

Chubby Group of Companies

Brenco Homes Ltd.

Statement of Fighting Against Forced Labour and Child Labour

This Report for the Chubby Group has been prepared in accordance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act. This report is based on the financial year ending October 31 2023

Introduction

Brenco Homes Ltd. (O/A Chubby Group) Is a Canadian holding company owning franchisees with A&W Food Services of Canada, Original Joe’s Restaurant and Bar, Shell Canada and Mobile Oil, and real-estate holdings. The Chubby Group is committed to building safe and ethical environments in our communities and earning our guests trust by being transparent and doing what is right.

Over our 28 years of history of being a franchisee, we have established roots in communities across western Canada. We are committed to insuring we operate in environments where human rights are protected and respected.

At the Chubby Group, we pride ourselves in being industry leaders in terms of quality, food safety, environment, how we treat our people and in doing what’s right. We strive to work with large, reputable franchisors who uphold the highest standards in fighting against forced labour and child labour.

Upholding the highest standards, we expect the Chubby Group employees, contract workers, and supply partners to demonstrate integrity and adhere to the laws, regulations, and rules in all operations districts. Instances failing to meet these expectations will be thoughtfully reviewed and addressed.

Corporate Structure

Headquartered in Spruce Grove Alberta, Brenco Homes Ltd. is a privately owned corporation amalgamated under the Alberta Business Corporation Act.

Activities

The Chubby Group operates its 24 franchised locations throughout Alberta, British Columbia and Manitoba. The restaurant business consists of quick service restaurant within the A&W banner, and full-service restaurant within the Original Joe's Restaurant and Bar banner. The Gas and convenience business operate under the Shell and Mobile banners. The Real-estate holdings are all A&W restaurant locations.

Supply Chain

Brenco sources all products, including but not limited to food, beverage, packaging, cleaning supplies, equipment, furniture, technology hardware, small wears, signage, uniforms, and branded merchandise as mandated by franchise agreements through suppliers vetted by each franchisor. In many cases, these goods are individual branded and mandatory purchased by franchisees. These goods are supplied to our businesses either directly from the supplier or through distribution centres across Canada.

Policies and Due Diligence

The Chubby Group relies on the franchisors of these large corporations that supply all of our goods and services to undertake proper Supplier Code of Conduct. These Supplier Code of Conducts are available to us for our review. This is to make sure that supplier risk, product risk, and firm risk is all being undertaken to protect against child labour and forced labour.

In addition, the Chubby Group has their own Code of Conduct for the workplace, consisting of respect in the workplace, integrity in everything we do, protecting company information and assets, compliance with the code, violations with this code.

As well, the Chubby Group has a Business Manual which consists of operational procedures, marketing, policies and labour standards.

Chubby Group employees are required to confirm their understanding and compliance with our Code of Conduct and Business Manual. The corporations CEO and COO have overall responsibility to ensure that financial and business affairs are conducted in a legal and ethical manner.

Potential Risks in Actives and Supply Chain

The Chubby Groups risks are mitigated by closely adhering to the labour board practices of the provinces that we operate in.

Our supply chain risks are managed by the large corporate franchisors.

Conclusion

The Chubby Groups steadfast in its dedication in preventing forced labour and child labour within our operations and across our supply chains. We will persist in regulating and reviewing our own and our franchisors policies, procedures, and practices to identify opportunities for further straightening efforts against forced labour and child labour.

Attestation

In accordance within 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 of October 31, 2023.

Brent (Gus) Yeoman

President and CEO

I have the authority to bind Brenco Homes Ltd. (o/a Chubby Group)