

## **DRI HEALTHCARE TRUST**

### **INSIDER TRADING POLICY**

#### **Objective and Scope**

Securities and corporate law prohibit trustees, officers and any person in a special relationship with DRI Healthcare Trust (the “**Trust**”) and its subsidiaries from buying or selling securities of the Trust while having “Material Non-Public Information” or “**MNPI**”. These laws also prohibit MNPI from being passed on to others (including to a spouse, relative or friend) (commonly referred to as “tipping”). Also, trustees and executive officers of DRI, as well as certain personnel of DRI Capital Inc. (the “**Manager**”), are subject to insider reporting obligations under Canadian securities laws.

This policy has been developed to ensure that trustees and executive officers of the Trust, and personnel of the Manager, are aware of their responsibilities under applicable securities laws and stock exchange rules, to assist them in complying with such laws and rules and to ensure that such persons act, and are perceived to act, in accordance with applicable laws and the highest standards of ethical and business conduct. This policy not intended to be a complete and exhaustive description of all insider trading requirements that may be applicable. Ultimate responsibility for compliance with insider trading requirements rests with each individual.

This policy is divided into two parts:

- Part A applies to the trustees and executive officers of the Trust, and to the directors, officers and employees of the Manager designated by the CEO or CFO from time-to-time.
- Part B sets out additional requirements for the trustees and executive officers of the Trust and such personnel of the Manager who are subject to insider reporting obligations.

#### **Material Non-Public Information**

“Material Non-Public Information” or “MNPI” means Material Information (as defined below) about the Trust or another company or entity that has not been generally disclosed. Material Information is considered to be generally disclosed when it has been publicly disclosed in a manner calculated to effectively reach the marketplace, and public investors have been given a reasonable amount of time to analyze the information.

“**Material Information**” may be either:

- (a) A “material fact”, being a fact in relation to the Trust or another company or entity that would reasonably be expected to have a significant effect, either favourably or unfavourably, on the market price or value of its securities; or
- (b) a “material change”, being either a change in the business, operations or capital of the Trust or another company or entity that would reasonably be expected to have a significant effect, either favourably or unfavourably, on the market price or value of its securities, or the making of a decision to implement such a change.

Information will also generally be considered to be Material Information if a reasonable investor would consider it to be important in deciding whether to buy, sell or hold securities of the Trust or another company or entity, as applicable. It is not always clear what information is material, and as a result, care should be taken with all information relating to the Trust, and when in doubt, directors, officers and

employees should always consult the Chief Compliance Officer of the Manager or the Trust's CFO. Please refer to Exhibit 1 for examples of types of events or information that could be considered material.

### **Enforcement of this Insider Trading Policy**

The Trust will remind its trustees and executive officers, as well as personnel of the Manager, of the provisions of this policy and its importance periodically, at least once per year and in certain cases more frequently. The Trust may require any such person to certify personally that he or she has complied with this policy. All trustees and executive officers of the Trust, and certain personnel of the Manager, shall participate from time to time, as the CEO or CFO determines to be necessary, in training sessions to help ensure that they understand the terms of this policy.

### **Consequences of Non-Compliance**

Violations of this policy can be a violation of securities laws and/or result in reputational harm to the Trust or the Manager. If the Trust or the Manager discovers a violation of securities laws, it may refer the matter to the appropriate regulatory authorities. In addition, disciplinary action may be brought against anyone who violates the policy which could result in termination for cause of employment or position.

The prohibitions against insider trading and tipping under applicable securities laws can be enforced through a wide range of penalties, including:

- fines and penalties, including criminal penalties;
- civil actions for damages by persons who bought or sold securities of the Trust;
- an accounting to the Trust for any benefit or advantage received; and
- administrative sanctions by securities commissions, such as cease trade orders and removal of exemptions.

Late filing of insider reports gives rise to penalties in Ontario, Manitoba, British Columbia and Quebec. Fees for late filing of insider reports vary from jurisdiction to jurisdiction, and currently can be as high as \$100 for each calendar day that the insider report is late subject to a maximum of \$5,000 within any one year.

