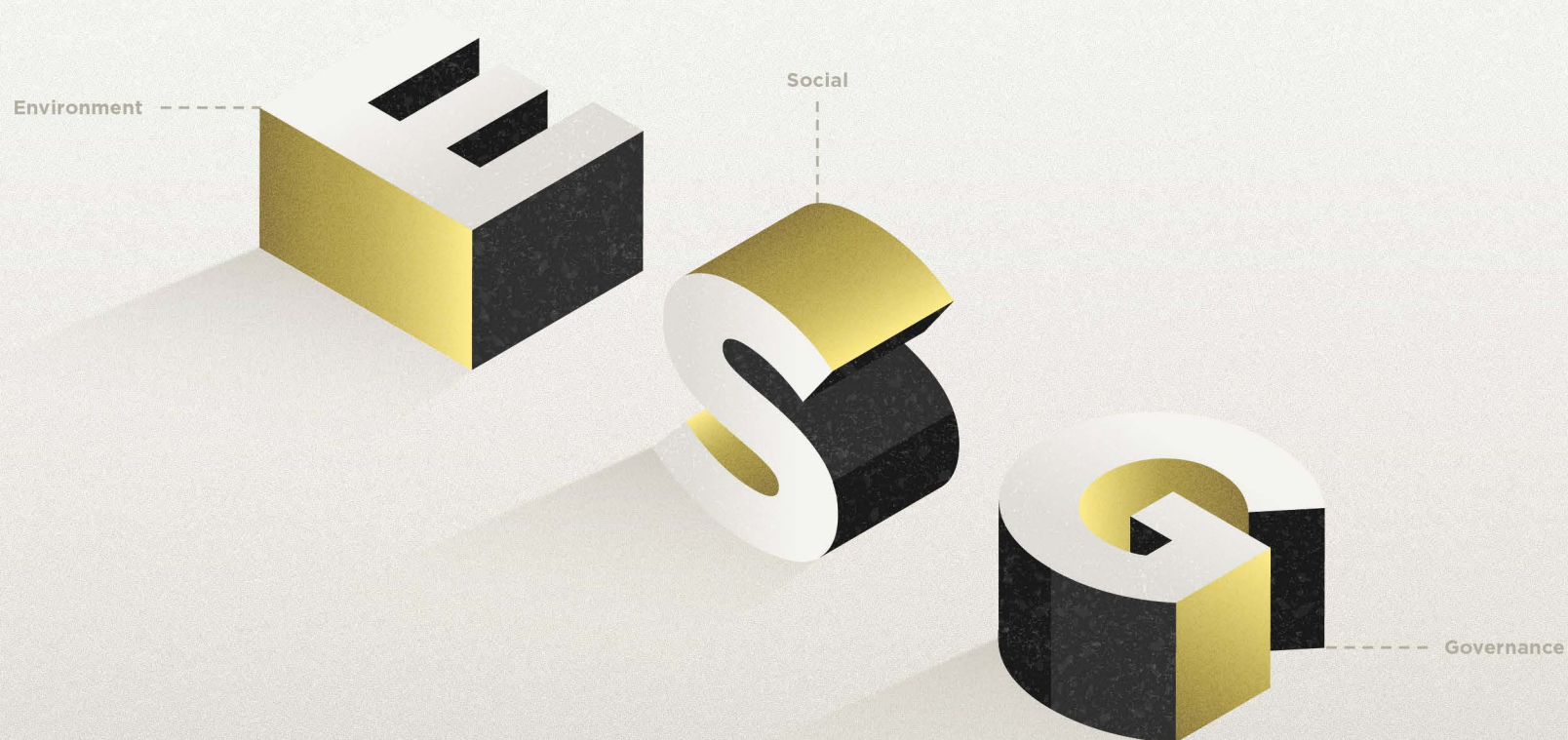


2021 SUSTAINABILITY REPORT



SANDSTORM
GOLD ROYALTIES

A BRIGHTER WAY TO INVEST IN GOLD™



Highlights

“AA” ESG Rating

by MSCI in 2021

Ranked 2nd

*by Sustainalytics
in Gold Subindustry*

Ranked 3rd

*by Sustainalytics
in Precious Metals Industry*

ESG Credit Facility

*First Royalty Company with
Sustainability-Linked Loan*

Carbon Neutral

Target by 2035

44%

*Diverse Persons Among
Senior Management & Board*

Zero

*Whistleblower Reports
Since Inception*

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Inclusion of information in this report is not an indication that the contents are necessarily material to investors or required to be disclosed in SEC filings. In this regard, the standard of 'materiality' for purposes of federal securities law disclosure requirements and SEC filings is not the standard that many companies apply when determining which issues to address and the level of detail to be included in their sustainability reports.

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Introduction

Founded over a decade ago, Sandstorm was established with the vision to do things differently in an industry that has both a rewarding and complex history.

Over the years, our team has worked to build a company with the highest standards in terms of integrity, diversity, and making a positive global impact. We believe that these values are not mutually exclusive to creating shareholder value and our track record is indicative of that.

Sandstorm provides financing solutions to mining companies through royalty and streaming transactions. These royalty interests are held on properties developed and operated by independent mining companies, and as such Sandstorm is uniquely positioned to influence Environmental, Social, and Governance (ESG) issues. While Sandstorm has no control over the day-to-day operations, we recognize the potential that mining companies have to make a meaningful positive impact in their communities. We've developed a comprehensive due diligence process

that integrates ESG-related issues into the evaluation of every investment opportunity. Our team reviews hundreds of projects each year and discards many opportunities for not meeting our stringent due diligence standards. Over the last several years, Sandstorm has rejected over half a billion dollars in potential transaction deals because of various environmental and social concerns.

Beyond the due diligence process, Sandstorm is committed to corporate governance best practices, which includes building a diverse workforce and empowering our mining partners and employees to engage in initiatives that support their communities. As a result, Sandstorm is ranked as an industry leader by some of the most respected regulating bodies including an "AA" rating from MSCI, and top rankings by Sustainalytics in the Precious

Metals Industry and Gold Subindustry. Sandstorm is also a member of the World Gold Council and the UN Global Compact, and has committed to voluntarily aligning its operations and corporate strategy with the spirit of the 10 universally accepted principles in the areas of human rights, labour, environment, and anti-corruption, and to take actions that support broader UN goals.

This report is designed to provide our shareholders and interested parties with a clear understanding of Sandstorm's corporate responsibility practices. Our goal is that readers will be educated in our approach to investment due diligence, mining partnerships, employee engagement, and will see why Sandstorm is considered a leader in this industry.

Who We Are

Sandstorm is a gold royalty company with a diverse portfolio of royalty assets. Since 2008, we've been a leader in reshaping the mine investment landscape with our innovative business model. With hundreds of streams and royalties in our portfolio, our team has put in thousands of hours reviewing investment opportunities with strict criteria in order to curate one of the best royalty portfolios in the world. As of this publication date, we have 29 assets in production with more in development, providing both stable cashflows and an exciting growth trajectory.

Our Business Model

Sandstorm Gold Royalties provides an alternative source of capital to the mining industry in the form of stream and royalty financing arrangements. In exchange for upfront capital, Sandstorm receives a portion of the future metal or revenue generated from a mining operation. Being a financier, Sandstorm does not directly own or operate the projects and thus has indirect exposure to ESG issues that can arise during the life-cycle of a resource project. Sandstorm's indirect exposure to ESG risk factors is mitigated in part by our diversified portfolio.

There is no evidence of a statistical relationship or positive correlation between the ESG successes and challenges at the various mining projects within Sandstorm's royalty portfolio, indicating a clear diversification benefit to this portfolio approach.

Sandstorm is committed to furthering sustainable development in the mining and metals industry through its investments and seeks to address ESG risks through the company's due diligence process that guides its investment decisions.

