

## ROYAL HOST INC.

### CODE OF BUSINESS CONDUCT

The term "**Corporation**" refers to Royal Host Inc., the term "**Directors**" refers to the Directors of the Corporation and the term "**Chair**" refers to the Chair of the Directors. The Corporation and its subsidiaries are collectively referred to as "**Royal Host**".

Royal Host will adhere to the highest ethical standards in all of its activities, and all of Royal Host's directors, officers, employees and consultants (collectively "**Royal Host Personnel**") are expected to maintain these standards.

Royal Host and all Royal Host Personnel shall comply with the letter and spirit of all laws and regulations applicable to Royal Host's activities. A concern for what is right must underlie all business decisions.

Ignorance of the law is not, in general, a defence should a law be contravened. Moreover, agreements or arrangements need not necessarily be in writing to be contrary to the law since it is possible for a contravention to be inferred from the conduct of the parties. Accordingly, Royal Host Personnel must diligently ensure that their conduct is not and cannot be interpreted as being in contravention of laws governing the affairs of Royal Host in any jurisdiction where it conducts its activities.

In view of the ever-increasing complexity of the law affecting business activity, whenever Royal Host Personnel are in doubt about the application or interpretation of any legal requirement, the advice of the Chair or if that is not satisfactory, Royal Host's legal counsel should be sought.

1. Royal Host believes that Royal Host Personnel must be treated fairly without unlawful discrimination by reason of race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, disability or any other characteristic protected under applicable human rights legislation.
2. No business operation is considered effective or complete without proper attention to safety, health and the environment.
3. Royal Host Personnel shall not use their status with Royal Host to obtain personal gain from those doing or seeking to do business with Royal Host.
4. Royal Host Personnel shall not furnish, on behalf of Royal Host, expensive gifts or provide excessive benefits to other persons. At times, Royal Host's suppliers may offer gifts, including entertainment. While gifts of cash are never acceptable, Royal Host Personnel may accept nominal gifts on behalf of Royal Host. Acceptable gifts or entertainment are limited to entertainment and sporting event tickets, dinners with clients, customers or suppliers having a value of that is reasonable in the circumstances. If in doubt, consult the Chair for advice in this regard. The direct or indirect use of Royal Host's funds, goods or services as contributions to political parties, campaigns or candidates for election to any level of government requires approval of the Directors.
5. All dealings between Royal Host Personnel and public officials are to be conducted in a manner that will not compromise the integrity or impugn the reputation of any public official or Royal Host.
6. Royal Host Personnel who become involved in a situation in which their personal interests conflict or might conflict with their duties to Royal Host must immediately report the situation to

the Chair.

7. Royal Host Personnel have an obligation to promote the best interests of Royal Host at all times. They should avoid any action that may involve a conflict of interest with Royal Host. Royal Host Personnel should not have any undisclosed, unapproved financial or other business relationships with suppliers, customers or competitors that might impair the independence of any judgement they may need to make on behalf of Royal Host. Conflicts of interest would also arise if a director, officer, employee or consultant, or a member of his or her family, receives improper personal benefits as a result of his or her position with Royal Host.
8. Where conflicts of interest arise, Royal Host Personnel must provide full disclosure of the circumstances to the Directors and not be involved in any related decision making process.
9. Royal Host Personnel must also avoid apparent conflicts of interest, which occur where a reasonable observer might assume there is a conflict of interest and, therefore, a loss of objectivity in their dealings on behalf of Royal Host.
10. Royal Host Personnel are responsible for protecting Royal Host's assets and the Directors, in conjunction with management, are responsible for establishing and maintaining appropriate internal controls to safeguard Royal Host's assets against loss from unauthorized use or disposition.
11. The books and records of Royal Host must reflect in reasonable detail all of its business transactions in a timely, fair and accurate manner in order to, among other things, permit the preparation of accurate financial statements in accordance with generally accepted accounting principles and applicable law. All assets and liabilities of Royal Host must be recorded as necessary to maintain accountability for them. All business transactions must be properly authorized and transactions must be supported by accurate documentation in reasonable detail and recorded properly.
12. No information related to Royal Host or Royal Host Personnel may be concealed from Royal Host's external auditors, the Directors or the Audit Committee. In addition, it is illegal to fraudulently influence, coerce, manipulate or mislead an external auditor who is auditing Royal Host's financial statements.
13. Certain of Royal Host's records, reports, papers, devices, processes, plans, methods and apparatus are considered by Royal Host to be confidential information, and Royal Host Personnel are prohibited from revealing such matters except as may be allowed under Royal Host's Disclosure Policy. Confidential information includes, but is not limited to, technical information, results, observations, analyses, compilations, evaluations, assessments, business or commercial data or plans and investor related data. The term "confidential information" relates to the underlying nature of the information, covering both oral and written information, and is independent of the medium on which the information is stored. It thus covers information stored on paper, various magnetic media, computer, microfiche or any other medium.
14. Subject to any additional obligations or restrictions contained in any agreement between Royal Host and the applicable party, during the course of employment in the case of employees, the term of the consulting contract with Royal Host in the case of consultants and during their term as directors or officers in the case of directors and officers of Royal Host and for period of one year thereafter, directors, officers, employees and consultants shall not use for their own financial gain or disclose for the use of others, confidential information, obtained as a result of their position with Royal Host.
15. Royal Host Personnel must strictly adhere to the terms outlined in Royal Host's Disclosure Policy to ensure compliance with applicable securities laws governing trading in securities of Royal Host while in possession of material non-public information concerning Royal Host, and

