



POLICY REGARDING DIVERSITY ON THE
BOARD OF DIRECTORS AND IN
EXECUTIVE OFFICER POSITIONS AND
MECHANISMS FOR BOARD RENEWAL
Dated August 6, 2020

TABLE OF CONTENTS

	Page
I. PURPOSE	2
II. POLICY STATEMENT.....	2
III. BOARD APPOINTMENTS.....	3
IV. MECHANISMS OF BOARD RENEWAL.....	4
V. EXECUTIVE OFFICER APPOINTMENTS.....	4
VI. SUCCESSION PLANNING	5
VII. REVIEW	5
VIII. DISCLOSURE POLICY	5

I. PURPOSE

This diversity policy (the “**Policy**”) adopted by the Board of Directors (the “**Board**”) of Nomad Royalty Company Ltd. (“**Nomad**” or the “**Corporation**”) sets out the Corporation’s approach to achieving and maintaining diversity on for all positions, including Board and executive officer positions, with an emphasis on gender diversity

In this Policy the term:

- (a) “Aboriginal peoples” means persons who are Indians, Inuit or Métis;
- (b) “Director” means a member of the Corporation’s Board;
- (c) “Executive Officer” means an individual who is (a) a Chair, Vice-chair or President, (b) a Chief Executive Officer, a Chief Financial Officer or a Chief Investment Officer, (c) a Vice-President in charge of a principal business unit, division or function including, sales, finance or production, or (d) performing a policy-making function in respect of the Corporation;
- (d) “members of visible minorities” means persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour; and
- (e) “persons with disabilities” means persons who have a long-term or recurring physical, mental, sensory, psychiatric or learning impairment and who: (a) consider themselves to be disadvantaged in employment by reason of that impairment, or (b) believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of that impairment, and includes persons whose functional limitations owing to their impairment have been accommodated in their current job or workplace.

II. POLICY STATEMENT

The Corporation believes that Director nominations and Executive Officer appointments should be based on merit and remains committed to selecting the best persons to fulfill these roles. At the same time, the Corporation recognizes that diversity is important in ensuring that the profiles of Directors and Executive Officers provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management of the Corporation. The Corporation believes that diversity is a business, social and ethical imperative and that persons with whom the Corporation does business expect the Corporation to foster and maintain an inclusive workplace.

The ability to draw on a wide range of viewpoints, backgrounds, skills and experiences is critical to the Corporation’s success. Diversity helps ensure that a variety of perspectives are brought to bear on issues, while enhancing the likelihood that proposed solutions will be nuanced and comprehensive. The Corporation believes that diversity is an important

attribute of a well-functioning Board and an efficient team of Executive Officers. The Corporation further believes that building a diverse Board and team of Executive Officers is a critical step in fostering a diverse and inclusive culture for all employees of the Corporation and its subsidiaries.

The Corporation recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role that women with appropriate and relevant skills and experience can play in contributing to the diversity of perspectives on the Board and in Executive Officer positions. The Corporation also recognizes that women are often under-represented in leadership positions.

The Board further believes that Directors with a strong familiarity with the Corporation and its business and history are an essential part of a well-functioning Board. At the same time, the Board believes that new perspectives are important to advancing the Corporation's vision of being a world-class gold and silver streams and royalties company.

III. BOARD APPOINTMENTS

Subject to any investor rights agreement or similar agreements which may exist from time to time between the Corporation and certain shareholders (the "**Investor Agreements**"), the Governance, Human Resources, Nominating and Compensation Committee (the "**GHRC Committee**") is responsible for recommending qualified persons for Board nominations who possess the competencies, skills, business and financial experience, expertise, leadership and level of commitment required of a Director.

The GHRC Committee has developed a set of criteria for Board membership that strives to achieve a diversity of backgrounds and skills for the Board.

In the process of searching for qualified persons to serve on the Board, the GHRC Committee strives for the inclusion of diverse groups, knowledge and viewpoints. To accomplish this, the GHRC Committee may retain an executive search firm to help meet the Board's diversity objectives. In connection with its efforts to create and maintain a diverse Board, the GHRC Committee:

- (a) develops recruitment protocols that seek to include diverse candidates in any Director search. These protocols take into account that qualified candidates may be found in a broad array of organizations;
- (b) periodically reviews Board recruitment and selection protocols to ensure that diversity remains a component of any Director search; and
- (c) in order to support diversity, including the specific objective of gender diversity, considers the level of representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities on the Board in identifying and nominating candidates for election and re-election to the Board.

The Corporation aspires towards a Board composition in which women, Aboriginal peoples, persons with disabilities and members of visible minorities comprises at least 30% of the independent Directors by 2022.

IV. MECHANISMS OF BOARD RENEWAL

Subject to the Investor Agreements, directors are eligible to serve a maximum of 10 years on the Board assuming:

- (a) the Director has received positive annual performance assessments;
- (b) the GHRC Committee believes it is in the best interests of the Corporation that the Director continue to serve on the Board; and
- (c) the Director is annually re-elected by the Corporation's shareholders by receiving a greater number of votes "for" from his or her election than votes "withheld" for such election.

On a case-by-case basis, and on the recommendation of the GHRC Committee, the Board may extend a Director's initial 10 year term limit by up to an additional 3 years in one-year increments, with a view to factors IV(a) through IV(c) above, or any other factors that the GHRC Committee deems material.

V. EXECUTIVE OFFICER APPOINTMENTS

In respect of the nomination of Executive Officers, the GHRC Committee:

- (a) considers candidates who are highly qualified based on their experience, education, expertise, personal qualities and general and sector-specific knowledge;
- (b) reviews potential candidates from a variety of backgrounds and perspectives, with the Corporation's diversity objectives in mind including, without limiting the generality of the foregoing, the specific objective of gender diversity; and
- (c) considers the level of representation of women, Aboriginal peoples, persons with disabilities or members of visible minorities in Executive Officer positions when making Executive Officer nominations.

The Corporation aspires to have approximately 30% of women, Aboriginal peoples, persons with disabilities or members of visible minorities in Executive Officer positions by 2022.

VI. SUCCESSION PLANNING

The GHRC Committee will consider diversity, Board renewal and this Policy when carrying out its management-succession planning responsibilities, including the appointment, training and monitoring of senior management.

VII. REVIEW

On a periodic basis, the GHRC Committee:

- (a) assesses the effectiveness and contribution of each Director on the Board;
- (b) assesses the effectiveness of the nomination and/or appointment processes in achieving the Corporation's diversity objectives outlined in this Policy;
- (c) measures the annual and cumulative progress in achieving its diversity targets;
- (d) assesses the tools used to identify and recruit new candidates for nomination to the Board, taking into account this Policy;
- (e) reviews best practices with respect to methods for attaining and maintaining diversity on Boards and in Executive Officer positions;
- (f) reviews this Policy, including an assessment of the effectiveness of this Policy, and recommends any changes to this Policy to the Board;
- (g) monitors the implementation of this Policy; and
- (h) reviews, monitors, measures and assesses such other factors as it deems appropriate to encourage diversity, Board renewal and compliance with best practices in corporate governance.

VIII. DISCLOSURE POLICY

Executive Officers will report annually to the GHRC Committee on its diversity targets, including:

- (a) Women, Aboriginal peoples, persons with disabilities or members of visible minorities Gender distribution of the employee;
- (b) Corporate participation on initiatives (internal and external) to promote diversity targets; and
- (c) The current trends in diversity programs.

The Corporation will include adequate disclosure in its management information circular regarding its diversity policy, including all disclosure required by applicable laws.

This Policy was approved by the Board of Directors on August 6, 2020.