Questions regarding this policy should be directed to the Chief Compliance Officer of the Manager or the Trust's CFO.

**DATED** February 13, 2023.

## PART A

### RESTRICTIONS ON TRADING AND TIPPING

Part A applies to the trustees and executive officers of the Trust, and the directors, officers and employees of the Manager designated by the CEO or CFO from time-to-time. If a trade in securities becomes the subject of scrutiny for any reason, all trades will be viewed after-the-fact with the benefit of hindsight. Before engaging in any trade, you should carefully consider how the trade may be construed with the benefit of hindsight.

#### Rules

- A1. ***No trading while in possession of MNPI*** – Anyone having knowledge of MNPI respecting:
- (a) the Trust, is prohibited from trading in securities of the Trust; or
  - (b) any public company or entity which the Trust proposes to acquire or merge with or with which the Trust regularly does business (in each case, an “**Other Entity**”), is prohibited from trading in the Other Entity’s securities for a period ending one full business day after the day the Material Information has been generally disclosed to the public.
- A2. ***No tipping of MNPI to anyone*** – Anyone having knowledge of MNPI respecting:
- (a) the Trust; or
  - (b) an Other Entity,
- is prohibited from informing anyone (including spouses, relatives and friends) of such Material Non-Public Information, except in the necessary course of business, for a period ending one full business day after the day the Material Information has been disclosed to the public. What constitutes disclosure in the “necessary course of business” is limited. Exhibit 2 sets out examples of the kinds of disclosure which may be considered to be in the necessary course of business.
- A3. ***No short-term speculative trading in securities of the Trust*** – Purchases of securities of the Trust should be for investment purposes only and not short-term speculation. Therefore, employees should not buy securities of the Trust with the intention of reselling them within a short timeframe or sold with an intention of buying securities of the Trust within a short timeframe. However, this rule does not apply to the sale of the Trust’s securities shortly after they were acquired pursuant to the exercise of stock options or other equity entitlements granted under its equity compensation plans.
- A4. ***No short sales of securities of the Trust*** – The sale of the Trust’s securities which are not owned or fully paid for at the time of sale is prohibited. However, this rule does not apply to the Trust’s trustees and executive officers where the sale occurs in connection with the exercise of a stock option granted under the Trust’s equity compensation plans and the number of securities acquired on such exercise equals or exceeds the number of securities sold.
- A5. ***Prohibitions on “calls” and “puts” of securities of the Trust*** – Certain trading in options to acquire or sell the Trust’s securities is prohibited. The sale of a “call” on the Trust’s securities (i.e. giving someone else the right to buy the Trust’s securities at a pre-established price on a later

date) or buying a “put” on the Trust’s securities (i.e., acquiring the right to sell the Trust’s securities to someone else at a pre-established price on a later date) is prohibited.

- A6. ***Avoid holding securities of the Trust in margin accounts*** – Securities held in a margin account with a broker may be sold without the account-holder’s consent in the event of a margin call. The Trust’s executive officers and trustees should take steps to avoid the risk that a margin call results in the sale of the Trust’s securities at a time when an individual has knowledge of MNPI or is otherwise prohibited from trading. Executive officers and trustees of the Trust, and certain personnel of the Manager as designated by the CEO or the CFO from time-to-time, should not hold securities of the Trust in an investment account in which there is an outstanding margin loan.
- A7. ***No fraudulent trading or market manipulation respecting securities of the Trust*** – It is prohibited to directly or indirectly engage or participate in any act, transaction, trading method or other practice, or course of conduct that an individual knows or ought reasonably to know (i) results in or contributes to a misleading appearance of trading activity in, or on an artificial price for, securities of the Trust; or (ii) perpetrates a fraud on any person or company.
- A8. ***Blackout periods*** – To protect the Trust, and its trustees and executive officers, certain periods when the Trust’s executive officers and trustees are prohibited to trade in securities of the Trust are designated, generally close to times that financial results will be released. Trading is prohibited in the following “blackout” periods:
- (a) *Quarterly* – during the period commencing with the first day of each new quarter and ending one full business day after the release of the interim financial results for the previous quarter;
  - (b) *Annual* – during the period commencing on January 1<sup>st</sup> and ending one full business day after the release of the annual financial results; and
  - (c) *Special* – after the receipt of a notice from the Chief Compliance Officer of the Manager or the CFO of the Trust of an instruction not to trade until further notice is given. Note that the fact that a special blackout period is in effect may itself constitute Material Information or information that may lead to rumours and must be kept confidential.
- A9. ***Transactions in related financial instruments*** – Not only do the above rules apply to units and other securities of the Trust (or in some cases shares and other securities of another public company or entity as noted above), but Rules A1, A6, A7 and A8 also apply to options to purchase the Trust’s securities and other derivatives.

