

S-211 Report

Date: May 14, 2026

Q2 Artificial Lift Services ULC
7883 Edgar Industrial Way
Red Deer AB
T4P 3R2

Report Prepared by: Lance Raskin, SCMP

Mission Statement

- Fully integrated **supplier of choice** in downhole oil and gas industry through our responsiveness in delivering exceptional quality in pump parts, components and assemblies.
- **Top Employer**, focused on operational excellence.

Corporate Structure

Q2 Artificial Lift Services (Q2 ALS) is a World Class Rod Lift System Solutions company that specializes in the sales, service, engineering and manufacturing of down hole reciprocating pumps. We are a fully integrated company with over 40+ repair and service locations strategically located across Western Canada and the United States.

Q2 ALS is headquartered in Red Deer, AB where Manufacturing and Distribution operations are based out of. Q2 ALS manufacturing is vertically integrated to ensure the highest levels of quality control and efficiency using state of the art production equipment.

Q2 ALS is an API-11AX certified company. This demonstrates the company's commitment to high quality standards through the firm adherence to established manufacturing processes and procedures.

The Q2 ALS organization structure is flat compared to most large organizations. The CEO & President is actively involved in providing strategic direction for the company. This structure allows for quick communication and decision making to respond to changing customer requirements.

Q2 Artificial Lift Services is a privately owned organization backed by private equity funding. As a privately held company, our ownership structure is composed of Q2 ALS original founder and private equity investor. This ownership model allows us to maintain flexibility in decision-making and agility in adapting to market dynamics while ensuring a commitment to delivering exceptional service and value to our clients.

Company Activities

Primary activities for Q2 ALS are:

- Sales & Servicing of Rod Lift Systems
- Manufacturing
- Distribution
- Engineering

Supply Chains

Raw material supply chains support the Q2 ALS pump part manufacturing facility in Red Deer, AB. Materials are sourced mill direct or through distribution.

Some pump parts are outsourced to supplement Q2 ALS manufacturing capacity. These parts are sourced from machine shops or established distributors of pump parts.

Some services are outsourced primarily to support Q2 ALS pump part manufacturing. Metal coating and heat treating services are outsourced as these are not core activities for Q2 ALS manufacturing. Q2 ALS manufacturing facility maintenance type services would also be outsourced on occasion.

Due to the requirement for high quality precision pump parts in the supply and repair of rod lift systems, supply chain efforts are directed to companies that have API-11AX or ISO 9001 certified quality systems. Once the supplier's quality system is confirmed, preference is given to supply that is available first from local, then regional, and then national sources.

Policy

PO-17 – Rev0 - Child Labour & Forced Labour

OBJECTIVE

This Policy is based on Q2 Artificial Lift Services commitment to find practical, meaningful and appropriate responses to support the prevention and effective elimination of child labour and forced labour practices, in accordance with the principles set forth by the International Labour Organization (ILO) and by the Canada Labor Code, Fighting Against Forced and Child Labour in Supply Chains Act (formerly Bill S-211) and similar legislations in force in each of the provinces of Canada. At Q2 Artificial Lift Services our policy also includes an explicit ban on the use of any forced labour or exploitative working conditions. We believe that promoting fair and appropriate employment at Q2 Artificial Lift Services and within our supply chains is a critical part of the commitments we make to our people and local communities. Q2 Artificial Lift Services Executive fully support and endorse this policy.

DEFINITIONS

Child Labour – means labour or services provided or offered to be provided by persons under the age of 18 years and that:

- a) Are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada;
- b) Are provided or offered to be provided under circumstances that are mentally, physically, socially, or morally dangerous to them;
- c) Interfere with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work; or
- d) Constitute the worst forms of child labour as defined in article 3 of the Worst Forms of Child Labour Convention, 1999 at Geneva on June 17, 1999.

Forced Labour – means labour or service provided or offered to be provided by a person under circumstances that:

- a) Could reasonably be expected to cause the person to believe their safety or the safety of a person known to them would be threatened if they failed to provide or offer to provide the labour service; or
- b) Constitute forced or compulsory labour as defined in article 2 of the Forced Labour Convention, 1930, adopted in Geneva on June 28, 1930.

POLICY

Q2 Artificial Lift Services strongly believes it has the responsibility to engage in employment practices that meet the highest legal and ethical standards. Nowhere is this responsibility more important than in the company's policies governing the minimum age and working conditions of its own employees and the employees of its suppliers.

Q2 Artificial Lift Services and subsidiaries (collectively herein referred to as "Q2"), shall not employ any person below the age sixteen (16) years, or the local minimum employment age, whichever is higher.

No employee under the age of eighteen (18) years old shall be asked to work after the hours of 11:00 PM or before 6:00 AM.

Q2 does not condone the unlawful employment or exploitation of children in the workplace or use of forced labour. Q2 strictly and explicitly prohibits the use, by any of its affiliates and subsidiaries, of child labour and forced or compulsory labour. No employee is made to work against his or her will, or subject to corporal punishment to threat or coercion of any type in relation to work. We strongly encourage our suppliers to require their own suppliers to adhere to these principles as well.

Q2 will not tolerate the use of unlawful child labour or forced labour in the manufacture of products it sells. Q2 will not accept products or services from suppliers, subcontractors, or business partners (collectively referred to as "Suppliers") the employ or utilize child labour or forced labour. Q2's suppliers shall not employ or utilize in any manner any individual

below the minimum employment age set by Canadian law.