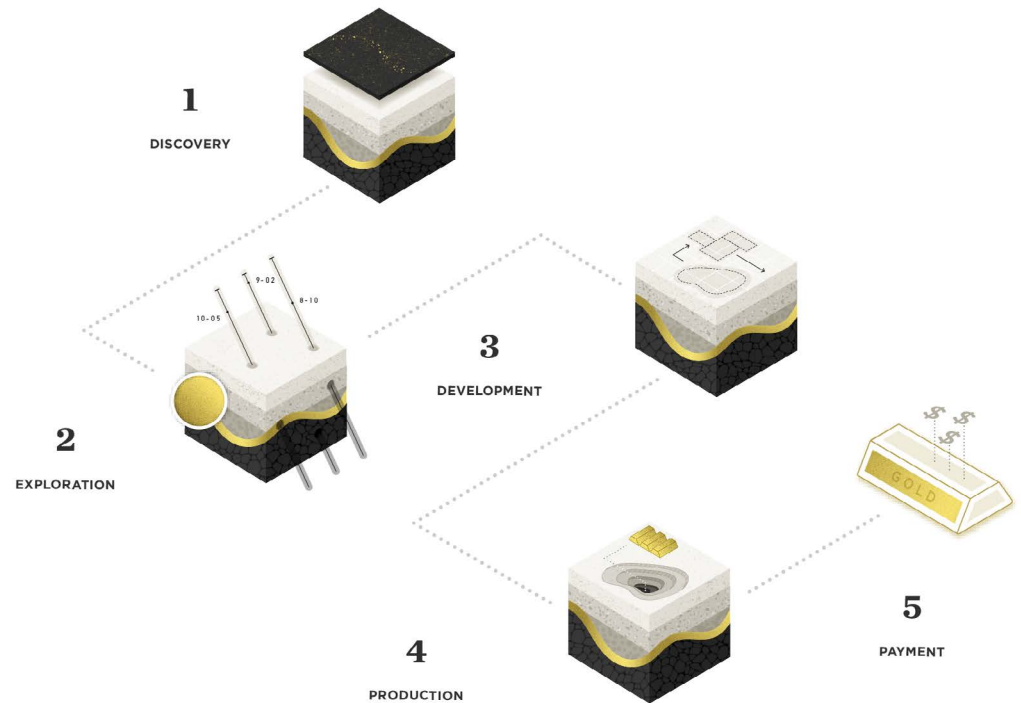
- Producing Assets
- Development & Exploration

Portfolio Map as of May, 2022



How a Gold Royalty Works

Similar to a music royalty, a gold royalty is simply a contract that gives the owner (i.e. a gold royalty company) rights to a portion of the final product. This can be a percentage of revenue or actual gold production (called a “stream”). Gold royalty companies pay an upfront sum for royalty rights and use these contracts to finance mining companies in need of capital. Since royalties typically cover the life of a mine, gold royalty companies benefit from the exploration upside that may extend the life of the mine and increase the amount of revenue (or gold) they receive from the mine at no additional cost.



DISCOVERY

When gold is discovered on a property, there are a number of stages that it must go through before it can become a cash-flowing mine. The process is often time-intensive and requires a lot of upfront capital.

EXPLORATION

Mining companies use various exploration techniques like rock sampling, geological mapping, and drilling on the property. Technical studies are completed to determine if the gold deposit could be a viable mine.

DEVELOPMENT

If the exploration studies indicate the potential for an economical mine, the project moves into development. Construction requires lots of capital, which can be partially funded through a royalty or stream financing.

PRODUCTION

Once construction is complete, the project moves into production to begin producing gold. If the mining company used a royalty to fund development, they begin making payments to the royalty owner.

PAYMENT

A royalty owner receives payment as a percentage of the revenue from the mine. A stream agreement holder receives a percentage of gold production at a pre-determined discount, then sells the gold at market price.



Commitments



Sandstorm Gold Royalties is continuously graded on our ESG efforts by some of the world's most reputable agencies. In addition, Sandstorm has voluntarily committed to certain regulatory bodies and member groups that work to promote sustainability best practices on a global scale.

MSCI

MSCI creates industry-leading, research enhanced solutions that investors use to gain insight into and improve transparency across the investment process. Every year MSCI provides rankings for corporations in a wide range of industries in order to grade companies on their ESG efforts.

In 2021, Sandstorm's rating with MSCI increased to "AA", up from an "A" rating in 2020.

Sustainalytics

Sustainalytics' ESG Risk Ratings measure a company's exposure to industry-specific material ESG risks and how well a company is managing those risks. This multi-dimensional way of measuring ESG risk combines the concepts of management and exposure to arrive at an assessment of ESG risk (i.e., a total unmanaged ESG risk score or the ESG Risk Rating) that is comparable across all industries. Sustainalytics' ESG Risk Ratings provide a quantitative measure of unmanaged ESG risk and distinguish between five levels of risk: negligible, low, medium, high and severe. Sandstorm Gold Royalties is in the top rankings by Sustainalytics.

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Industry Rankings



MSCI Rating: AA

CCC	B	BB	BBB	A	AA	AAA
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**Ranked 2nd of 99
Gold Subindustry, 2022
by Sustainalytics**



**Ranked 3rd of 126
Precious Metals Industry, 2022
by Sustainalytics**

World Gold Council

Sandstorm is a member of the World Gold Council; a community of members in the gold industry who are committed to responsible corporate practices. Members of the World Gold Council are required to commit to the council's Responsible Gold Mining Principles, which outline a number of corporate responsibility measures as they relate to ESG matters. As a royalty company that does not operate mines, Sandstorm has agreed to endorse these principles and ensure that our due diligence process reflects these commitments. Sandstorm's existing portfolio of royalties already includes several projects owned and operated by World Gold Council members.



↓ Responsible Gold Mining Principles

- | | |
|---|---|
| 1  Ethical Conduct | 6  Labour Rights |
| 2  Understanding Impacts of Mining | 7  Working with Communities |
| 3  Supply Chain | 8  Environmental Stewardship |
| 4  Health and Safety | 9  Biodiversity, Land Use and Mine Closure |
| 5  Human Rights and Conflict | 10  Water, Energy and Climate Change |



UN Global Compact

The UN Global Compact aims to mobilize a global movement of sustainable companies and stakeholders by aligning their strategies and operations with 10 principles on human rights, labour, environment and anti-corruption. Sandstorm joined the UN Global Compact in 2020, committing to incorporate the spirit of these 10 principles into our corporate strategies, policies, and procedures.

Progress Report: As a member of the UN Global Compact, Sandstorm has committed to annual reporting of the company's progress in aligning our operations and corporate strategy with the 10 principles. For details on where to find related materials please refer to the [Appendix A](#) of this report.



UN Global Compact 10 Principles



HUMAN RIGHTS

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 Make sure that they are not complicit in human rights abuses.



LABOUR

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 The elimination of all forms of forced and compulsory labour;
- 5 The effective abolition of child labour; and
- 6 The elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 Undertake initiatives to promote greater environmental responsibility; and
- 9 Encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

- 10 Businesses should work against corruption in all its forms, including extortion and bribery.

The World's First Royalty Company with Sustainability-Linked Credit Facility

In 2021, Sandstorm became the first royalty company with a credit facility linked to sustainability goals. The ESG revolving loan incorporates sustainability-linked incentive pricing terms that allow Sandstorm to reduce the borrowing costs as certain sustainability performance targets are met.

The performance targets, to be met by 2025, are based on the following ESG goals of the company:

- **Alignment with ESG Reporting Standards:**
Achieve a certain percentage of producing assets reporting under sustainability and climate-related standards;
- **External ESG Rating:**
Maintain or improve an MSCI ESG rating of “A”; and
- **Diversity & Inclusion:**
Maintain or improve diverse representation at the senior management and Board levels.

With this credit agreement, Sandstorm is helping to lead a new era of corporate lending that benefits shareholders while promoting corporate responsibility.



Approach

Sandstorm Gold Royalties is in the business of providing financing solutions to companies in the mining sector — principally through stream and royalty transactions. This financing enables resource companies to further the exploration, development and operations at a mining property. Our business is unique in the mining industry as it reflects both indirect exposure to ESG issues from mining operations and direct exposure to ESG factors in the day-to-day corporate environment.

Overview

I Investment Decisions

The properties over which Sandstorm holds stream and royalty interests are owned and operated by independent mining companies and Sandstorm does not exercise control or influence over the activities of the property owners. However, Sandstorm is committed to furthering the responsible development of mineral projects and the sustainable extraction of metals through its financial investments, including with respect to environmental factors (e.g., social license to operate, toxic emissions and waste, biodiversity and land use and water stress), social considerations (e.g., occupational health and safety, labour management), and governance issues (e.g., corruption and instability, corporate governance).

We primarily seek to address ESG issues initially through the due diligence process when making new investments, which is described in more detail in this report. Our team has

adopted internal policies that guide our investment process and our ongoing relationships with both operators and shareholders. We are proud to have made meaningful social contributions at both the corporate and individual levels and we intend to consider additional partnerships with our mining partners to support appropriate environmental and social initiatives in the communities associated with our investments.