## **Exceptions**

1. The exercise of an option granted under the Trust’s omnibus equity incentive plan is exempt from rules A1 and A8, but any sale of the securities acquired upon exercise must comply with all of rules A1 through A8.

## **General**

1. Executive officers and trustees of the Trust, and personnel of the Manager, may consult the Chief Compliance Officer of the Manager or the CFO of the Trust, if they are unsure whether they may trade in a given circumstance, and are encouraged to do so if they are at all unclear about the application of this policy to their particular circumstance.

2. Individuals should not promote or discourage people outside of the Trust from investing in the Trust, unless authorized to do so under the Trust's Disclosure Policy.
3. Where MNPI is disclosed in the necessary course of business, care should be taken to ensure that the recipient understands and accepts their obligations under securities laws respecting prohibitions on trading or tipping while in possession of such Material Non-Public Information. This can be done by having the recipient acknowledge that they will comply with securities laws respecting insider trading and by putting a provision to that effect in the confidentiality agreement which such recipient has entered into with the Trust.
4. For purposes of the prohibition against tipping of MNPI to anyone in rule A2, "anyone" includes a spouse, children, parents, siblings and other relatives and friends. This restriction is necessary in order to protect the Trust from inadvertent leaks of MNPI and to protect the disclosing individual, as well as such persons, from violating securities law.
5. Notwithstanding that a trustee or executive officer ceases to hold any position with the Trust, or that a director, officer or employee ceases to hold any position with the Manager, under Canadian securities laws, such an individual continues to be subject to the prohibitions in rules A1 and A2. The Trust recommends that the person should consult with the Chief Compliance Officer of the Manager or the CFO of the Trust if unclear as to whether he or she remains in possession of Material Non-Public Information.

## PART B

### INSIDER REPORTING

Part B applies only to the trustees and executive officers of the Trust and certain other directors, officers and employees of the Manager, as designated by the Chief Compliance Officer of the Manager or the Trust's CFO as being subject to insider reporting obligations (collectively, the "**Reporting Insiders**").

A "**Reporting Insider**" means an insider of the Trust if the insider is:

- (a) the CEO, CFO or COO of the Trust, of a significant unitholder of the Trust or of a major subsidiary of the Trust;
- (b) a trustee of the Trust, a director of a significant unitholder of the Trust or of a major subsidiary of the Trust;
- (c) a person or company responsible for a principal business unit, division or function of the Trust;
- (d) a significant unitholder of the Trust;
- (e) a significant unitholder based on post-conversion beneficial ownership of the Trust's securities and the CEO, CFO, COO and every director of the significant unitholder based on post-conversion beneficial ownership;
- (f) a management company (such as the Manager) that provides significant management or administrative services to the Trust or a major subsidiary of the Trust, every director of the management company, every CEO, CFO and COO of the management company, and every significant shareholder of the management company;
- (g) an individual performing functions similar to the functions performed by any of the insiders described in paragraphs (a) to (f);
- (h) the Trust itself, if it has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security; or
- (i) any other insider that
  - (ii) in the ordinary course receives or has access to information as to material facts or material changes concerning the Trust before the material facts or material changes are generally disclosed; and
  - (iii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the Trust.

