



ESG REPORT 2023

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CEO MESSAGE

I am pleased to present our 2023 Environmental, Social, and Governance (“ESG”) Report. At Diversified Royalty Corp. (the “Company”, “DIV”, “we”, “our” or “us”), we remain committed to leading a responsible business while having a positive socio-economic impact in our communities. We continue to support all of our Royalty Partners and their respective franchise business’ entrepreneurial spirit.

2023 was yet another record year for DIV in terms of adjusted revenues¹. We once again saw strong performances across most of our royalty partners. Mr. Lube + Tires, our largest Royalty Partner, continued to produce strong double-digit growth. Mr. Mikes generated positive growth while Oxford Learning was flat. Royalty partners Nurse Next Door, Sutton and Stratus continued to make their fixed royalty payments. DIV continued to see a decrease in royalty income from AIR MILES®; however, the quarter-over-quarter performance trend indicated the business was beginning to stabilize. Based on the strong overall performance of DIV’s diversified portfolio of royalty streams, DIV increased its dividend from \$0.235 per share to \$0.24 per share on an annualized basis effective January 2023. In addition, in October 2023, we acquired the trademarks and certain other intellectual property used by BarBurrito Restaurants Inc. (“BarBurrito”) in Canada, adding an eighth royalty stream to DIV’s portfolio. Following our royalty transaction with BarBurrito, we increased our dividend from \$0.24 per share to \$0.245 per share on an annualized basis effective November 2023. In addition, we subsequently increased our dividend to \$0.25 per share on an annualized basis in March 2024 based on the continued strength of our diversified portfolio of royalty streams.

We published our inaugural ESG report two years ago. Since that report, we have continued our journey, guided by our ESG strategy, to enhance our corporate practices and policies.

This report highlights the progress we made in 2023 towards our ESG objectives. We continue to support our Royalty Partners to accelerate their respective businesses, and we remain committed to fostering a diverse Board of Directors. In June 2024, to fulfill our prior commitment to increase female representation on our Board of Directors, we welcomed Sherry McNeil (President and Chief Executive Officer of the Canadian Franchise Association) as a second female director to our Board.

As we remain dedicated to the ESG journey that we are on, I want to thank DIV’s employees, our consultants, our Directors and our Royalty Partners for their continued support in fulfilling DIV’s ESG objectives and our ongoing efforts to enhance shareholder value. I look forward to continuing to fulfill DIV’s primary objective of increasing cash flow per share by making accretive royalty purchases and through the growth of purchased royalties.

Sean Morrison,
President & Chief Executive Officer

¹ Adjusted revenue is a non-IFRS financial measure – See “Non-IFRS Measures”.

ABOUT US

DIV is a multi-royalty corporation, engaged in the business of acquiring top-line royalties from well-managed, multi-location businesses and franchisors in North America. DIV's objective is to acquire predictable, growing royalty streams from a diverse group of multi-location businesses and franchisors ("**Royalty Partners**"). DIV's current Royalty Partners are Mr. Lube Canada Limited Partnership ("**Mr. Lube + Tires**"), Air Miles Loyalty Inc. through its operation of the AIR MILES® reward program in Canada ("**AIR MILES®**"), Nurse Next Door Professional Homecare Services Inc. ("**Nurse Next Door**"), Oxford Learning Centres Inc. ("**Oxford**"), Sutton Group Realty Services Ltd. ("**Sutton**"), Mr. Mikes Restaurants Corporation ("**Mr. Mikes**"), SBS Franchising, LLC ("**Stratus**") and BarBurrito Restaurants Inc. ("**BarBurrito**"). DIV's objective is to increase cash flow per share by making accretive royalty purchases and through the growth of purchased royalties. DIV intends to continue to pay a predictable and stable monthly dividend to shareholders and increase the dividend over time, in each case as cash flow per share allows.