II Mining Partners

At the core of Sandstorm's business are the partnerships with our mining operators. Each year our mining partners produce various reports and documentation regarding their own sustainability efforts. We have highlighted a selection of operators, which made up the majority (75%) of our attributable gold ounces for 2021. Sandstorm is proud of the

accomplishments of these companies and the ongoing commitment to responsible production that they demonstrate.

III Corporate Impact

Sandstorm operates solely within an office environment with a relatively small workforce. The company has 24 full-time employees split between the Vancouver head office and a smaller Toronto office. As such, the direct impact on the environment is very small. Nonetheless, Sandstorm continues to do its part to address climate change through reducing our environmental footprint and by managing the environmental and social impacts of our investing activities. The company also follows best practices in regard to employee management practices and maintaining the highest level of integrity in corporate governance.

I Investment Decisions



MARY L. LITTLE

*Director
Chair of Corporate Governance and
Nominating Committee*

“Central to Sandstorm’s mandate of financing mining operations is the investment due diligence process. Each year, the technical team at Sandstorm reviews hundreds of opportunities in the relentless pursuit of finding projects that not only have attractive investment potential but also meet our high standards of ESG due diligence.”

Sandstorm drives shareholder value by realizing long-term investment opportunities in mining assets. Often our royalties outlive the operators of the asset, so we imagine not only how a mine functions under current management and conditions but how it will operate under future operators and markets. ESG factors play a central role in determining the success of a long-term mining investment. Sandstorm’s strategy to mitigate ESG risks involves a thorough investigation and evaluation of the risk factors related to a mineral property prior to an investment. While Sandstorm has no control over a project or the various ESG risks associated with a mine, we recognize that a good investment is a mine that will function safely, successfully, and with multi-generational support of local communities and governments.

Due Diligence Process

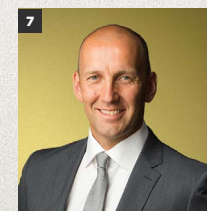
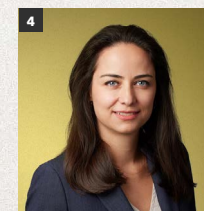
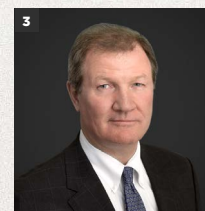
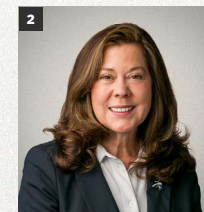
The aim of Sandstorm's due diligence process is to successfully identify projects and companies that will operate successfully and profitably while acting in a sustainable manner.

Sandstorm's management team applies a multi-disciplinary approach when evaluating potential transactions. In addition to relying on management's expertise, Sandstorm benefits from the experience and expertise of its Board of Directors. Board members are active in the review of potential material investments including participation in due diligence and providing technical, operational, political, financial, environmental, corporate social responsibility, and other expertise where applicable. The due diligence team consists of professionals with experience and expertise in the fields of geology, mining, metallurgy, engineering, government policy and finance. By conducting a robust and detailed due diligence process, Sandstorm endeavours to invest in projects with relatively low ESG risk. Where appropriate, the due diligence process involves, among other things, thorough desktop studies, the engagement of expert consultants, extensive interviews with the project management team, site visits, as well as in-depth deliberation. The due diligence process may vary depending on the project's stage of development and the materiality of the investment to Sandstorm. Sandstorm will determine if an investment should be made based on overall criteria, including ESG factors. The overall criteria are reviewed regularly by management and/or the Board of Directors where applicable.

ESG Criteria

Elements of Sandstorm's due diligence process related to ESG factors can include, but are not limited to, the following considerations where applicable.

Board of Directors



1 David E. De Witt
Chairman

2 Mary L. Little
Director

3 John P. A. Budreski
Director

4 Vera Kobalia
Director

5 Andrew T. Swarthout
Director

6 Nolan Watson
Director

7 David Awram
Director

ENVIRONMENT

LAND USE

Is the mineralization located in or near an environmentally sensitive or protected area?

BIODIVERSITY AND LAND USE

What is the proposed development footprint and how does that impact the region's biodiversity? What offsets or mitigation measures are contemplated?

METALLURGY

What are the risks associated with the process flow sheet including potential discharge and reagent use? Have the environmental impacts been properly assessed and mitigation steps taken?

EMISSIONS & WATER USAGE AND MANAGEMENT

Have the project's emissions, hydrology and hydrogeology been properly studied and understood? Are there appropriate management/usage plans in place? What is the plan for the discharge of water from the operations?

TAILINGS MANAGEMENT

What are the risk factors associated with the tailings management plan, both during operations and post-closure? What are the tailing storage facilities and waste rock storage plans at the project?

ASSESSMENT

What aspects will trigger future environmental impact assessments and how will that affect the permitting and longevity of the project?

SOCIAL

MANAGEMENT TEAM

Is the management team and Board of Directors of good repute and have they shown integrity and competency in their business?

COMMUNITY ENGAGEMENT

Has the resource company engaged with the community where the project is located, including Indigenous peoples?

COMMUNITY IMPACT

What will be the impacts of mining operations and related activities on surrounding communities?

SOCIAL LICENSE

Does the resource company have a social license to explore, develop and mine the property?

HEALTH & SAFETY RECORD

Has the operation, or previous operations run by the management team in question, had disruptions caused by workplace accidents?

WORKPLACE STANDARDS

What are the workplace standards, protections and policies in place?

LABOUR AVAILABILITY

Is there a local workforce available? If not, what are the implications of an outside workforce? Are training programs available for local and Indigenous workers?

LABOUR MANAGEMENT

Does the company engage constructively with the workforce and unions?

CHILD LABOUR

Is child labour being exploited? Sandstorm is firmly opposed to child labour and forced labour practices. The company's Code of Business Conduct & Ethics promotes compliance with Canadian governmental laws, rules and regulations, which strictly condemn practices that involve child labour and forced labour.

COMPENSATION

How is the workforce compensated? Are the company, employee, and investor incentives aligned?

RESETTLEMENT

Are there resettlement requirements to develop the project? If so, has the community been dealt with on an open and fair basis with appropriate consultation? Is a Resettlement Action Plan required?

DEAL STRUCTURE

Can a stream/royalty transaction be structured in such a way as to mitigate some of the potential social risks?

GOVERNANCE

POLITICAL STABILITY

Is the asset located in a politically stable climate? Is the political climate improving or deteriorating?

REGULATORY FRAMEWORK

Is there a developed regulatory framework for mineral exploration and mine development? Are there permitting risks related to the jurisdiction in question?

CORRUPTION AND INSTABILITY

Have the owners or the management team been involved in or been accused of corruption? What is the ethical track record of the company?

CORPORATE GOVERNANCE

What corporate governance practices does the resource company adhere to?

ACCOUNTING

Does the resource company exhibit a high degree of accounting and operational transparency?

Third Party Evaluation

Sandstorm routinely engages third-party experts to assist in its evaluation of new investments, which can include external legal counsel (including in the jurisdictions in which a project is located), technical consultants, and other consultants for purposes that can include ESG factors.

Ongoing Due Diligence

After making an investment, Sandstorm monitors the ESG performance of its counterparties on an ongoing basis. Sandstorm's streaming and royalty agreements typically include the following types of provisions for ongoing due diligence and to reduce exposure to ESG risks:

AUDIT AND INSPECTION RIGHTS

- *Sandstorm may be entitled to audit the books and records of its partners on a periodic basis and may access and inspect the properties comprising the project. These rights provide Sandstorm further insight into the operations and assist in confirming compliance with the terms of the streaming and royalty agreements.*

REPORTING OBLIGATIONS

- *Streaming and royalty agreements typically contain a series of reporting obligations including the delivery of month and/or annual reports, updated mine plans, forecasts, and other documentation which serve to keep Sandstorm informed of operations.*

TRANSFER RESTRICTIONS

- *Sandstorm's agreements may have restrictions that either (a) require consent for the operator of the agreement to transfer a mine project, or (b) otherwise establish the circumstances in which such transfer is permissible. Such constraints are intended to ensure Sandstorm continues to be partnered with a quality operator over the life of the agreement.*

SECURITY

- *Where appropriate, Sandstorm will look to have in place suitable security arrangements, including corporate guarantees and/or other security over the mine project. This security is designed to secure Sandstorm's investment during the term of the streaming or royalty agreement, to help mitigate the risks of insolvency or bankruptcy of the operator.*

In addition to the above, Sandstorm manages ESG risks arising from current streams and royalties by undertaking ongoing due diligence where applicable, which includes but is not limited to, site visits, ongoing dialogue with the operators, and review of the corporate and social responsibility reports that are published by the company's partners. We closely monitor and rely on all public disclosures of our operators.