A "**significant unitholder**" means a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, or a combination of beneficial ownership of, and control or direction over, whether direct or indirect, securities of the Trust carrying more than 10 per cent of the voting rights attached to all the Trust's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution.

## Rules

- B1. ***Approvals for trades in securities and derivatives of the Trust*** – Reporting Insiders are strongly encouraged to seek the approval of the Chief Compliance Officer of the Manager or the Trust’s CFO, by submission of a Notice of Intention to Trade in Securities in the form attached as Exhibit 3, before trading securities of the Trust or acquiring, disposing of, entering into, modifying or terminating a Related Financial Instrument. The CFO of the Trust should not trade securities of the Trust or acquire, dispose of, enter into, modify or terminate a Related Financial Instrument without the approval of the CEO of the Trust, also by authorization under a Notice of Intention to Trade in Securities.

**“Related Financial Instrument”** means:

- (a) an instrument, agreement or security the value, market price or payment obligations of which are derived from, referenced to or based on the value, market price or payment obligations of a security of the Trust;
  - (b) any other instrument, agreement or understanding that affects, directly or indirectly, a person’s economic interest in a security of the Trust; and
  - (c) any agreement, arrangement or understanding which affects the extent to which the person’s economic or financial interests are aligned with those of the Trust.
- B2. ***Filing of initial reports*** – An individual who becomes a Reporting Insider must file an insider profile and an initial insider report within 10 calendar days of becoming a Reporting Insider.
- B3. ***Filing of subsequent reports*** – Reporting Insiders must file:
- (a) an insider report to reflect any change in beneficial ownership of, or control or direction over, whether direct or indirect, of the Trust’s securities or any change in an interest in, right or obligation associated with a Related Financial Instrument, within five calendar days of such change; and
  - (b) an amended insider profile to reflect any change in the information contained in the Reporting Insider’s most recent insider profile, prior to filing their next insider report or, in the case of a change to the Reporting Insider’s relationship to the Trust, within 10 calendar days of such change.

## Exceptions

1. The receipt of a grant of securities, rights, restricted share units, restricted units, deferred share units or other equity-based award under the Trust’s omnibus equity incentive plan is exempt from rules B1 and B3, provided that:
- (a) the Trust filed an issuer grant report on the System for Electronic Disclosure by Insiders (“SEDI”) providing details about the awards made to recipients who were Reporting Insiders at the time of the report; and
  - (b) the Reporting Insider files a report providing details respecting such grants no later than the earlier of:

- (i) March 31 of the following year; and
- (ii) the fifth calendar day following a disposition or transfer of the Trust's securities, unless the disposition or transfer is a necessary incidental part of the operation of the plan (such as an automatic sale made to satisfy tax withholding obligations under the plan).

### **General**

The Trust will file insider reports (initial and subsequent) on a Reporting Insider's behalf if requested to do so, and if prompt notification of the trade details are provided to the Chief Compliance Officer of the Manager or the CFO of the Trust. Any assistance offered by either person or the Trust in no way reduces the obligations imposed on Reporting Insiders by applicable insider trading laws.

Although insider reports may be prepared and filed electronically on a Reporting Insider's behalf, the Reporting Insider remains responsible for the report and its content. Reporting Insiders also remain personally responsible for the timely disclosure of their trading activities and may be required to reimburse the Trust for any late filing fees paid by the Trust on their behalf.



## EXHIBIT 1

### INFORMATION THAT MAY BE MATERIAL

The following are examples of the types of events or information that may be material. Most of these examples are taken from National Policy 51-201 – *Disclosure Standards*. This list is not exhaustive and is not a substitute for parties exercising their own judgement in making materiality determinations.

#### Changes in Corporate Structure

- changes in unit ownership that may affect control of the Trust;
- major reorganizations, amalgamations, or mergers; or
- take-over bids, issuer bids, or insider bids.

#### Changes in Capital Structure

- the public or private sale of additional securities;
- planned repurchases or redemptions of securities;
- planned splits of units or offerings of warrants or rights to buy units;
- any share consolidation, share exchange, or stock dividend;
- changes in a company's distribution payments or policies or the suspension or reinstatement of distributions;
- the possible initiation of a proxy fight; or
- material modifications to rights of security holders.

