

ROYAL HOST INC.

WHISTLEBLOWER POLICY

Introduction

Royal Host Inc. and its subsidiaries (collectively, “**Royal Host**” or the “**Company**”) strives to maintain effective governance and in this context, under the direction of the Audit Committee of the Royal Host Board of Directors, the Whistleblower Policy provides for the confidential receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters.

The Company expects and believes all our employees have a high level of integrity. We seek to create an environment in which communication is encouraged and employees feel free to express their concerns and collect information regarding potential issues.

In this context, the Company has created a process for receiving and handling complaints, reports or concerns where assets of the Company are allegedly being misused or misappropriated or where there may have been irregular or questionable accounting practices or other behavior that is detrimental to the fundamental financial health of the Company and/or is not consistent with our core values. The following are examples, which are not exhaustive:

- Contracts entered into where costs are not competitive and/or have a cost or benefit over and above the fair value of the product or service;
- Purchasing from vendors who offer “other benefits” to Royal Host employees, e.g. a trip to Las Vegas for the employee and family;
- Cash misappropriation or theft of any other property or assets by Royal Host employees;
- Any situation where the employee believes Royal Host’s earnings or distributable cash are being adversely affected by fraudulent activities;
- Fraud or error in the preparation of any financial statement of Royal Host;
- Fraud or error in the recording and maintaining of financial records of Royal Host;
- Deficiencies in or non-compliance with Royal Host’s internal controls;
- Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports (including discussions in quarterly and annual reports filed with the securities commissions) of Royal Host; and
- Deviation from full and fair reporting of Royal Host’s financial condition.

The Company has a process that enables employees to submit information to Royal Host General Counsel (the “Coordinator”) or the Chairperson of the Royal Host Audit Committee in strict confidence or anonymously if they so wish. **If you are not sure if your concern falls within the parameters of this policy, contact the Coordinator who will effect further investigation in the strictest of confidence.**

Procedure

You may submit your concerns through any of the following methods: (1) The Coordinator at Halifax Local: (902) 470-4540 (2) Toll Free Voicemail: (855) 470-4500 (3) E-mail: whistleblower@royalhost.com. If you wish, you may contact the Chairperson of the Audit Committee at E-Mail: audit.committee.chair@royalhost.com.

Concerns or complaints will be promptly investigated and, where necessary, appropriate action taken by the Company. Those who, in good faith, report misconduct using the methods outlined in this policy will not be subject to any retaliation, reprisal or discipline for making the report. Malicious allegations, however, may result in disciplinary action. Any employee subjected to improper retaliation or reprisal should immediately report this action to appropriate Senior Management or to the Chairman of the Audit Committee.

The Whistleblower Policy has been established to deal with situations where there may have been an inappropriate use of Company assets or irregular or questionable accounting practices. Where employees have other issues or concerns, they are directed to report such matters through the normal channels such as their supervisor.