

UN Global Compact
2021 Communication on Progress

A decorative graphic at the bottom of the page consisting of a horizontal gold bar, a dark blue bar, and a light blue bar. Overlaid on these bars is a large, stylized five-pointed star in gold and light blue, with a thin gold arc passing behind it.

The GOLD Investment that WORKS



Franco-Nevada Corporation

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May 20, 2021

To our Stakeholders:

Franco-Nevada Corporation has been a signatory of the UN Global Compact since April 2020 and we are proud of the progress made working towards its 10 principles. Over the last 12 months, we continued our support for the UN Global Compact and inclusive multilateralism, joining 1000+ businesses from more than 100 countries in signing the Statement from Business leaders for Renewed Global Cooperation, and we will continue our support going forward.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul Brink".

Paul Brink

President & CEO
Franco-Nevada Corporation

UN GLOBAL COMPACT: COMMUNICATION ON PROGRESS

Progress on the Ten Principles in 2020

Human Rights

Principles	Policies
<p>Principle 1 BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS; AND</p> <p>Principle 2 MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHT ABUSES.</p>	<p>Human Rights Policy</p> <p>Investment Principles Policy (Environmental, Social and Governance)</p> <p>Supplier Code of Conduct</p> <p>Whistleblower Policy</p>
Progress in 2020	Measurement of Outcomes in 2020
<p>Adopted Human Rights Policy which formalized our actions, practices and beliefs relating to (see description on page 41 of our 2021 ESG Report)</p> <p>Enhanced our ESG due diligence review list, which includes a review of the ethical track record of the applicable operator (see description on page 20 of our 2021 ESG Report)</p> <p>Adopted Supplier Code of Conduct, which sets out our expectations of our suppliers, including relating to human rights issues (see description on page 46 of our 2021 ESG Report)</p> <p>Adopted Whistleblower Policy, which expanded our confidential internal reporting and complaint procedures to apply to all of our corporate policies, including our Human Rights Policy (see description on page 54 of our 2021 ESG Report)</p>	<p>There were no workplace incidents, labor violations, or reports of violence or harassment in our workplace (see page 38 of our 2021 ESG Report)</p> <p>There were no noted or reported human rights incidents relating to our suppliers (see page 38 of our 2021 ESG Report)</p>



Progress on the Ten Principles in 2020

Labour

Principles	Policies
<p>Principle 3 BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING;</p> <p>Principle 4 THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOR;</p> <p>Principle 5 THE EFFECTIVE ABOLITION OF CHILD LABOR; AND</p> <p>Principle 6 THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION.</p>	<p>Human Rights Policy</p> <p>Diversity and Inclusion Policy</p> <p>Non-Discrimination, Anti-Harassment & Equal Opportunity Policy</p> <p>Code of Business Conduct and Ethics</p> <p>Health and Safety Policy</p> <p>Investment Principles Policy (Environmental, Social and Governance)</p> <p>Supplier Code of Conduct</p> <p>Whistleblower Policy</p>
Progress in 2020	Measurement of Outcomes in 2020
<p>Became a signatory to the BlackNorth Initiative CEO Pledge. The BlackNorth Initiative is aimed at eliminating systemic discrimination (see description on page 44 of our 2021 ESG Report)</p> <p>Adopted Human Rights Policy which describes our support for the freedom of association and peaceful assembly and sets out our commitment not to employ individuals under the legal age of employment, not to use forced or slave labor in respect of our business activities or operations, and to comply with applicable laws and regulations relating to minimum wages and benefits, working hours and working days limits (see description on page 41 of our 2021 ESG Report)</p> <p>Amended our Diversity Policy, renaming it the Diversity and Inclusion Policy, to incorporate inclusionary principles, including our commitment to creating a workplace that promotes dignity and respect for our representatives and providing access to a safe, inclusive and accessible workplace (see description on page 42 of our 2021 ESG Report)</p> <p>Enhanced our ESG due diligence review list, which includes the review of the workplace standards, protections and policies of the applicable operator and operation and verifies the commitment by the operator to fundamental freedoms of individuals (see description on page 20 of our 2021 ESG Report)</p> <p>Adopted Supplier Code of Conduct, which sets out our expectations of our suppliers, including in respect of their labor practices and standards relating to legal age of employment, forced and slave labor, wages and benefits, freedom of association and right to collective bargaining and non-discrimination (see description on page 46 of our 2021 ESG Report)</p> <p>Adopted Whistleblower Policy, which expanded our confidential internal reporting and complaint procedures to apply to all of our corporate policies, including our labor-related policies (see description on page 54 of our 2021 ESG Report)</p>	<p>Continued productive work from home arrangements with no known cases of COVID among our employees and 100% employee retention from pre-COVID period (see page 39 of our 2021 ESG Report)</p> <p>There were no workplace incidents, labor violations, or reports of violence or harassment in our workplace (see page 38 of our 2021 ESG Report)</p> <p>There were no noted or reported labor incidents (including incidents of discrimination, forced labor, child labor, or not upholding fundamental freedoms) relating to our suppliers (see page 38 of our 2021 ESG Report)</p> <p>Added an additional female director to our Board, achieving our target of attaining by 2022, a Board composition in which at least 30% of the independent directors are women (33% as of December 31, 2020) (see page 42 of our 2021 ESG Report)</p> <p>Made progress towards our diverse hiring initiatives with the promotion of a female member of a visible minority to the office of VP Finance and Operations, Franco-Nevada (Barbados) Corporation, and the promotion of a male member of a visible minority to the office of VP Tax at Franco-Nevada Corporation (see page 42 of our 2021 ESG Report)</p>