#### Changes in Financial Results

- a significant increase or decrease in near-term earnings prospects;
- unexpected changes in the financial results for any periods;
- shifts in financial circumstances, such as cash flow reductions, or major asset write-offs or write-downs;
- changes in the value or composition of the Trust's assets; or
- any material change to the Trust's accounting policies.

#### Changes in Business and Operations

- any development that affects the Trust's royalties, the products underlying the Trust's royalties or markets;
- a significant change in investment plans or corporate objectives;
- disputes with major counterparties to contracts;
- significant new royalties;

- changes to the board of trustees or executive officers, including the departure of the Trust's CEO or CFO (or persons in equivalent positions);
- the commencement of, or developments in, material legal proceedings or regulatory matters;
- waivers of corporate ethics and conduct rules for officers, trustees, directors and other key personnel;
- any notice that reliance on a prior audit is no longer permissible; or
- de-listing of the Trust's securities or their movement from exchange to another.

### **Acquisitions and Dispositions**

- significant acquisitions or dispositions of royalties, securities or other interests; or
- acquisitions of other companies, including a take-over bid for, or merger with, another company.

### **Changes in Credit Arrangements**

- the borrowing or lending, or otherwise incurring, of a significant amount of indebtedness;
- any mortgaging or encumbering of the Trust's assets;
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors;
- changes in rating agency decisions; or
- significant new credit arrangements or issuance of debt securities.

## EXHIBIT 2

### NECESSARY COURSE OF BUSINESS

The “**necessary course of business**” exception would generally cover communications with:

- (a) the Trust’s executive officers and trustees;
- (b) directors, officers and employees of the Manager;
- (c) lenders, legal counsel, auditors, underwriters, accountants, investment bankers and consultants;
- (d) credit rating agencies under contract with the Trust;
- (e) customers, suppliers, or strategic partners where the communications are relevant to the Trust’s business with them;
- (f) parties to negotiations;
- (g) parties subject to request for proposals;
- (h) labour unions and industry associations;
- (i) government and government agencies and non-governmental regulators; and
- (j) any regulatory organizations to which the Trust must report; provided that in the event that any such regulatory body makes MNPI available to the public, the Disclosure Committee shall promptly upon becoming aware of such disclosure take the appropriate course(s) of action in accordance with the Trust’s Disclosure Policy.

However, the “**necessary course of business**” exemption does not permit the Trust to make selective disclosure of material information to analysts, institutional investors or other market professionals. Please refer to the Trust’s Disclosure Policy for further discussion of issues surrounding selective disclosure.

**EXHIBIT 3**

**NOTICE OF INTENTION TO TRADE IN SECURITIES**

I hereby notify you of my intention to execute the following transaction in securities of DRI Healthcare Trust (the “Trust”) and request approval of such transaction.

Type of transaction (check one):

- Purchase
- Sale
- Exercise of a Security granted under the Trust’s omnibus equity incentive plan
- Other

If you selected “Other”, please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Number of Shares to be traded: \_\_\_\_\_

I confirm that I am aware of the legal prohibitions against insider trading and confirm that I am not in possession of any material information relating to the Trust or any of its operations which has not been disclosed to the public generally.

I understand that the Trust’s Insider Trading Policy supplements, and does not replace, applicable insider trading laws. I understand that a violation of insider trading or tipping laws and regulations may subject me to severe civil and/or criminal penalties, and that violation of the terms of the Trust’s Insider Trading Policy will subject me to discipline by the Trust, up to and including termination.

I understand that, notwithstanding any trading authorization granted upon approval of this form, I remain personally responsible for complying with the Insider Trading Policy and applicable laws and regulations.

\_\_\_\_\_  
Name (Please print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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**AUTHORIZATION**

Authorized by: \_\_\_\_\_

Date: \_\_\_\_\_

Time: \_\_\_\_\_

This authorization is valid for five business days, unless revoked prior to that time.