Sandstorm endorses the ICMM Principals, the IFC Environmental, Health and Safety Guidelines for Mining and the e3 Plus Framework for Responsible Exploration.

Senior Management

- 1 Nolan Watson** FCPA, FCA, CFA
President & CEO
- 2 David Awram** B.Sc., Geologist
Senior Executive VP
- 3 Erfan Kazemi** CPA, CA, CFA
CFO
- 4 Tom Bruington** P.E., M.Sc.
Executive VP, Project Evaluation
- 5 Ron Ho** CPA, CA, CFA
Senior VP, Finance
- 6 Imola Götz** M.Sc., P.Eng.
VP, Mining & Engineering
- 7 Keith Laskowski** Mining Geologist, MSc, QP
VP, Geology
- 8 Livia Danila** CPA, CA
VP, Corporate Controller
- 9 Sarah Ford** CPA, CA, CFA
VP, Financial Planning & Analysis
- 10 Kim Bergen** CFA
VP, Capital Markets
- 11 Ian Grundy** CPA, CA, CFA
VP, Corporate Development



II

Mining Partners



IMOLA GÖTZ
VP, Mining & Engineering

“Our mining partners are a reflection of Sandstorm and our values. As such, Sandstorm seeks to partner with operators who perform their important task of mineral extraction with integrity, environmental sustainability, and best-in-class corporate governance.”

At the core of Sandstorm’s business are the partnerships with our mining operators. Each year our mining partners produce various reports and documentation regarding their own sustainability efforts. We have highlighted a selection of operators, which made up the majority (75%) of our attributable gold equivalent ounces (GEOs) for 2021. Sandstorm is proud of the accomplishments of these companies and the ongoing commitment to responsible production that they demonstrate.

In 2021, Sandstorm’s producing mines reporting under a Sustainability standard and a Climate-related Standard were 82% and 59%, respectively¹, up from 73% and 50% in 2020.

The following information related to Sandstorm’s mining partners is based on the public disclosure of the operator and has not been independently verified by Sandstorm.

¹⁾ Partners are required to meet a minimum threshold to be included in the calculation. Sustainability Standards include Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB), and Climate-related Standards include Task Force on Climate-related Financial Disclosures (TCFD) and CDP.

Yamana Gold Inc

ENVIRONMENT

- ▶ In 2020, Yamana's total water consumption was reduced by 47% as compared to 2019, and energy consumption was reduced by 44% over the same period. This resulted in a 39% decrease in combined Scope 1 and 2 emissions in 2020.
- ▶ The company purchased more than 48% of electricity from renewable sources, primarily hydropower and undertook energy savings initiatives at Cerro Moro. Projects included battery installation to optimize generator usage, changes to lighting system to support reflectors powered by solar panels, and evaluation of wind energy project planned for 2021.
- ▶ Yamana began updating the tailings management framework to align with evolving international best practice, including the Global Industry Standard on Tailings Management, released in August 2020. Yamana also began implementing two industry-leading frameworks in 2020: World Gold Council's Responsible Gold Mining Principles and Mining Association of Canada's Towards Sustainable Mining Initiative, both of which address a variety of water use, tailings-related and management topics.
- ▶ Yamana's Board approved a Climate Action Strategy in early 2021, with a specific focus on emissions reduction toward carbon neutrality and an aspirational net-zero target by 2050.

SOCIAL

- ▶ Achieved increasing levels of trust and acceptance in host communities according to Yamana's Social License to Operate Index, which saw an increase of 16% by the end of 2020 and a 75% approval rating of Yamana's commitment to protect employees and communities from COVID-19.
- ▶ Over two-thirds of Yamana's employees are local (communities closest to mine site) and maintained over 99% national (in country) employment.
- ▶ In 2020, 43% of purchases, or over \$237 million, came locally from the regions surrounding the mine sites while Yamana also maintained a high in-country procurement level, at 91%, spending over \$555 million in procurement for operations.

GOVERNANCE

- ▶ Yamana was named one of the best corporate citizens in Canada for 2021 according to Corporate Knights and was the top-ranked mining company on the list. The ranking is based on exemplary performance across a range of environmental, social, and governance indicators.
- ▶ In 2020, 43% of independent board members were women, which met Yamana's formal goal of having at least 40% gender diversity on the Board of Directors. Since 2018, the company has had a 30% increase of women in management.



ASSET	Cerro Moro
COUNTRY	Argentina
2021 GEOS	21%
MEMBER	GRI, TCFD, CDP

See Yamana's website for their Sustainability Report and various news releases pertaining to sustainability efforts.

Q www.yamana.com

MEMBER



Lundin Mining Corp

ENVIRONMENT

- Formally adopted the Global Industry Standard on Tailings Management (GISTM), Lundin Mining's aim is to implement the standard over the next three to five years with action plans being prioritized as defined by GISTM classifications.
- Lundin Mining received a "B" rating in the 2020 CDP climate change report. Operations have continued to focus on reducing Scope 1 and Scope 2 greenhouse gas (GHG) emissions by improving energy efficiency and energy conservation and to identify lower-carbon energy sources.

SOCIAL

- In 2020, employees were almost exclusively from in-country, with expatriates accounting for only 0.80% of employees and the company spent approximately \$1.73 billion on goods and services which were procured at the local or country level, increasing from \$1.63 billion in 2019.
- Total direct community-investment expenditures in 2020 were approximately \$7.96 million, compared to \$4.77 million in 2019, in support of education, health, culture, community development, and small business economic stimulation. The increase compared to 2019 is largely due to the response to the COVID-19 pandemic. The company also spent \$953,000 through the Lundin Foundation to support the development and implementation of social investment programs.

- The company carried out global diversity and inclusion training and created the Diversity, Inclusion, Anti-Racism and Discrimination Committee, a multi-disciplinary volunteer working group established to further diversity and inclusion agenda.

GOVERNANCE

- The Lundin Mining Board of Directors has nine members composed of 67% male and 33% female. Eight are independent, non-executive directors, and the average age is 58.
- A formal Diversity and Inclusion Policy was adopted in 2020 to include targets for achieving and maintaining a Board where women comprise at least 30% of all directors, and to sustain at least 30% of executive officer positions being held by women. In addition, the company reinforced its commitment to continuously improve and understand how to identify, prevent, mitigate, and report human rights risks and associated issues.



ASSET	Chapada
COUNTRY	Brazil
2021 GEOS	13%
MEMBER	GRI, CDP

See Lundin Mining's website for their Sustainability Report and various news releases pertaining to sustainability efforts.

Q www.lundinmining.com

PARTICIPANT



Equinox Gold Corp

ENVIRONMENT

- ▶ Equinox met all its 2020 environmental targets: achieved Significant Environmental Incidents Frequency Rate of 1.65 or less, provided tailings management disclosures to the Church of England/Principles of Responsible Investment, and conducted an Energy and Greenhouse Assessment workshop for management.
- ▶ Equinox is committed to implementing the World Gold Council Responsible Gold Mining Principles (RGMP) in the areas of tailings and waste management, water, energy and climate change, biodiversity and mine closure, water, energy and climate change.
- ▶ Equinox became signatory to International Cyanide Management Code (ICMC), which requires the implementation of programs to monitor for cyanide in both surface water and groundwater.

SOCIAL

- ▶ Equinox met all its safety targets in 2020: Lost Time Injury Frequency (LTIF) rate of 0.69 per million hours worked, surpassing the target rate of 0.95, and a Total Recordable Injury Frequency (TRIF) rate of 3.67, exceeding the target rate of 4.82, and zero fatalities which was on target.

- ▶ In 2020 Equinox assisted in the construction of a community centre for the Mezcala community, close to the Los Filos Mine, and completed construction of a new school for the community near the Aurizona Mine.
- ▶ Equinox became a signatory of the UN Global Compact and committed to implement the UN Guiding Principles on Business and Human Rights as well as the World Gold Council's Conflict Free Gold Standard and RGMP on Human Rights and Conflict.