Q2 as a preventative measure will identify supply chains that have a potential risk for the use of child labour and/or forced labour. Once identified Q2 will ensure that there is an investigation into the supply chains identified. Actions such as contract or order cancellation and remediation of losses as a result of supply identified as coming from child labour and/or forced labour.

IMPLEMENTATION

This Policy is and shall at all times be publicly available throughout Q2 and its affiliates and subsidiaries and clearly communicated to all employees in a manner in which it can be understood.

The implementation of this policy is the responsibility of the Q2 Human Resources Department. There is a zero-tolerance policy towards its breach.

Employment contracts and other records, documenting all relevant details of the employees, including age, are maintained in all Q2 facilities and are open to verification by any authorized personnel or relevant statutory body. Q2 will verify the employees' age via government issued identification such as a driver's license or birth certificate to ensure that the employees are of acceptable age as per policy.

Q2 will ensure that all employees are trained in regard to the child labour and forced labour policy. This training will be completed at the time of hiring with periodic refresher training as required. This training will ensure that all Q2 employees are empowered to take action when an issue relating to child labour and/or forced labour is identified.

MONITORING & AUDITING

Periodic assessment may be conducted by Q2; in this context, the Human Resources Department may undertake random checks of records no more than on an annual basis.

As part of the Supplier Assessment process Q2 has added to the FM-10 Supplier Evaluation Rev 4 form a section requesting information on the supplier's policy on Child Labour & Forced Labour.

AMENDMENT

Q2 will continuously seek to make this Policy as relevant and as effective as possible. To that effect, Q2 may amend this Policy from time to time.

Risk assessment (activities and supply chains)

Risk Matrix - Child/Forced Labour	Supplier A	Supplier B	Supplier C	Supplier D	Supplier E	Supplier F
1. Geography Risk	3 China	3 India	3 China	3 India	1 Italy	3 China
2. Commodity Risk	2	1	2	1	1	1
3. Nature of Work	2	2	1	2	2	1
4. Supplier has Child/Labour Policy	1	1	1	1	2	1
5. Supplier has Employee Awareness & Training Program	1	1	1	1	2	1
Total	9	8	8	8	7	7

Risk Level

High=3

Medium=2

Low=1

1. Geography Risk

High - material is from a country that is on the list of countries know to use Child/Forced labour

Medium - sourced from countries with anti-child labour legislation and not on the list of at risk countries, but are experiencing political or economic turmoil

Low - sourced from countries with anti-Child/Forced labour legislation and not on the list of at risk countries

2. Commodity Risk

High - finished products are on the list of items known to be produced by Child/Forced labour

Medium - raw material components are on the items known to be produced by Child/Forced labour

Low - no component of the item is known to be produced by Child/Forced labour

3. Nature of Work Risk

High - activity is mostly manual labour - little to no training or education required

Medium - activity is manual labour - requires some training or education

Low - complex activities requiring extensive training or education

4. Supplier has anti Child Labour and Forced labour polices

High - no policy in place
Medium - working on policy
Low - have policy in place

5. Supplier has Employee Awareness & Training Programs

High - No
Medium -
Low - Yes

Score Higher than **10** requires Human Rights Due Diligence Assessment

Findings

At the time of this report Q2 ALS has not identified the use of child or forced labour within the supply chains used. Ongoing site visits and supplier evaluations will be utilized to monitor supply chain activities. Q2 ALS is committed to increasing the manufacturing capacity at their Canadian production facility which will help minimize the exposure to higher risk supply chains.

Training

The Child/Forced labour policy is included in the new hire package for all Q2 ALS employees. Q2 ALS empowers all employees to take action if a situation arises that is contrary to the Q2 ALS policy.

Members of the Q2 ALS Supply Chain group meet annually to discuss how the policy applies to their activities. Suppliers with higher risk levels will be reviewed and discussion on what actions have been taken by the Q2 ALS supply chain group to mitigate risk.

DATE	May 14, 2026		LOCATION	Red Deer, AB	
			Training Hours (#staff * minutes)	30 x 6 = 180 minutes	
Fitting	Honing	Grinding	Spray Weld	Admin	
				X	

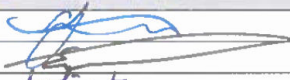
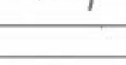
TRAINING TOPICS: Policy-17 Child Labour & Forced Labour Policy

What is Child and Forced Labour?

Review corporate policy.

Review Risk Matrix for areas of the Q2 Supply Chain that are at risk for use of Child and Forced Labour.

What due diligence is required from the Q2 Supply Chain.

ATTENDEE NAME (PRINT)	POSITION	SIGNATURE
Stefon Farren	Procurement Specialist	
Edward Bunce	Purchasing & Logistics Coordinator	
Gretel Firt	Procurement Specialist	
Henry Iwu	Procurement Specialist	
INSTRUCTOR(S) NAME (PRINT)	POSITION	SIGNATURE
Lance Raskin	Supply Chain Manager	

The information in this report is true and accurate to the best of our knowledge.

Q2 Artificial Lift Services ULC

Date: May 14, 2026

Andreas Morborg

Andreas Morborg, VP of Global Manufacturing and Operational Excellence