demand for and commodity prices of graphite, molybdenum or any other commodity, legislative, environmental and other regulatory approval or political changes. Although the Company believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that these expectations will prove to be correct. Such statements include statements with respect to our intention to instruct certain employees to begin to create or amend existing policies to include a Modern Slavery Act Policy to support our commitment and compliance to applicable laws against exploitative practices of forced labour and child labour. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors, including could cause actual results to differ materially from the results discussed in the forward-looking statements. Any such forward-looking statements are expressly qualified in their entirety by this cautionary statement. Forward-looking information is provided as of the date of this Report and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as may be required under applicable securities legislation.

Approval of Board of Directors

This Report has been approved by a written resolution Board of Directors of Volt, in accordance with Section 11(4)(a) of the Act stating:

"In accordance with Section 11(4) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act"), Modern Slavery Report is here by authorized and approved."

"In accordance with Section 11(5)(b) of the Act, any one director or officer of the Corporation is hereby authorized and directed to do and perform all such acts and things and sign such documents as necessary to complete the filing of the Modern Slavery Act Report and the President of the Corporation is hereby authorized and directed to complete the attestation requirements of the Modern Slavery Report in accordance with the Act."

Attestation

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 reporting year listed above.

A handwritten signature in black ink, appearing to read 'V-Bond Lee', is centered on a light gray rectangular background.

V-Bond Lee, *P. Eng*
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