



## **Statement on Fighting Against Forced Labour and Child Labour**

### **Introduction**

With a strong foothold in the Toronto-area hospitality industry, Dhanoa Group, located in Oakville, Ontario has become a leader in QSR management. Dhanoa Group's hospitality focus has helped the company gain expertise in the Quick Service Restaurant, Casual-Dining Restaurant, Hotel, and Real Estate industries. Currently, DG owns and is involved in the management of 44 A&Ws, 6 Boston Pizzas, 3 Hotels (soon to be 4), and 2 Harley Davidson dealerships. In addition, the group owns several real estate assets across Canada ranging from condominiums, houses and developable lands. We work with large, reputable franchisors who uphold the highest standards in fighting against forced labour and child labour.

Modern slavery, encompassing forced labour and child labour, as well as human trafficking, contradicts our values. We aim to work with suppliers, subcontractors, and trades that share similar values and goals. We unequivocally oppose slavery and human trafficking within our organization, as well as within the operations of our suppliers and subcontractors. Upholding the highest standards, we expect Dhanoa Group employees, contract workers, and supply partners to demonstrate integrity and adhere to the laws, regulations, and rules in all operating jurisdictions. Instances failing to meet these expectations will be thoroughly reviewed and addressed.

### **Dhanao Group Supply Chain**

Dhanao Group sources all products including but not limited to food, beverage, packaging, cleaning supplies, equipment, furniture, technology hardware, smallwares, signage, uniforms, and branded merchandise as mandated by franchise agreements through suppliers vetted by each franchisor. In many cases, these goods are individually branded and mandatory for purchase by operators. These goods are supplied to restaurants either directly from the supplier or through distribution centres across Canada. In other cases, such as the supply of construction materials and fixtures, a product is specified for operators to source directly. In most cases, the manufacturing and production of direct suppliers is carried out in North America, however, we also source goods from Australia, New Zealand, China, Greece, Sri Lanka, Spain, France, Ecuador, Poland, and the United Kingdom.

### **Policies and Due Diligence**

The various franchises Dhanoa Group operates, undertook mapping activities which included a supply chain mapping and risk assessment process to identify areas of risk in our supply chain related to products that we were the importer of record for. Several have also

developed a Supplier Code of Conduct, the intention of which is to specifically address the risk of forced and child labour in our supply chain. The supply chain mapping exercise included identifying Tier 1 suppliers, the product's country of manufacture, and ingredient's country of origin and any social supply chain measures our Tier 1 suppliers had in place. 'Supplier risk', 'Product risk' and 'Firm risk' were assessed for each supplier and product and a risk rating developed for each product we were importer of record for. 'Product risk' is assigned using the U.S. Department of Labor's Bureau of International Labor Affairs (ILAB) 2022 List of Goods Produced by Child Labour or Forced Labour. Firm risk is calculated by aggregating 'Product risk' and 'Supplier risk'. Suppliers are assigned a Firm risk of 'High', 'Medium', or 'Low'. A product risk assessment has been completed for all products for which we are importer of record, which forms the initial basis of our prioritization work to ensure due diligence efforts are focused on the areas of the greatest risks of forced and child labour. Some of our suppliers have also implemented their own

Supply Chain Code of Conduct, which includes Anti-Slavery and Child Labour policies relating specifically for those products we purchase or specify. has a robust food safety and animal welfare program (the " Program"). The Program includes the following components:

### **Potential Risks in 's Activities and Supply Chain**

In 2023, our franchisors identified Uniforms and Stuffed Animals as high risk due to the sector (textiles) and the country of manufacture (China). We confirmed that both suppliers have social certifications for the factories that manufacture our products and we obtained copies of these certificates. Other areas of our supply chains that carry an inherent risk of forced labour and child labour due to the sector and/or country of origin include:

- Baked Goods
- RTE Frozen Food
- Protein
- Spices & Condiments
- Produce
- Electronics/ Technology
- Sugar
- Palm Oil
- Tea
- Paper/ Timber
- Construction materials

### **Conclusion**

Dhanoa Group's steadfast in its dedication to preventing forced labour and child labour within our operations and across our supply chains. We will persist in regularly reviewing our policies, procedures, and practices to identify opportunities for further strengthening efforts against forced labour and child labour.

**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, consisting of a stylized 'U' followed by a horizontal line that curves upwards and to the right.

Upinder Dhanoa  
President and CEO

I have the authority to bind Dhanoa Group Ltd.