GOVERNANCE

- ▶ During 2020, Equinox established a Diversity Policy which sets a target of achieving at least 30% female representation on the Board of Directors by 2025. Currently, women represent 22% of the Board.
- ▶ A new Whistleblower Policy was adopted and Whistleblower hotline services were consolidated into a single provider for all operations.



ASSET	Aurizona
COUNTRY	Brazil
2021 GEOs	8%

See Equinox Gold's website for their Sustainability Report and various news releases pertaining to sustainability efforts.

Q www.equinoxgold.com

PARTICIPANT



MEMBER



First Majestic Silver Corp

ENVIRONMENT

- ▶ First Majestic has previously converted power generation from diesel power to liquid natural gas (LNG) for one of its mines and the company is pursuing the same strategy at the Santa Elena operation. Over the past year, the construction of the 12.4 MW LNG power plant at Santa Elena has been a major focus for the company.
- ▶ In 2021, First Majestic's energy use comprised of LNG (40%), hydropower (22%), diesel (15%), and power grid (23%).
- ▶ All tailings storage facilities operated by First Majestic utilize a dry-stack process, which allow for up to 85% of the water to be recovered.

SOCIAL

- ▶ First Majestic implemented a number of response plans and measures to protect communities and operations from COVID-19, including purchasing personal protective equipment, creating medical checkpoints, conducting testing and screening, launching educational awareness programs as well as continuing to pay the salaries of all workers during shutdown.
- ▶ The Santa Elena operation supported six municipalities within its area of influence by hiring part-time doctors and nurses to meet the needs of the local population. In addition, First Majestic donated \$100,000 worth of vitamins/supplements, oxygen tanks, ventilators and medical beds to support community efforts.

- ▶ The Santa Elena operation, including the nearby Ermitaño project, generates 1,285 direct jobs and an annual cumulative economic impact (direct and indirect) estimated at \$148 million.
- ▶ In 2020, First Majestic provided over 700 hours of heavy equipment to maintain rural roads and water reservoirs that represent critical infrastructure for local farmers, especially ranchers and agri-food producers.

GOVERNANCE

- ▶ First Majestic is committed to implementing sound corporate and social responsibility practices, and to act with transparency within its operations and projects. In addition to complying with the national laws of its host countries, First Majestic has been awarded with the prestigious Socially Responsible Business Distinction Award by Centro Mexicana para la Filantropía (Mexican Centre for Philanthropy) for 11 consecutive years (2008-2019).



ASSET	Santa Elena
COUNTRY	Mexico
2021 GEOS	8%
MEMBER	GRI

See First Majestic's website for their Sustainability Report and various news releases pertaining to sustainability efforts.

Q www.firstmajestic.com

Vale S.A.

ENVIRONMENT

- ▶ In 2020, Vale spent \$81 million on sustainability and climate change initiatives, which included energy-efficiency and renewable electricity, use of bioenergy, and electrification and implementation of innovative technologies. This includes Vale's Sol do Cerrado Solar Power Generation Project, which is expected to produce approximately 193 average megawatts of energy per year for Vale's operations.
- ▶ Vale plans to invest more than \$2 billion to reduce greenhouse gas emissions from operations by 33% (Scopes 1 and 2) by 2030 and 15% (Scope 3) by 2035.
- ▶ The company participates in the CDP Climate Change program and in 2020 it achieved a score of "A-" for 2019, showing an evolution in management and alignment with guidelines on climate change.
- ▶ In 2020, Vale invested \$125.3 million in water resource management. The company established the 2030 Water Goal to reduce the specific use of water by 10% (base year 2017). By 2020, Vale achieved an 8.7% reduction and was able to maintain a water reuse rate of 80%.

SOCIAL

- ▶ Vale directed \$390 million towards social investments projects aimed at health, urban infrastructure, culture, education, and social protection.

- ▶ Vale has a goal of doubling the number of women in the workforce from 13% to 26% by 2030 and increasing female senior leadership from 12% to 20%. In 2020, women represented 16.3% of the workforce compared to 13.5% in 2019. Women in senior leadership was 15.9%, up from 12.4% in 2019.
- ▶ Development of local suppliers is a priority with over 40% of Vale's supply chain being local suppliers.
- ▶ The Vale Foundation focuses on social development initiatives in education, health, and social protection in Brazil, which to date has impacted two million people from 52 municipalities, benefitted 164,000 students from 645 education units, and supported 419 basic health units.

GOVERNANCE

- ▶ In 2020, 95% of Vale's operational sites implemented the Hazard Identification and Risk Assessment (HIRA) program as part of their strategy to improve operational risk management. The target is to evaluate 100% of the sites in the first half of 2021 and evaluate all geotechnical structures by the end of 2022.
- ▶ Vale has created a Compliance Board and appointed a dedicated Compliance Officer. This role is directly linked to the Board of Directors and supervised by the Audit Committee, ensuring its autonomy and independence, and is responsible for overseeing the Whistleblower Channel, Internal Audit and Corporate Integrity area.
- ▶ Vale created the Executive Board of Safety and Operational Excellence to ensure safety standards are applied across all operations.



ASSET	Northern System (Serra Leste, Serra Norte, Serra Sul) Sossego
COUNTRY	Brazil
2021 GEOs	8%
MEMBER	GRI, TCFD, CDP

See Vale's website for their Sustainability Report and various news releases pertaining to sustainability efforts.

Q www.vale.com

Endeavour Mining Corp

ENVIRONMENT

- ▶ There were zero significant environmental incidents at Endeavour's mines during 2020.
- ▶ Over the year, Endeavour improved upon its CDP Climate Change score to "C", a substantial improvement over the 2019 score. The company also completed the CDP Water Security Questionnaire for the first time in 2020 and scored "C".
- ▶ Endeavour implemented a group mine closure standard and review of all site closure plans.
- ▶ Endeavour is conducting a review of renewable energy opportunities at its operations, including a solar farm at the Houndé mine, envisioned as the first step in rolling out renewable energy solutions across Endeavour's portfolio. Anticipated completion and commission of the solar project is between Q4 2022 to Q1 2023.

SOCIAL

- ▶ Five of Endeavour's six mines recorded zero lost time injuries, with Houndé mine achieving three years without lost time injury. The Karma mine also had zero lost time injuries in 2020.
- ▶ In 2020, Endeavour spent \$622 million, 74% of total budget, on national and local suppliers, supporting 2,031 businesses. The company invested \$1.76 million in local community projects near mine sites.

- ▶ In 2020, Endeavour's workforce consisted of 10% of women in management roles, 14% in executive roles.

GOVERNANCE

- ▶ Endeavour's Board of Directors is comprised of 40% women, and 60% of the Board is represented by women and/or visible minorities.
- ▶ The process to become members of the Voluntary Principles Initiative and the UN Global Compact, one of the largest organizations supporting the implementation of universal sustainability principles, was initiated during 2020. Endeavour is on track to conform to all World Gold Council Responsible Gold Mining Principles (RGMP) by the end of 2022.
- ▶ During 2020, Endeavour revised the Technical Committee and the Health, Safety and Environment Committee charters to create a new Board-level ESG Committee dedicated specifically to overseeing and monitoring sustainability practices and performance.



ASSET	Karma, Houndé
COUNTRY	Burkina Faso
2021 GEOS	7%
MEMBER	GRI, SASB, TCFD, CDP

See Endeavour's website for their Sustainability Report and various news releases pertaining to sustainability efforts.

Q www.endeavourmining.com

PARTICIPANT



MEMBER



Glencore PLC

ENVIRONMENT

- ▶ Glencore's total energy use at operations was 180 PJ compared to 210 PJ in 2019. Renewable energy sources delivered 13.3% of total energy needs, in 2019 it was 12.5%.
- ▶ Glencore exceeded 2020 target of reducing Scope 1 and 2 emissions intensity by 5% compared to the 2016 baseline, with a 13.2% reduction achieved.

SOCIAL

- ▶ Lost time injury frequency rate (LTIFR) was slightly lower than the previous year at 0.94 per million hours worked in 2020 compared to LTIFR of 0.99 in 2019.
- ▶ In 2020, Glencore spent \$95 million on community development programs, of which \$19 million was spent on COVID-19 related initiatives, compared to \$90 million in 2019.
- ▶ Gender representation at Glencore remained consistent in 2020, with 16% of women in the workforce.