We continue to operate solely within an office environment with a small workforce located at our office in Vancouver, British Columbia. Despite our limited operational footprint, we remain committed to addressing ESG issues within our operations and investing activities, and through, among other things, ongoing engagement with our Royalty Partners. DIV is a passive royalty company with no direct control over our Royalty Partners, who independently own and operate their respective businesses. While DIV does not exercise control or influence over the day-to-day activities of the Royalty Partners' businesses, we do support them with strategic and planning services. We also monitor the ongoing ESG risks and opportunities of our Royalty Partners as part of our overall investment monitoring and engagement process.

DIV's ESG considerations include environmental factors such as waste and recycling; social considerations include factors such as community impact, labour management, health and safety, and diversity and inclusion; and governance issues include factors such as business and ethical conduct.

GOVERNANCE

The Board of Directors ("**Board**"), which has the overall responsibility to provide leadership to the Company in support of its commitment to ESG, has delegated to the Governance Nominating and Compensation ("**GNC**") Committee the responsibility of overseeing and ensuring management's implementation of the Company's ESG Policy and the Company's overall approach to ESG. Our Chief Financial Officer champions our ESG strategy with the support of our Corporate Controller and presents the progress on the development of the strategy to the Board on a quarterly basis.

The Board has formalized the lines of accountability for DIV's ESG practices at the Board and Board standing committee level, and the Board mandate and respective charters of the Board standing committees have been updated accordingly.

The GNC Committee reviews and oversees, on behalf of the Board, management's implementation of the Company's overall approach with respect to ESG matters, including:

- i) reviewing and discussing with management the Company's integration of ESG policies, practices and goals into its business strategy and decision making, including monitoring such policies and practices;
- ii) overseeing management's implementation of the Company's ESG Policy; and
- iii) reviewing annually the Company's ESG Policy and making recommendations to the Board with respect to any amendments thereto.

The Audit Committee is responsible for reviewing and discussing with management and the Company's auditors, as appropriate, the Company's guidelines and policies with respect to risk assessment, management and disclosure, including, among other things, the Company's ESG risks, and the steps taken by management to monitor and control those risks. In connection therewith, the Audit Committee is responsible for:

- i) reviewing and discussing with management the Company's implementation of procedures for identifying, assessing, monitoring and managing ESG risks related to the business and affairs of the Company;
- ii) reviewing and discussing with management the Company's ESG reporting; and
- iii) overseeing management's preparation of any ESG report or other ESG disclosure and to recommend to the Board whether or not any such ESG report should be approved by the Board.

The Investment Committee is responsible for:

- i) reviewing all ESG and sustainability considerations in accordance with the Company's ESG Policy related to acquisition opportunities, transaction structuring and due diligence considerations and recommending to the Board approval or rejection of, any proposed acquisition or disposition; and
- ii) providing oversight of management's implementation of the Company's ESG Policy in respect of potential acquisitions and dispositions.

We believe that our ESG governance framework helps to ensure that, as a Company, we are held accountable to our ESG aspirations and have the proper policies, procedures, and practices in place to help us achieve our goals.

In addition to the above, as part of DIV's overall ESG strategy, the Board: (i) ensures the implementation of the Board Diversity Policy through the GNC Committee; (ii) monitors, through the GNC Committee, the Company's Code of Business Conduct and Ethics (the "**Code**"); (iii) provides, through the Investment Committee, oversight of management's implementation of the ESG Policy in respect of potential acquisitions and dispositions; and (iv) facilitates reporting of potential violations or concerns relating to accounting standards and disclosures, internal accounting controls and matters relating to the audit of the Company's financial statements through its Audit Committee Whistleblower Policy.

We are committed to strong governance and responsible business practices. The Code outlines our approach to ethics and integrity and reflects the Company’s commitment to a corporate culture that fosters honesty, mutual respect, integrity and professionalism. Each of the Company’s directors, officers and employees have a responsibility to understand and comply with our Code. In addition, all directors, officers and employees of the Company are expected to perform their work with honesty and integrity in any areas not specifically addressed by the Code. Furthermore, our charters and policies guide the Company as we strive to adhere to the highest business and ethical standards. These documents can be accessed on our website [here](#).

