



## ENVIRONMENTAL, SOCIAL, AND GOVERNANCE AND SUSTAINABILITY POLICY

(Effective November 20, 2025)

### 1. Introduction

Elemental Royalty Corporation (the “**Company**”, “**we**”, “**us**”, or “**our**”) is a precious metals royalty company with producing royalties and a diversified portfolio of pre-production and discovery stage assets. The Company is focused on acquiring uncapped royalties and streams over producing, or near-producing, mines operated by established counterparties. We are committed to responsible resource development and recognize mining as a catalyst for economic and social advancement. Through our royalty model, we support sustainable growth of mining operations and contribute to the long-term success of local communities near mines and mining partners.

Consistent with our organizational values, the Company believes strong environmental, social and governance (“**ESG**”) performance is essential to our long-term success. We recognize that our actions, and those of our mining partners, can have an impact on employees, local communities and the environment. Accordingly, we support the adoption of best practices in responsible mining and corporate conduct and are committed to being effective stewards of both the environment and the communities in which we operate.

### 2. Policy

This ESG and Sustainability Policy (the “**Policy**”) sets out the environmental, social, and governance values that guide the Company’s operations and decision-making. As the Company does not directly operate mineral properties, we prioritize acquiring interests in projects that are operated by companies (“**Third-Party Operators**” or “**Partners**”) who share a commitment to responsible mining practices. These values inform our due diligence process and Partner selection.

Our ESG approach is two-pronged:

- (a) Our ESG Principles: We adhere to strong ESG principles within our business operations to lead by example and act as responsible stewards for our people, community, and environment.
- (b) ESG in our Portfolio: We seek to maintain a high-quality portfolio by investing in royalties with Partners who meet our ESG due diligence standards. We recognize that the ESG performance of the projects underlying our royalty interests helps to ensure that Partners have maintained their social license to operate and appropriately manage risks related to health and safety, climate change and human and indigenous rights.

This Policy is intended to ensure that ESG-related risks and opportunities, within the Company and in connection with Third-Party Operators in which the Company holds royalty or similar interests, are appropriately evaluated and integrated into the Company's investment and risk management processes.

### 3. ESG Principles

In conducting our business, we seek to adhere to the following ESG principles:

#### Ethical and Transparent Behavior:

- (a) Uphold the values outlined in our Code of Conduct and Ethics, including refraining from discrimination, intimidation or harassment towards any person based on religion, race, color, age, sex, gender identity, sexual orientation, marital status, physical or mental disability, or national or ethnic origin. All individuals shall be treated equally and with dignity and respect.
- (b) Conduct business and operations ethically, with integrity, transparency, and sound corporate governance practices. The Company will comply with all applicable laws, rules and regulations.
- (c) Comply with applicable labor protection laws and adhere to international standards, including those of the International Labor Organization (e.g. ILO 87 convention) relating to collective bargaining, forced labor, child labor, fair wages and discrimination.
- (d) Maintain reasonable controls to combat bribery and corruption, including the enforcement of our Anti-Corruption Policy.
- (e) Support varied viewpoints in our recruitment, procurement, and the composition of our Board of Directors (the "**Board**").

#### Human Rights:

- (a) Respect internationally recognized human rights, including those set out in the Universal Declaration of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. We seek to align our practices with the United Nations Guiding Principles on Business and Human Rights.
- (b) Respect the rights of all people and conduct our business with integrity, transparency and respect in all interactions and stakeholder engagements.
- (c) Prohibit the use of any form of forced or compulsory labor, including child labor, both within our operations and among Partners. We maintain zero tolerance for human rights violations by our employees or any Third-Party Operators. We will take appropriate action in response to any reported human rights violation.

Health and Safety:

- (a) Preserve and protect the health, welfare and safety of all people at our Company, including those employed with us full-time, part-time, on contract or as consultants.

Environment and Climate Change:

- (a) Protect the environment and minimize our environmental impact, including complying with applicable environmental laws, rules and regulations.
- (b) Be good stewards of our planet, including integrating environmental sustainability considerations into our business decisions, strategies and performance goals.
- (c) We acknowledge the role of human activity in contributing to climate change and environmental degradation and recognize that global action is required to mitigate these risks. As such, we have a responsibility to assess the physical and transitional risks and opportunities associated with climate change that could potentially impact our business. Although the Company does not own or operate any mines, our primary exposure to emissions and climate-related impacts arises indirectly through the operations of our mining Partners. As such, we are committed to seeking opportunities to work collaboratively with our mining Partners to reduce emissions.

Sustainable Development:

- (a) Seek to support sustainable development of local communities where our Partners operate.

Indigenous and community relations:

- (a) Respect the rights of native ethnic groups, including Indigenous and Traditional Peoples, as outlined in the United Nations Declaration on the Rights of Indigenous Peoples (“**UNDRIP**”). UNDRIP recognizes the rights of Indigenous people and requires their free, prior, and informed consent for any activity that affects their traditional lands, territories, and natural resources. We are committed to upholding these principles and seek to align our actions to these international declarations, as possible.
- (b) Respect the culture, customs, traditional livelihoods and heritage of Indigenous peoples and local communities. We are committed to encouraging engagement, consultation, and collaboration with Indigenous peoples and local communities, as appropriate, in connection with our business activities and partnerships.

#### **4. ESG in our Portfolio**

As a royalty company, the Company does not control the operations of Third-Party Operators or Partners. However, when possible, the Company and its Personnel should encourage our Partners to adopt best practices in ESG risk management. Further, in our acquisition process, the

Company and its Personnel should conduct ESG due diligence to determine, to the extent possible, whether our Partners' ESG practices are aligned with our own ESG values. The Company commits to:

- (a) Apply a disciplined approach to ESG risk assessment, including conducting due diligence on potential investments to evaluate ESG risk profiles and inform our investment decisions in acquiring newly created royalties, streams or similar interests.
- (b) Work with our Partners and Third-Party Operators to monitor changes to their ESG risk profile and engage in constructive dialogue on material and emerging risks.
- (c) Partner with Third-Party Operators to advance mutual ESG priorities, where possible.
- (d) Facilitate connections between our Partners, Third-Party Operators and our broader network to address emerging ESG issues and opportunities, and to promote continuous improvement across the industry, where possible.

## **5. Accountability**

The Company is committed to continuous improvement and will regularly evaluate enhancements to this Policy.

The Chief Executive Officer and Chief Legal Officer are responsible to ensure that this Policy is maintained and complied with, having regular oversight into the implementation of this Policy.

The Company supports environmental best practices by investing in royalty assets operated by Third-Party Operators with strong environmental performance. We prioritize assets located in jurisdictions with robust environmental regulations and encourage our Partners to adopt low-impact mining technologies and carbon reduction strategies.

The Board provides oversight of this Policy.

***This Policy was reviewed and approved by the Board on November 20, 2025.***