GOVERNANCE

- ▶ In light of the growing importance of sustainability-related topics, Glencore expanded the scope of the Business Ethics Committee to include key environmental, social, and governance (ESG) matters and renamed the committee as the Environmental, Social and Governance Committee



ASSET Bracemac-McLeod

COUNTRY Canada

2021 GEOs 5%

MEMBER ICMM, GRI, CDP

See Glencore's website for their Sustainability Report and various news releases pertaining to sustainability efforts.

Q www.glencore.com

PARTICIPANT



Lundin Gold Inc

ENVIRONMENT

- ▶ The company has been able to greatly reduce freshwater withdrawal for the mine by collecting and utilizing treated contact water. During the year, Lundin Gold utilized only contact water for all industrial uses at site and withdrew freshwater only for domestic use.
- ▶ Lundin Gold continued working with Conservation International Ecuador on a number of initiatives, including updating the management plan for the El Zarza Wildlife Refuge (3,696 ha) next to Fruta del Norte, conservation of 212 ha of forests, and developing an environmental education program for the Yantzaz Canton.
- ▶ Following on the implementation of the UN Environment Program's Awareness and Preparedness for Emergencies at Local Level process for the shipment of cyanide, Lundin Gold has advanced on developing coordinated emergency response plans with relevant government agencies and local communities. Two training sessions were held early in 2020.

SOCIAL

- ▶ Over \$4.4 million was directed to community investment, with a significant portion of the funds directed to COVID-19 relief and the construction of a new provincial bridge in Los Encuentros.

- ▶ In 2020, Lundin Gold's total procurement spending was approximately \$190.4 million, with \$125.5 million (66%) spent within Ecuador, and \$23.3 million (12%) was spent within the Zamora Chinchipe Province.
- ▶ At the end of 2020, 91% of Fruta del Norte's total workforce (direct and contractor) was Ecuadorian, and 47% of workers were from Zamora Chinchipe. Women represented 15% of the workforce.
- ▶ An integrated training strategy was implemented to support the transition from construction to operations when Fruta del Norte reached commercial production in 2020. The training strategy introduced new procedures, requirements, and responsibilities in response to and in keeping with the culture of zero-harm.

GOVERNANCE

- ▶ The company has affirmed its commitment to gender diversity by establishing a clear target of achieving and maintaining 30% female representation by 2023.
- ▶ Lundin Gold is a member of the Extractive Industries Transparency Initiative (EITI) industry group and the EITI multistakeholder group (which brings together civil society, government and extractive companies) to develop a workplan for EITI Ecuador.



ASSET	Fruta del Norte
COUNTRY	Ecuador
2021 GEOs	5%
MEMBER	GRI

See Lundin Gold's website for their Sustainability Report and various news releases pertaining to sustainability efforts.

Q www.lundin.gold.com

PARTICIPANT



III



ERFAN KAZEMI
Chief Financial Officer

“Sandstorm is in the business of investing, and that rings true for our employees as well. Not only do we have policies designed to encourage employees to further their careers, but we also encourage the investment in philanthropic endeavours at both the individual and corporate level.”

Corporate Impact

Sandstorm has policies and programs in place to manage the ESG risk factors that are directly related to the company. These policies and programs are regularly reviewed by the company’s Corporate Social Responsibility (“CSR”) Committee, which reports directly to the CEO and CFO. The social policies and programs discussed in this section are reflective of Sandstorm’s commitment to a high standard of employee management practices including a safe and inclusive workplace, competitive compensation and benefits, training and learning opportunities, and channels for employee engagement.

Sandstorm seeks to incorporate industry best practices with regards to governance and is committed to conducting its business with integrity, maintaining high ethical standards, and contributing to the community in which it operates.

Sandstorm is proud to be reporting under the Task Force on Climate-Related Financial Disclosures (“TCFD”) for the first time in 2021, as included in Appendix C.

Environment



As the company operates in an office environment, Sandstorm's direct environmental impact and carbon footprint is small. Regardless of the size and nature of our operations, we believe it is important to report on Sandstorm's annual emissions output in the spirit of transparency and working towards a more sustainable future. The company's head office is situated in a LEED Gold certified building in Vancouver, British Columbia, Canada. The LEED Canada rating system applies a rigorous, internationally recognized standard measuring and evaluating the effectiveness of a property's sustainable practices and policies in a range of green categories. LEED addresses whole-building cleaning, general maintenance issues, recycling programs, exterior maintenance, and systems upgrade or modernization.

Sandstorm occupies approximately one half of one floor in the Vancouver office building. With a relatively small workforce, our impact on the environment is extremely limited. As an office-based company, Sandstorm does not have any Scope 1 emission activities or sources within the company's operational control to report.

Emissions Activities

The company has a robust composting and recycling program that is utilized by all employees. Sandstorm strives to reduce its direct greenhouse gas (GHG) emissions and has set the target to be carbon neutral by the year 2035. The company does not have any savings or profits achieved as a result of its energy conservation programs.

SCOPE 2 (LOCATION BASED)¹

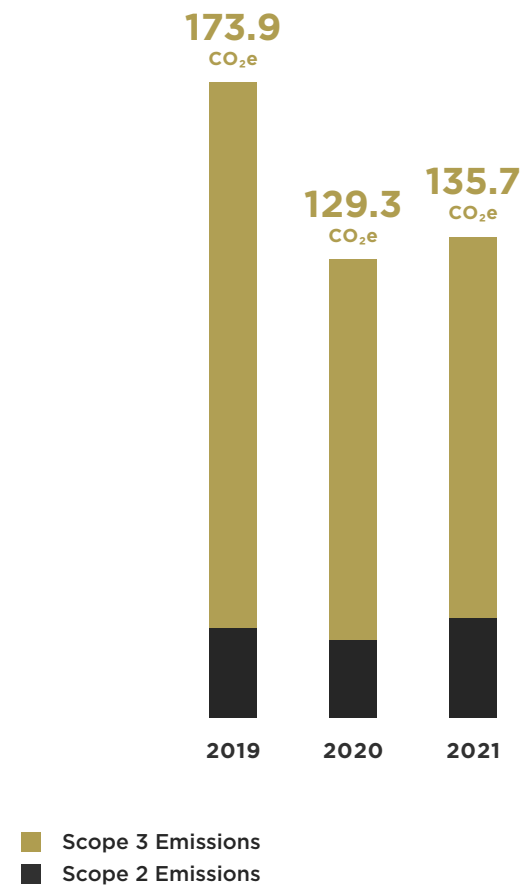
UTILITY	2019	2020	2021
Electricity (KWh)	125,417	95,883	42,904
Natural Gas (M ³)	12,610	11,019	13,705
Water (M ³) ²	1,681	456	298
Waste (kg)	1,617	832	422
Total metric tonnes CO₂e	25.3	22.0	28.2

- 1) Information is for each respective year ended December 31. All of the company's consumed energy comes from Vancouver's energy grid, and more than 90% of Sandstorm's generated electricity is sourced from hydropower.
- 2) All of Sandstorm's water withdrawal comes from municipal water supplies, which comes from three local reservoirs. No water is sourced from regions with High or Extremely High Baseline Water Stress. The company did not recycle or reuse any water used in 2021, 2020 or 2019.

SCOPE 3¹

	2019	2020	2021
Total metric tonnes CO₂e	148.6	107.3	107.5

- 1) Information is for each respective year ended December 31. Total Scope 3 emissions include activity data from flight, car and bus travel records for Sandstorm's employees' business travel.

Annual CO₂e Emissions
(in Metric Tonnes)


Social



Sandstorm's social policies were developed to ensure a safe, inclusive workplace for our employees. Social policies can be considered in two categories: Labour Management (including Health & Safety), and Communication & Collaboration. The following is an overview of Sandstorm's social policies.

Health & Safety

Sandstorm has 24 full-time employees working in office space located in Vancouver and a smaller office in Toronto. We have a health and safety policy in place that provides a guiding framework for ensuring a safe workplace for our employees. The aim of the policy is to ensure compliance with legal and regulatory requirements and to minimize exposure to health and safety risks. As Sandstorm's principal activity is providing financing to other businesses in the mining industry, the company's exposure to health and safety risks is limited. Notwithstanding, our team travels extensively to visit mining operations to conduct due diligence and scheduled audits. We have a Health & Safety Policy applying to our company and employees necessitating compliance with applicable legal and regulatory health and safety requirements of the jurisdictions in which we operate and setting out standards for a safe work environment, including a workplace free from injuries and from violence and harassment. Sandstorm's health and safety performance is reviewed annually by the CEO. Sandstorm has had no workplace injuries, near-miss injuries, no occupational diseases or work-related fatalities since it began operations.