In March 2023, we amended our Audit Committee Whistleblower Policy and GNC Committee Charter to improve the ease of communication for anonymous reporting related to whistleblowing and Code violations. DIV created two new channels: a dedicated telephone number and email address, specifically assigned for anonymous reporting and are only accessible by the respective chairs of the Audit Committee and GNC Committee. Complaints related to suspected violations under the Code are now reported to the Chair of the GNC Committee and complaints relating to accounting matters are now reported to the Chair of the Audit Committee.

RISK MANAGEMENT

Due to the nature of our business, we are particularly focussed on risk monitoring. DIV has a risk management process where risk assessments are performed quarterly. The management team is responsible for developing and monitoring DIV’s risk management policies, and reports quarterly to the Board on its activities including risk responses. Together with the Audit Committee, the Board reviews our identified risks and mitigation actions quarterly. ESG risks are assessed within the same framework in which we manage our business risks. In addition, we will continue monitoring for any changes in ESG standards, compliance and oversight expectations, including climate-related disclosure requirements.

ESG STRATEGIC PRIORITIES

With the support of an external firm, we undertook a materiality exercise in 2022, in accordance with the Global Reporting Initiative (“GRI”) Standards, to identify our top ESG priority areas and guide our ESG strategy and disclosures. During this process, we engaged our Board and management team and performed an in-depth desktop review to understand the ESG topics with the greatest impact to the Company.

This shortlist of material topics is the foundation of our ESG strategy, which we have built around three key pillars, being Environmental Stewardship, Responsible Management and Socio-Economic Impact.

2023 PERFORMANCE HIGHLIGHTS

During the year ended December 31, 2023, we continued to deliver growth while keeping ESG practices top of mind. The key performance highlights are as follows:

- We added one new Royalty Partner, BarBurrito Restaurants Inc. (“BarBurrito”) in October 2023. DIV had 8 Royalty Partners in total as of December 31, 2023;
- ESG related risks and opportunities were considered and presented to our Investment Committee as part of our due diligence process for the BarBurrito;
- Zero complaints through the Code of Business Conduct or Whistleblower Policy;
- Zero losses as a result of legal proceedings associated with fraud, insider trading, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations;
- Zero incidents related to data privacy and security breach;
- \$20,650 in community support to charitable organizations; and
- Our Vancouver office is located in a building that was certified with a WELL Health-Safety Rating².

For more information, please refer to Appendix A – metrics related to the disclosure from GRI; and Appendix B – metrics related to disclosure from the SASB Asset Management & Custody Activities Sustainability Accounting Standard.

The Board announced in its May 11, 2023 Management Information Circular, a firm commitment to add an independent female director nominee to the Board and increase female representation on the Board to 33%. On June 20, 2024, at the Company’s 2024 annual general meeting of shareholders, Sherry McNeil was elected as the Company’s sixth director and second female director.

ENVIRONMENTAL STEWARDSHIP

We operate solely within an office space in Vancouver, British Columbia and with a small workforce of four employees as of December 31, 2023. We seek to address environmental issues primarily through the due diligence process when considering new royalty acquisitions.

RESPONSIBLE MANAGEMENT

Responsible Investing

DIV remains committed to partnering with strong and robust Royalty Partners with experienced management that are in line with our strong governance philosophies of accountability and transparency. Our objective remains the same: to adhere to the highest standards, minimize ESG risks and transparently disclose our performance. We remain committed to practicing responsible investing by incorporating ESG

² WELL Health-Safety Rating scope includes more than 20 features across five action areas. To earn the rating, projects must achieve 15 points across multiple themes, including cleaning and sanitization, emergency preparedness, health service resources, air and water quality, and stakeholder engagement and communication. An annual renewal process validates projects’ ongoing operations and maintenance practices to confirm they are consistently meeting a high standard for health and safety. For more information, refer [here](#).

factors and considerations into our overall investment due diligence and decision-making process. Within our portfolio of existing Royalty Partners, we have a mixed range of governance structures and management practices. Some of our Royalty Partners already have mature and robust ESG frameworks and metrics that they disclose publicly, while other partners are lower on the maturity scale with regards to ESG identification, monitoring and disclosure. Our future potential Royalty Partner investments are expected to be no different.