Progress on the Ten Principles in 2020

Environment

Principles	Policies
<p>Principle 7 BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES;</p> <p>Principle 8 UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY; AND</p> <p>Principle 9 ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.</p>	<p>Investment Principles Policy (Environmental, Social and Governance)</p> <p>Supplier Code of Conduct</p>
Progress in 2020	Measurement of Outcomes in 2020
<p>Committed in our 2020 ESG Report to increasing transparency in our environmental reporting, including evaluating TCFD and SASB-aligned reporting (see Appendices B and C of our 2021 ESG Report)</p> <p>Enhanced our ESG due diligence review list, which includes the review of the environmental profile of the applicable operator and operation (see description on page 20 of our 2021 ESG Report)</p> <p>Adopted Supplier Code of Conduct, which sets out our expectations of our suppliers, including relating to environmental matters (see description on page 46 of our 2021 ESG Report)</p>	<p>First-time alignment of environmental reporting with TCFD and SASB frameworks (see Appendices B and C of our 2021 ESG Report)</p> <p>Increased involvement in environmental and community initiatives, including with Coeur Mining on a water purification project in Mexico (see page 35 of our 2021 ESG Report)</p> <p>Relied upon notice-and-access (paperless) delivery procedures for certain materials sent to our shareholders and reduced the size and weight of the paper for our management information circular (see page 6 of our 2021 ESG Report)</p> <p>There were no environmental fines, litigation or liabilities relating to our workplace (see page 38 of our 2021 ESG Report)</p> <p>There were no noted or reported environmental incidents relating to our suppliers (see page 38 of our 2021 ESG Report)</p>



Progress on the Ten Principles in 2020

Anti-Corruption

Principles	Policies
<p>Principle 10 THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION.</p>	<p>Business Integrity Policy</p> <p>Code of Business Conduct and Ethics</p> <p>Policy Concerning Confidentiality, Fair Disclosure and Trading in Securities</p> <p>Supplier Code of Conduct</p> <p>Whistleblower Policy</p> <p>Employee Complaint Procedures for Accounting and Auditing Matters</p>
Progress in 2020	Measurement of Outcomes in 2020
<p>Updated Business Integrity Policy to provide that our personnel shall not make any charitable or political payment, donation or sponsorship in order to influence or induce a public official to violate their lawful duty or improperly use their influence to gain an undue advantage (see description on page 54 of our 2021 ESG Report)</p> <p>Enhanced our ESG due diligence review list, which includes a review of any history of corruption of the applicable operator (see description on page 20 of our 2021 ESG Report)</p> <p>Adopted Supplier Code of Conduct, which sets out our expectations of our suppliers, including relating to anti-corruption and ethical business practices (see description on page 46 of our 2021 ESG Report)</p> <p>Adopted Whistleblower Policy, which expanded our confidential internal reporting and complaint procedures to apply to all of our corporate policies, including our labor-related policies (see description on page 54 of our 2021 ESG Report)</p>	<p>No whistleblower complaints under the Whistleblower Policy or the Employee Complaint Procedures for Accounting and Auditing Matters (see page 55 of our 2021 ESG Report)</p> <p>There were no facilitation payments, political donations, lobbying expenditures made by our company (see page 55 of our 2021 ESG Report)</p> <p>There were no noted or reported cases of corruption (including extortion or bribery) relating to our suppliers (see page 38 of our 2021 ESG Report)</p>



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