In accordance with the Canadian Charter of Rights and Freedoms, we are supportive of the fundamental freedoms of our employees (and of all individuals), including the freedom of thought, belief, opinion and expression, the freedom of peaceful assembly and the freedom of association. None of our employees are organized by a trade union or labour union. As a participant in the UN Global Compact, we support the right to collective bargaining.

Beyond the confines of our company, our affiliates, and our employees, we are opposed to activities which cause, support or benefit unlawful armed conflict or contribute to serious human rights abuses or breaches of international humanitarian law. Such abhorrent activities include forced labour or child labour, and any activity that seriously endangers the health and safety of its workers or the surrounding community.

[Health and Safety Policy](#)

Workplace Bullying & Harassment

Sandstorm is committed to creating and maintaining a workplace environment that fosters mutual respect, integrity and professional conduct. In keeping with this commitment, the company has established a Workplace Bullying & Harassment Policy and a set of reporting/investigation procedures for all employees relating to the issue of workplace bullying and harassment. The company will not tolerate bullying or harassment in the workplace and will make every reasonable effort to prevent and eliminate such conduct.

[Workplace Bullying & Harassment](#)

Human Rights

Sandstorm respects and supports the Universal Declaration of Human Rights and strives to ensure that we are not complicit in human rights abuses. In 2021, our Code was updated to better align our policies with the UN Global Compact by adding provisions outlining our commitment to human rights, fair practice and freedom of association, collective bargaining and our support for the abolition of forced labour and child labour, as well as other provisions. As a member of the World Gold Council, we endorse the Conflict-Free Gold Standard and Responsible Gold Mining Principles, which include principles regarding the human rights of our workforce, affected communities and all those people with whom we interact.

We work with our Mining Partners to ensure that their approach to human rights and other policies are aligned with ours. We conduct regular site visits to observe issues such as health and safety incidents or community grievances that might indicate human rights concerns.

There have been no human rights allegations related to Sandstorm in the history of the company.

Diversity Policy

Sandstorm is committed to creating and maintaining a culture of workplace diversity. In keeping with this commitment, Sandstorm has established a diversity policy. “Diversity” is any dimension that can be used to differentiate groups and people from one another, and it means the respect for and appreciation of the differences in gender, age, ethnic origin, religion, education, sexual orientation, political belief or disability.

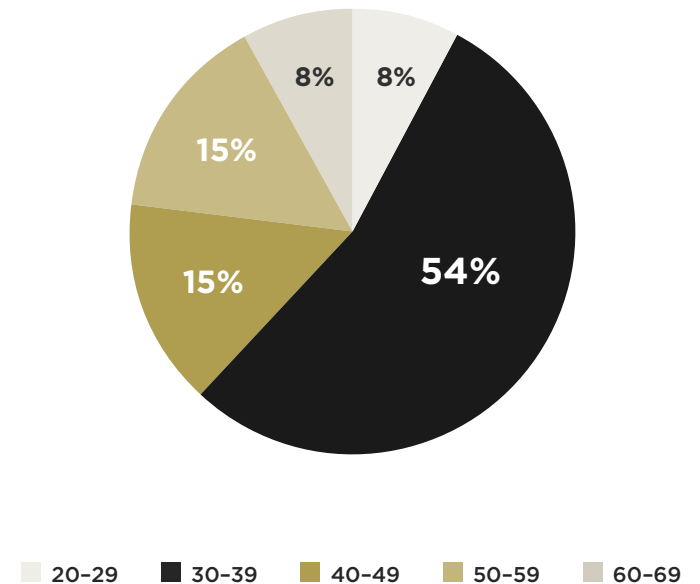
Sandstorm recognizes the benefits arising from employee and board diversity, including a broader pool of high-quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent. The company respects and values the perspectives, experiences, cultures and differences that employees possess.

Sandstorm defines “Diverse Persons” as individuals designated under the Employment Equity Act, which includes women, Aboriginal peoples, persons with disabilities and members of visible minorities. As at December 31, 2021, 44% of the company’s senior management, including Board of Directors and Officers of the company, were a Diverse Person.

Diversity Policy ➔

Sandstorm has set a goal to employ at least 50% of individuals who identify as Diverse Persons at the senior management level and above by 2024.

📉 **Employee Age Demographics**
as of December 31, 2021



Compensation and Benefits

Sandstorm offers comprehensive compensation and benefits packages and broad-based professional development and training opportunities for its employees. The following principles guide the company's overall compensation philosophy:

- *Compensation is determined on an individual basis by the need to attract and retain talented high-achievers;*
- *Calculating total compensation is set with reference to the market for similar jobs in similar locations;*
- *An appropriate portion of total compensation is variable and linked to achievements, both individual and corporate;*
- *Internal equity is maintained such that individuals in similar jobs are treated fairly; and*
- *The company supports reasonable expenses in order that employees continuously maintain and enhance their skills.*

All Sandstorm employees receive a base salary and are considered for incentive bonus compensation annually, at the Board's discretion. Stock-based compensation, extended health benefits, dental benefits and health and wellness benefits are also provided to all staff. Sandstorm provides a fair living wage to all employees. Professional development and training opportunities that are relevant to an employee's role are encouraged and are reimbursed by the company. Sandstorm also encourages its employees to volunteer and support charitable causes. A charitable donation matching program has been instituted for all employees.

Communication and Collaboration

Sandstorm believes it is important to have regular and constructive engagement directly with our shareholders to allow and encourage shareholders to express their views on governance matters directly to our Board outside of our annual meetings. These discussions are intended to be an interchange of views about governance and disclosure matters that are within the public domain and will not include a discussion of undisclosed material facts or material changes. Our Board continues to develop practices to increase engagement with our shareholders as is appropriate for our shareholder base and size. Our Board recognizes that shareholder engagement is an evolving practice in Canada and globally and we will review our shareholder engagement annually to ensure that we are effective in achieving our objectives.

Our shareholders and other interested parties may communicate with any member of the Board of Directors, including the Chair of the Board, and our independent directors as a group, by contacting our Investor Relations team at 400 Burrard Street, Suite 1400, Vancouver, BC, Canada V6C 3A6.

Governance



Sandstorm takes seriously the ethical nature of our corporate governance practices and has put in place various measures to ensure the company conducts its affairs at the highest standard. Below you will find Sandstorm's corporate governance policies that relate to corruption and instability as well as descriptions of various committees, policies and programs that have been implemented to ensure governance best practices.

Code of Business Conduct and Ethics

The Sandstorm Code of Business Conduct and Ethics is intended to document the principles of conduct to be followed by Sandstorm employees, officers, directors and contractors. Its purpose is to:

- *Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;*
- *Promote avoidance of conflicts of interest, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;*

- *Promote full, fair, accurate, timely and understandable disclosure in reports and documents that Sandstorm files with, or submits to, the securities regulators and in other public communications made by Sandstorm;*
- *Promote compliance with applicable governmental laws, rules and regulations;*
- *Promote the prompt internal reporting to an appropriate person of violations of the code;*
- *Promote accountability for adherence to the code;*
- *Provide guidance to employees, officers and directors to help them recognize and deal with ethical issues;*
- *Provide mechanisms to report unethical conduct; and*
- *Help foster Sandstorm's culture of honesty and accountability.*

[Code of Business Conduct and Ethics Policy](#) ➔

[Code of Business Conduct and Ethics Policy \(Consultants\)](#) ➔

Anti-Corruption

Sandstorm expects its employees, officers, directors and contractors to promote honest and ethical behavior, to avoid conflicts of interest, to comply with governmental laws and applicable rules and regulations, and to help foster the company's culture of honesty and accountability. To this end, Sandstorm has outlined a comprehensive bribery and fraud prevention program which covers topic areas such as bribery, fraud, conflict of interest, administrative corruption, facilitation payments, breach of duty, misuse of authority and criminal activity. All employees, officers, directors and contractors are required to read and sign the policy in order to evidence that they understand and agree to conduct their work in accordance with the terms of the policy.

[Bribery & Fraud Prevention Program](#)

Whistleblower

The company's whistleblower policy allows for the anonymous submission of any concerns regarding questionable accounting or auditing matters or violations of the company's Code of Business Conduct and Ethics. Employees may submit concerns directly to the audit committee using either the whistleblower hotline (a confidential, anonymous and toll-free telephone line available 24 hours a day, 7 days a week) or via mail or email. The audit committee reviews and investigates each complaint and takes appropriate corrective actions. To date, there have been no complaints received through the Whistleblower hotline.