DIV remains committed to strong engagement and collaboration with our Royalty Partners and disclosure of results to investors and stakeholders alike. We continue to encourage regular and direct engagement with our securityholders, Royalty Partners and other stakeholders. We want to hear their views on the Company and governance matters during and outside of our annual general meetings. Our management team continues to be responsive to questions put forth by directors, securityholders, potential investors, Royalty Partners, employees and other stakeholders.

SOCIO-ECONOMIC IMPACT

We recognize the importance of the indirect impact that our Royalty Partner investments can have on people. By helping our Royalty Partners create value and grow, we indirectly impart value into the local communities and ultimately the greater local economies and society. ESG factors related to human capital are crucial issues for our Royalty Partners as all of them require significant skilled labour. Through our due diligence process, we continue to look for strong social practices from our Royalty Partners that promote the health, safety and well being of their management and employees. Because we share in the well being of our Royalty Partners – their success is our success.

As of December 31, 2023, we had four full-time employees working in our corporate office in Vancouver. We continue to strive to encourage and promote diversity at all levels of our Company from our employees to our Board. Diversity has many dimensions, which can include, among others, ethnicity, race, gender, physical ability, religion, sexual orientation, gender identification and age. Diversity can also extend to work experience, geographic background, socio-economic background and diversity of political thought.

DIV is committed to creating and maintaining a workplace and corporate culture that fosters honesty, mutual respect, integrity and professionalism. In keeping with this commitment, DIV has established a Code of Business Conduct and Ethics Policy to set out the Company's fundamental principles of honesty, loyalty, fairness and forthrightness. Our Code of Conduct strives to deter wrongdoing and promote the following objectives:

1. honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
2. full, fair, accurate, timely and transparent disclosure;
3. compliance with the applicable government and self-regulatory organization laws, rules and regulations;
4. prompt internal reporting of Code violations; and
5. accountability for compliance with the Code of Conduct

We believe that properly managing employee compensation is paramount to ensure the Company's benefit programs are aligned with effective risk management and that employees are fairly and equitably

compensated for their skills, experience and performance.

In addition, in 2023, DIV retained Lane Caputo as the Company's external independent compensation advisor in reviewing executive management and Board compensation. DIV believes that reviewing compensation in this way helps to create sustainable shareholder value over the long term. Furthermore, on September 13, 2023, DIV launched an employee donation matching program designed to encourage and support our employee's charitable contributions by matching employee donations to eligible Canadian non-profit organizations up to a maximum of \$1,000 per employee per calendar year. Finally, DIV supported local entrepreneurs and franchisors by sponsoring, in 2023, the International Franchise Association, the Restaurant Finance & Development Conference, and the Franchise Unconference.

ABOUT THIS REPORT

This ESG Report 2023 (this "**report**") is dated as of November 13, 2024 and, unless otherwise stated, covers our ESG performance for the period January 1, 2023 to December 31, 2023. All facts and figures are as of December 31, 2023, and all financial data and references to currency are in Canadian dollars unless stated otherwise in United States dollars ("**US\$**").

This report outlines ESG topics identified as important to DIV and its stakeholders, in addition to our approach, performance, and achievements related to our ESG priorities. While we have tailored this report to meet the needs of many of our stakeholder groups, our primary focus is on investors and analysts interested in our ESG policies, practices, and performance. Additional information and relevant policies and disclosures can be found on our corporate website linked below:

- [Board Mandate](#)
- [Audit Committee Charter](#)
- [Audit Committee Whistleblower Policy](#)
- [Governance, Nominating and Compensation Committee Charter](#)
- [Investment Committee Charter](#)
- [Majority Voting Policy](#)
- [Code of Business Conduct and Ethics](#)
- [Board Diversity Policy](#)
- [Environmental Social and Governance Policy](#)
- [Disclosure Policy](#)

For any questions, comments or concerns relating to this report or ESG at DIV, please reach out to us at info@diversifiedroyaltycorp.com.

