

# Climate Action Policy

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## INTRODUCTION

Franco-Nevada Corporation (collectively with its subsidiaries, “Franco-Nevada” or the “Corporation”) is committed to responsible mining in all aspects of its business and investments, including with respect to climate-related matters.

Franco-Nevada operates with a small workforce located in its offices in Toronto, Barbados, the United States and Australia. The Corporation is committed to reducing its own carbon footprint, comprised of emissions relating to its global corporate operations (“Corporate Emissions”).

Franco-Nevada invests in royalties and streams (our “Investments”). The Corporation does not exercise control of any mines or operations in which it has invested. Franco-Nevada’s attributable emissions relating to our Investments are referred to as “Financed Emissions”. Franco-Nevada’s greatest impact in addressing climate change is through deploying capital to responsible operators (“Operators”) and operations committed to reducing carbon footprints and environmental impacts. The Corporation encourages and supports its Operators’ decarbonization commitments, plans, targets and initiatives, including those designed to achieve net-zero greenhouse gas (“GHG”) emissions in line with the goals of the Paris Agreement Under the United Nations Framework Convention on Climate Change.

This Climate Action Policy (this “Policy”) sets out Franco-Nevada’s climate-related commitments with respect to its corporate operations, its new and existing Operators, its suppliers, and its stakeholders and establishes the measures that will be implemented by the Corporation to further such commitments.

## SCOPE

This Policy applies to Franco-Nevada and all of its direct and indirect subsidiaries.

## POLICY STATEMENTS

### CORPORATE OPERATIONS

Franco-Nevada aspires to achieve net-zero Corporate Emissions by 2050, in line with global efforts to limit warming to 1.5°C (“net-zero emissions by 2050 or sooner”). In furtherance of the foregoing aspiration, the Corporation will take the following measures:

- Franco-Nevada will measure and record its Corporate Emissions in accordance with the Greenhouse Gas Protocol.
- By 2024, Franco-Nevada will adopt short and long-term GHG emission reduction targets for its Corporate Emissions in line with the achievement of net-zero emissions by 2050 or sooner.
- The Corporation will maintain carbon neutrality on an annual basis for its Corporate Emissions by reducing absolute Corporate Emissions and purchasing high quality carbon offsets for those Corporate Emissions that cannot be eliminated.
- Franco-Nevada will endeavour to provide climate-related disclosures aligned with globally recognized frameworks and best practices.

## **INVESTMENTS**

Franco-Nevada commits to evaluate the decarbonization efforts and net-zero alignment, including the commitments, plans, targets and initiatives, of Operators and operations when making investment decisions and to engage with its new and existing Operators on their efforts to decarbonize and to achieve net-zero emissions by 2050 or sooner. In furtherance of the foregoing commitments, Franco-Nevada will take the following measures:

- When evaluating new Investments, Franco-Nevada will assess the decarbonization commitments, plans, targets and initiatives of Operators, including commitments to or progress towards achieving net-zero emissions by 2050 or sooner. When negotiating new royalty and streaming arrangements, Franco-Nevada will use reasonable commercial efforts to include contractual provisions to ensure that the Operators provide sufficient transparency to facilitate Franco-Nevada's assessment of the progress made in decarbonization efforts and progress towards the achievement of net-zero emissions by 2050 or sooner goals.
- Franco-Nevada will monitor whether an Operator has adopted decarbonization commitments, plans, targets and initiatives, including in furtherance of net-zero emissions by 2050 or sooner, and the progress made by the Operator towards such commitments, plans, targets and initiatives.
- Franco-Nevada will measure and record Financed Emissions in accordance with the Greenhouse Gas Protocol (i.e. Scope 3, Category 15: Investments).
- Franco-Nevada will engage, where appropriate, with its existing partners and new investees on their efforts to decarbonize and/or to achieve net-zero emissions by 2050 or sooner.
- Franco-Nevada will explore options on how it may assist Operators' energy transitions, climate-related community and other initiatives, and other activities aimed at decarbonization and achieving net-zero emissions by 2050 or sooner.

## **OTHER STAKEHOLDERS**

To further support and awareness of the goal of decarbonization and net-zero emissions by 2050 or sooner, we will take the following measures:

- When Franco-Nevada engages technical, ESG or other third party consultants to assist Franco-Nevada with its evaluation of new Investments, Franco-Nevada will ensure that the consultants are familiar with the Corporation's support for the goal of decarbonization, net-zero emissions by 2050 or sooner and understand Franco-Nevada's commitments under this Policy and Franco-Nevada will obtain a written acknowledgement from the consultants verifying their awareness.
- Franco-Nevada will ensure, before transacting with any significant supplier of goods for its corporate operations, that such supplier has in place, or agrees to commercially reasonable efforts to adopt, commitments, plans, targets and initiatives aligned with the goal of net-zero emissions by 2050 or sooner.

## **GENERAL**

Franco-Nevada will take the following additional measures:

- As and when needed, Franco-Nevada will conduct training sessions with its employees to promote the understanding of Franco-Nevada's commitments under this Policy and the measures in place and the progress made in furtherance of such commitments.
- On an annual basis, Franco-Nevada will publicly report on the status of its climate commitments and measures described in this Policy.

- To the extent that Franco-Nevada holds any mining or energy extraction operations in the future that it has direct control over, the Corporation will develop commitments, plans, targets and initiatives in furtherance of net-zero emissions by 2050 or sooner in respect of such operations.

## ADMINISTRATION OF THE POLICY

The Compensation and Sustainability Committee of the Board of Directors of the Corporation will review this Policy annually to ensure that it is effective in achieving its objectives and may recommend changes to such objectives or this Policy, or may recommend additional objectives, as appropriate.

The Chief Legal Officer of the Corporation has been designated as the individual responsible to oversee this Policy.

## DATE

Updated on November 4, 2025. This Policy supersedes any written or oral representations that are in any way inconsistent with it.