tipping or disclosing material non-public information to outsiders and to avoid embarrassment by preventing the appearance of improper trading or tipping.

16. As a publicly traded entity, the Corporation has an obligation to comply with the rules relating to disclosure of material and price sensitive information under the relevant securities legislation and the rules and guidance of the Toronto Stock Exchange.
17. In accordance with the Corporation's disclosure obligations, all financial communications and reports must contain full, fair, accurate, timely and understandable disclosure and be delivered in a manner that facilitates the highest degree of clarity of content and meaning so that readers and users will be able to quickly and accurately determine their significance and consequence. All directors, officers, employees and consultants who are responsible for the preparation of Royal Host's public disclosure, or who provide information as part of the process, have a responsibility to ensure that such disclosure is prepared and information is provided honestly, accurately and in compliance with Royal Host's disclosure controls and procedures.
18. In accordance with Royal Host's Disclosure Policy, any director, officer, employee or consultant in possession of material information must not disclose such information before its public disclosure and must take steps to ensure that the Corporation complies with its timely disclosure obligations.
19. Speculation in business, shares and other securities, land or other ventures of any kind on the basis of confidential information obtained in the course of a director's, officer's, employee's or consultant's duties with Royal Host is prohibited. This includes but is not limited to shares or securities of any company that Royal Host is evaluating or is studying as a possible acquisition or joint venture partner or with whom a major contract may be concluded. Use or disclosure of such information can result in civil or criminal penalties, for both the individuals involved and Royal Host.
20. It is the responsibility of Royal Host Personnel to bring to the attention of Royal Host knowledge of any situation that might adversely affect Royal Host's reputation. Royal Host Personnel are encouraged to report, verbally, or in writing any evidence of improper practice of which they are aware. As used here, the term "improper practice" means any illegal, fraudulent, dishonest, unsafe, negligent or otherwise unethical action by a trustee, director, officer, employee or consultant.
21. Royal Host and Royal Host's directors and officers and Royal Host's employees and consultants shall comply with copyright law and any other laws applicable to the use of computer software, hardware and related materials, as well as with any and all contracts entered into by Royal Host with suppliers or licensors of computer software, hardware and related materials.
22. Any waiver of this Code for Royal Host Personnel may be made only by the Directors and may be disclosed as required by law, regulation or stock exchange requirement. Any amendment of this Code will be disclosed as required by law.

Royal Host Personnel are responsible for abiding by this Code. This includes individuals responsible for the failure to exercise proper supervision and to detect and report a violation by their subordinates. Royal Host Personnel are encouraged to report violations of this Code. Violations of this Code will result in Royal Host taking effective remedial action commensurate with the severity of the violation. This action may include disciplinary measures up to and including termination in the case of a director, employee or officer or termination of the consulting contract in the case of a consultant and, if warranted, legal proceedings. If determined appropriate, a matter may be referred to the appropriate authorities.