APPENDIX A – GRI CONTENT INDEX

GRI 102: General Disclosures		
Number	Disclosure Title	Response
102-1	Name of the organization	Diversified Royalty Corp.
102-2	Activities, brands, products, and services	See <i>About Us</i> in the Company's 2023 ESG Report
102-3	Location of headquarters	Suite 330 - 609 Granville Street, Vancouver, BC, V7Y 1A1, Canada
102-4	Location of operations	See <i>About Us</i> in the Company's 2023 ESG Report
102-6	Markets served	See <i>About Us</i> in the Company's 2023 ESG Report
102-7	Scale of the organization	See <i>About Us</i> in the Company's 2023 ESG Report
102-8	Information on employees and other workers	See the Company's website - About Diversified
102-14	Statement from senior decision-maker	See <i>CEO Message</i> in the Company's 2023 ESG Report
102-15	Key impacts, risks, and opportunities	See <i>Risk Management</i> in the Company's 2023 ESG Report
102-16	Values, principles, standards, and norms of behavior	See <i>Governance</i> in the Company's 2023 ESG Report
102-17	Mechanisms for advice and concerns about ethics	See the Company's website - Code of Business Conduct and Ethics and Audit Committee - Whistleblower Policy
102-18	Governance structure	See the Company's website - Corporate Governance and Management Information Circular
102-19	Delegating authority	See <i>Governance</i> in the Company's 2023 ESG Report and the Company's website - ESG Policy and Management Information Circular
102-20	Executive-level responsibility for economic, environmental, and social topics	See <i>Governance</i> in the Company's 2023 ESG Report and the Company's website - ESG Policy and Management Information Circular
102-21	Consulting stakeholders on economic, environmental, and social topics	See <i>ESG Strategic Priorities</i> in the Company's 2023 ESG Report
102-22	Composition of the highest governance body and its committees	See the Company's website - About Diversified – Board of Directors
102-23	Chair of the highest governance body	See the Company's website - About Diversified – Board of Directors
102-24	Nominating and selecting the highest governance body	See the Company's website - Governance, Nominating and Compensation Committee Charter and Management Information Circular
102-25	Conflicts of interest	See the Company's website - Code of Business Conduct and Ethics and Management Information Circular
102-26	Role of highest governance body in setting purpose, values, and strategy	See the Company's website - Board of Director's Mandate and Management Information Circular
102-27	Collective knowledge of highest governance body	See the Company's website - About Diversified – Board of Directors
102-29	Identifying and managing economic, environmental, and social impacts	See <i>ESG Strategic Priorities</i> in the Company's 2023 ESG Report and the Company's website - ESG Policy
102-30	Effectiveness of risk management process	See <i>Risk Management</i> in the Company's 2023 ESG Report and the Company's website - ESG Policy
102-31	Review of economic, environmental, and social topics	See <i>ESG Strategic Priorities</i> in the Company's 2023 ESG Report and the Company's website - ESG Policy
102-32	Highest governance body's role in sustainability reporting	See <i>Governance</i> in the Company's 2023 ESG Report and the Company's website - ESG Policy

