

Statement on Fighting Against Forced Labour and Child Labour

Introduction

ONroute is committed to building safe and ethical environments in our communities and earning our guests' trust by being transparent and doing what's right. We are committed to ensuring we operate in environments where human rights are protected and respected.

Modern slavery, encompassing forced labor and child labor, as well as human trafficking, contradicts our ONroute values. We aim to work with suppliers, vendors, service providers and contractors ("**Suppliers**") 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. Upholding the highest standards, we expect ONroute employees, contract workers, and Suppliers 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.

This report has been prepared in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act"). This report is based on the financial year ending on December 31, 2023.

ONROUTE Corporate Structure and Activities

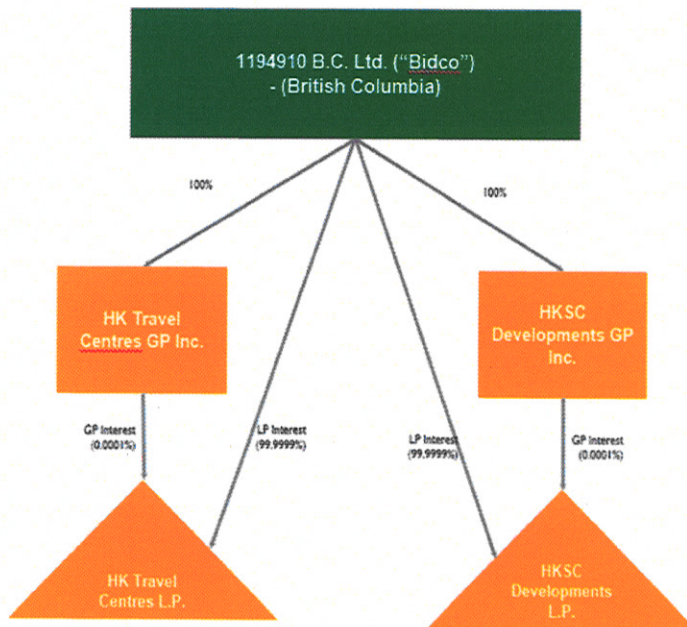
Headquartered in Mississauga, Ontario, ONroute is composed of two operating companies – HK Travel Centres L.P. and HKSC Developments L.P. Both are limited partnerships organized under the laws of Manitoba. This Report is being submitted on behalf of both entities.

HK Travel Centres GP Inc., a corporation incorporated under the laws of Ontario, is the general partner of HK Travel Centres L.P. and executes documents via its officers/directors on behalf of HK Travel Centres L.P.

HKSC Developments GP Inc., a corporation incorporated under the laws of Ontario, is the general partner of HKSC Developments L.P., and executes documents via its officers/directors on behalf of HKSC Developments L.P.

ONroute is an Ontario-based business and has a 50-year concession to operate 23 highway rest areas in Ontario along Highway 400 and Highway 401 until 2060. It is the operator of the brands/franchises in its plazas, and also owns and operates a convenience store in each plaza. ONroute has over 1,500 employees across the province.

The diagram below sets out ONroute's ownership structure:



ONroute Supply Chain

ONroute sources products including but not limited to food, beverage, packaging, cleaning supplies, equipment, furniture, technology hardware, smallwares, signage, uniforms, toys, plush, and branded merchandise. In many cases, these goods are branded and mandatory for purchase by the applicable brand or franchisor. ONroute purchases these goods either directly from the supplier or through distribution centres across Canada. In other cases, such as the purchase of construction materials and fixtures, ONroute will source the product directly.

The manufacturing and production of ONroute's direct suppliers is primarily carried out in North America, however, ONroute also sources goods from Australia, New Zealand, China, Japan, Greece, Sri Lanka, Spain, France, Ecuador, Poland, and the United Kingdom.

ONroute Policies and Due Diligence Processes

In 2023, ONroute developed a Code of Conduct ("**Code**") for its Suppliers, the intention of which is to address the risk of human trafficking, forced and child labour in our supply chain, as well as addressing human rights in general.

The Code sets forth the following requirements:

- Not to accept, use, or benefit from modern slavery of any kind, including forced labour and/or child labour
- Not to employ individuals under the age of 16; and
- To respect human rights as defined in the Universal Declaration of Human Rights and International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at work.

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.

ONroute also has a Whistle Blower corporate policy. This policy articulates the corporation's commitment to observe high standards of business and personal ethics in all its dealings, a responsibility that extends to all directors, officers, and employees. ONroute employees are required to confirm their understanding and compliance with ONroute's policies, including the Whistle Blower policy, on an annual basis. The corporation's Board of Directors have overall responsibility to ensure that financial and business affairs are conducted in a legal and ethical manner.

In 2024, ONroute intends to develop an action plan to expand the scope of its policies and practices designed to prevent and reduce the risk of forced labour or child labour in ONroute's supply chain. It is expected that action plan will include more extensive supplier attestations confirming the diligence they undertake to ensure no forced labour or child labour is used in their sourcing and production of goods, contractual commitments to protect against the risk of such activities, and monitoring practices to ensure compliance. ONroute is committed to continuous improvement to ensure the human rights of those who participate in our supply chain are protected.

Potential Risks in ONROUTE's Activities and Supply Chain

ONroute procures a considerable proportion of goods and services from its suppliers and vendors. As such, ONroute is committed to acting ethically, with integrity and transparency to safeguard against any form of forced or child labour taking place within the business or our supply chain.

In 2023, ONroute commenced the process of engaging with supply chain partners on the issue of addressing forced labour and/or child labour, and it is expected that this work will continue to expand and improve in 2024 and beyond.

We are in the process of confirming that our suppliers have social certifications for the factories that manufacture our products.

Other areas of ONROUTE's supply chain 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
- Toys
- Apparel

Training

In 2024, ONroute will provide training to relevant employees through awareness-raising activities. All managers and above will be provided with an overview of the new legislation, and education to understand what activities are indicators of forced labour and child labour. Legal and industry experts will continue to be consulted in 2024 to improve our baseline knowledge and understanding of this topic generally, so that we can continue to improve the scope and effectiveness of our practices going forward.

Assessment of Effectiveness & Remediation Measures

We are not currently aware of any evidence of modern slavery, including forced labor or child labor, nor have we identified any loss of income to vulnerable families in 2023. Consequently, no remedial actions have been deemed necessary in this regard.

Plans for 2024

ONroute plans to undertake the following actions to combat forced and child labour in our business and supply chains:

Areas	Actions
Forced labour and child labour risks	Expand our supplier risk assessments to gain a deeper understanding of potential exposure to forced and child labour risks in our global supply chains.
Due diligence	Incorporate evaluation activities targeting forced labour and child labour risks into periodic supplier review processes.
Remediation of loss of income	Evaluate options for establishing a process to assess if vulnerable families have experienced loss of income due to the steps the Company has taken to combat forced or child labour.

Conclusion

ONroute is 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 2023 reporting year.

Signature: Melanie Teed Murch

Date Signed: May 27, 2024

Full name: Melanie Teed-Murch

Title: Chief Executive Officer

I have the authority to bind ONroute.

This Report was approved by the Board of Directors of ONroute on May 1, 2024.