102-33	Communicating critical concerns	See <i>About this Report</i> in the Company's 2023 ESG Report
102-34	Nature and total number of critical concerns	No critical concerns identified – see <i>Performance Highlights</i> in the Company's 2023 ESG Report
102-35	Remuneration policies	See the Company's website - Management Information Circular
102-36	Process for determining remuneration	See the Company's website - Management Information Circular
102-37	Stakeholder involvement in remuneration	See the Company's website - Management Information Circular
102-38	Annual total compensation ratio	See the Company's website - Management Information Circular
102-45	Entities included in the consolidated financial statements	See the Company's website – Annual Information Form
102-46	Defining report content and topic boundaries	See <i>ESG Strategic Priorities</i> in the Company's 2023 ESG Report and <i>About this Report</i> in the Company's 2023 ESG Report
102-47	List of material topics	See <i>ESG Strategic Priorities</i> in the Company's 2023 ESG Report and <i>About this Report</i> in the Company's 2023 ESG Report
102-50	Reporting period	See <i>Appendix A</i> in the Company's 2023 ESG Report
102-51	Date of most recent report	See <i>Appendix A</i> in the Company's 2023 ESG Report
102-52	Reporting cycle	Annual reporting
102-53	Contact point for questions regarding the report	Email: info@diversifiedroyaltycorp.com
102-55	GRI content index	See <i>Appendix A</i> in the Company's 2023 ESG Report
GRI 103: Management Approach		
Number	Disclosure Title	Response
103-1	Explanation of the material topic and its boundary	See <i>ESG Strategic Priorities</i> in the Company's 2023 ESG Report and <i>About this Report</i> in the Company's 2023 ESG Report
103-2	The management approach and its components	See <i>Responsible Management</i> in the Company's 2023 ESG Report
103-3	Evaluation of the management approach	See <i>Responsible Management</i> in the Company's 2023 ESG Report
GRI 201: Economic Performance		
Number	Disclosure Title	Response
201-1	Direct economic value generated and distributed	See the Company's website - Annual Financial Statements See the Company's website – Management Discussion and Analysis See the Company's website – Dividend Information
GRI 403: Occupational Health & Safety		
Number	Disclosure Title	Response

403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	See the Company's website - Code of Business Conduct and Ethics
403-8	Workers covered by an occupational health and safety management system	See the Company's website - Code of Business Conduct and Ethics
GRI 404: Training and Education		
Number	Disclosure Title	Response
404-1	Average hours of training per year per employee	See <i>Performance Highlights</i> in the Company's 2023 ESG Report and the Company's website - Code of Business Conduct and Ethics
GRI 405: Diversified and Equal Opportunity		
Number	Disclosure Title	Response
405-1	Diversity of governance bodies and employees	See the Company's website - Board Diversity Policy and see <i>Socio-Economic Impact – Talent Diversity and Development</i> in the Company's 2023 ESG Report
GRI 406: Non-Discrimination		
Number	Disclosure Title	Response
406-1	Incidents of discrimination and corrective actions taken	See <i>Performance Highlights</i> in the Company's 2023 ESG Report

APPENDIX B – SASB CONTENT INDEX

SASB – Asset Management & Custody Activities Industry		
Number	Disclosure Title	Response
FN-AC-000.A	Total registered assets under management (AUM)	See the Company's website - 2023 Audited Year End Financials
FN-AC-000.B	Total assets under custody and supervision	See the Company's website - 2023 Audited Year End Financials
FN-AC-270a.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	See <i>Performance Highlights</i> in the Company's 2023 ESG Report and Management Information Circular
FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customers	See <i>Performance Highlights</i> in the Company's 2023 ESG Report
FN-AC-270a.3	Description of approach to informing customers about products and services	See <i>Investor Positioning</i> in the Company's 2023 ESG Report
FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	See the Company's website - Majority Voting Policy and Management Information Circular
FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	See <i>Performance Highlights</i> in the Company's 2023 ESG Report
FN-AC-510a.2	Description of whistleblower policies and procedures	See the Company's website - Audit Committee - Whistleblower Policy and Code of Business Conduct and Ethics

DISCLAIMER

This report is not intended to form the basis of any investment decision and should not be considered as a recommendation by the Company or any other person in relation to the Company's business or the securities of the Company. This report is not, and nothing in it should be construed as, an offer, invitation or recommendation in respect of the securities of the Company, or an offer, invitation or recommendation to sell, or a solicitation of an offer to buy, any of the Company's securities in any jurisdiction. Neither this report nor anything in it shall form the basis of any contract or commitment by or on behalf of the Company. This report is not intended to be relied upon as advice to readers or potential investors and does not take into account the investment objectives, financial situation or needs of any reader or investor. All readers and investors should consider such factors in consultation with a professional advisor of their choosing when deciding if an investment in securities of the Company is appropriate.

FORWARD LOOKING STATEMENTS

This report contains "forward-looking information" with respect to the Company within the meaning of applicable securities laws, including information with respect to the Company's business operations, strategy, goals, plans and objectives of or involving the Company. While management believes that the expectations reflected in such forward-looking information is reasonable and represent the Company's internal expectations and belief as of the date of the release of this report, there can be no assurance that such expectations will prove to be correct as such forward-looking information involves unknown risks and uncertainties beyond the Company's control which may cause its actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward looking information. Forward-looking information generally can be identified by the use of the words "may", "could", "should", "will", "intend", "plan", "estimate", "anticipate", "believe" or "continue", or the negative thereof or similar variations. Forward-looking statements in this report include statements with respect to the Company's expectations, goals, targets and initiatives related to ESG and its intended strategies for achieving same and other business objectives. Forward-looking information are based on a number of key expectations and assumptions made by the Company, including, without limitation the expectations and assumptions outlined in the Company's MD&A and annual information form for the year ended December 31, 2023 and the Company's most recently filed interim MD&A, a copy of each of which is filed electronically through SEDAR+ and is available online at www.sedarplus.com. Although the forward-looking information contained in this report is based on what the Company's management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with such forward-looking information. Forward-looking information involves significant risks and uncertainties and should not be read as guarantees of future performance or results. There is no guarantee the Company will be successful in achieving or implementing, as applicable, any of its ESG or other business expectations, goals, targets or initiatives disclosed in this report. Risks and other factors that could cause actual results to differ materially from the Company's expectations are outlined in the Company's MD&A and annual information for the year ended December 31, 2023, as well as the Company's most recently filed interim MD&A. Readers are cautioned that the foregoing risks and uncertainties are not exhaustive. Forward-looking information

reflects management's current beliefs and are based on information currently available to the Company. Unless otherwise indicated, the forward-looking information in this report is made as of the date of this report and, except as required by applicable law, will not be publicly updated or revised. This cautionary statement expressly qualifies the forward-looking information in this report. By the issuance of this report, the Company is not making any representation or warranty, express or implied, as to the fairness, accuracy, correctness, completeness or reliability of the information, opinions or conclusions expressed herein.

THIRD PARTY INFORMATION

This report includes information obtained from third party company filings and reports and other publicly available sources as well as financial statements and other reports provided to the Company by its Royalty Partners. Although DIV believes these sources to be generally reliable, such information cannot be verified with complete certainty. Accordingly, the accuracy and completeness of this information is not guaranteed. DIV has not independently verified any of the information from third party sources referred to in this report nor ascertained the underlying assumptions relied upon by such sources.

NON-IFRS MEASURES

Readers are advised that Company has included non-IFRS financial measures that are historical and supplementary financial measures in this report. Management believes that disclosing certain non-IFRS financial measures and supplementary financial measures provides readers of this report with important information regarding the Company's financial performance and the performance of its Royalty Partners. The non-IFRS financial measures and supplementary financial measures do not have standardized meanings prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other issuers. Readers are cautioned that non-IFRS measures and supplementary financial measures should not be construed as a substitute or an alternative to net income or cash flows from operating activities as determined in accordance with IFRS.

"Adjusted Revenues" is a non-IFRS financial measure and does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. The most comparable IFRS measure to Adjusted Revenues on the Company's financial statements is royalty income. For further details, refer to the subsection entitled "Non-IFRS Financial Measures" under "Description of Non-IFRS Financial Measures, Non-IFRS Ratios and Supplementary Financial Measures" in the Company's MD&A for the year ended December 31, 2023 and the Company's most recently filed interim MD&A a copy of each of which is filed electronically through SEDAR+ and is available online at www.sedarplus.com.

"System Sales" is a supplementary financial measure and does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. For further details, refer to the subsection entitled "Supplementary Financial Measures" under "Description of Non-IFRS Financial Measures, Non-IFRS Ratios and Supplementary Financial Measures" in

the Company's MD&A for the year ended December 31, 2023 and the Company's most recently filed interim MD&A a copy of each of which is filed electronically through SEDAR+ and is available online at www.sedarplus.com.