[Whistleblower Policy](#)

Information Security

Sandstorm's information systems, and those of its counterparties under the precious metal purchase agreements and vendors, are vulnerable to an increasing threat of continually evolving cybersecurity risks. To help in mitigating this risk, the company has an ongoing Cyber Awareness program, which first began in 2019, as well as cyber security insurance.

The Cyber Awareness program is run by experts in the field and provides an ongoing reassessment of cyber risk that the company is potentially exposed to. The program provides training and simulations to all of Sandstorm's employees, educating employees of what they can do to reduce this risk. Training is required of all employees. The Company's Cyber Awareness program also assesses new risks, and Sandstorm's exposure to ongoing risks, including social engineering and phishing emails. The CFO is provided with a monthly update on the program, and the Disclosure Committee reviews any significant changes or updates as they occur. The Audit Committee is updated on an annual basis, or as needed, for all information security activity. Due in part to this program, Sandstorm has not experienced a material security breach in the history of the company.

Corporate Governance & Nominating Committee

The Corporate Governance & Nominating Committee is in place to provide a focus on governance that will enhance Sandstorm's performance, to assess and make recommendations regarding the Board of Directors effectiveness and to establish and lead the process for identifying, recruiting, appointing, re-appointing and providing ongoing development for directors.

[Terms of Reference for the Corporate Governance and Nominating Committee](#)

BOARD OF DIRECTORS

	Audit Committee	Corporate Governance & Nominating Committee	Compensation Committee
NOLAN WATSON NON-INDEPENDENT			
DAVID AWRAM NON-INDEPENDENT			
DAVID E. DE WITT CHAIRMAN, INDEPENDENT	✓	✓	✓
JOHN P.A. BUDRESKI INDEPENDENT	✓	✓	✓
ANDREW T. SWARTHOUT INDEPENDENT	✓	✓	✓
MARY LITTLE INDEPENDENT		✓	✓
VERA KOBALIA INDEPENDENT			

✓ Committee Chair

Compensation Committee

A Compensation Committee has been established by the Board of Directors of Sandstorm to assist the board with ensuring that the company has a compensation plan that is both motivational and competitive for executive officers and other members of senior management so that it will attract, hold and inspire performance of executive management of a quality and nature that will enhance the sustainable profitability and growth of the company.

[Terms of Reference for the Compensation Committee](#) ➔

Disclosure Policy

The communications and corporate disclosure policy is intended to assist Sandstorm in fulfilling its obligations to ensure that all information relevant and material to the company's shareholders and the market is disclosed in a timely manner.

[Communications and Corporate Disclosure Policy](#) ➔



Appendices

The appendix includes links to download Sandstorm's policy documents, committee charters, and other governance guidelines.

For more information please contact us at info@sandstormgold.com or visit: sandstormgold.com/our-company/corporate-responsibility for more details.

UN Global Compact Reference Index

APPENDIX A

CATEGORY	UN PRINCIPLE	REFERENCES
Human Rights	Principle 1	Human Rights, page 34
	Principle 2	Human Rights, page 34
Labour	Principle 3	Health & Safety, page 33
	Principle 4	Health & Safety, page 33
	Principle 5	Health & Safety, page 33
	Principle 6	Diversity Policy, page 35
Environment	Principle 7	Emissions Activities, page 31
	Principle 8	Emissions Activities, page 31
	Principle 9	Due Diligence Considerations, page 17
Anti-Corruption	Principle 10	Anti-Corruption, page 38



Policies

Bribery and Fraud Prevention Program	www.sandstormgold.com/_resources/downloads/csr/SSL-Bribery-and-Fraud-Prevention-Program.pdf
Code of Business Conduct and Ethics	www.sandstormgold.com/_resources/downloads/csr/SSL-Code-of-Conduct.pdf
Code of Business Conduct and Ethics (Consultants)	www.sandstormgold.com/_resources/downloads/csr/SSL-Code-of-Conduct-and_Ethics-Consultants.pdf
Communications and Corporate Disclosure Policy	www.sandstormgold.com/_resources/downloads/csr/SSL-Disclosure_Policy.pdf
Diversity Policy	www.sandstormgold.com/_resources/downloads/csr/SSL-Diversity-Policy.pdf
Health and Safety Policy	www.sandstormgold.com/_resources/downloads/csr/SSL-Health-and-Safety-Policy.pdf
Whistleblower Policy	www.sandstormgold.com/_resources/downloads/csr/SSL_Whistleblower_Policy.pdf
Workplace Bullying and Harassment Policy Statement	www.sandstormgold.com/_resources/downloads/csr/SSL-Workplace-Bullying-and-Harassment-Policy-_Statement.pdf

Committees

Audit Committee Charter	www.sandstormgold.com/_resources/downloads/csr/SSL_Audit_Committee_Charter.pdf
Compensation Committee Terms of Reference	www.sandstormgold.com/_resources/downloads/csr/SSL_Terms_of_Reference-CompCom.pdf
Corporate Governance & Nominating Committee Terms of Reference	www.sandstormgold.com/_resources/downloads/csr/SSL-Terms-of-Reference-CorpGov-NomCom.pdf

Task Force on Climate-related Financial Disclosures

Sandstorm is proud to be a leading company in sustainability and recognizes the importance of continuing actions to reduce climate change. In addition to reporting our progress on Greenhouse Gases (“GHG”) and climate change in our Sustainability Report, we also disclose through CDP, formerly known as the Carbon Disclosure Project. This year marks the first year that we have aligned our sustainability reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”).

Governance

The organization’s governance around climate-related risks and opportunities

Sandstorm’s Board of Directors (the “Board”), and relevant subcommittees, provide oversight on the company’s approach to climate change, and to our overall Environmental, Social and Governance (“ESG”) risks. This includes considerations of climate-related opportunities and risks affecting our business.

The following Board Committees have oversight of ESG and climate-related opportunities, risks, and disclosures:

GOVERNANCE COMMITTEE

Our Governance Committee works with management to develop and recommend to the Board our approach on ESG, including climate-related issues; reviews the adequacy of our ESG practices and policies and recommends any changes to the Board; and approves the adoption of any

ESG-related standards or initiatives. Where applicable, the Committee also engages with our stakeholders in respect of ESG issues.

AUDIT COMMITTEE

Our Audit Committee oversee the Company’s risk management, which includes climate change risks. This includes a review of our key risks and exposures with a view to ensuring that such risks and exposures are being effectively managed, monitored or mitigated by reviewing management’s assessment of the significant risks and exposures impacting our company.

The Board and Committees regularly meet with senior management to determine our strategy with respect to our risks and exposures. Management last provided an update to the Board on ESG-related risks and strategies, including climate-related strategies, in early 2022.

The Board, and relevant subcommittees, oversee senior management, who are responsible for the execution of ESG and climate-related opportunities and for the management of ESG and climate-related risks. Our Chief Executive Officer is responsible for the leadership on ESG and climate-related matters, and our VP, Financial Planning & Analysis has executive responsibility over such matters. ESG strategy, and managing climate-related risks, is considered where applicable, in each of the company’s departments, with specific consideration by our technical team when undergoing due diligence of new opportunities, as further discussed in our Sustainability Report on page 17.

Our Board oversight and management leadership of ESG and climate-related issues is depicted in the chart below



Task Force on Climate-related Financial Disclosures

Sandstorm's senior executives regularly attend Board meetings, and provide updates on royalty acquisition opportunities, which include, where applicable, ESG and climate-related considerations. Where materially adverse ESG or climate-related considerations arise during the due diligence process, management and/or the Board may decide not to proceed with the royalty or stream opportunity. Over the past several years, Sandstorm has rejected potential transactions valued at over \$500 million, on the basis of ESG concerns.

Strategy

The actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning

As Sandstorm operates in an office environment, the Company's direct environmental impact and carbon footprint is small. Due to the nature of our business, we are not directly exposed to the majority of climate-related risks that mining operators face. However, we recognize that climate-related risks are material for our mining stream partners, and in some situations, can pass through to us. Specifically, this can occur where climate-related incidents or developments adversely impact either the production at an operation, and therefore, the royalty payments received by our company; and/or the reputation of our partner, which can have impacts on our company for having invested in them.

To manage our risks, we screen for significant risks through our due diligence process before making an investment with a partner.

Our due diligence process helps us assess risks and opportunities from climate change on our investments, where applicable.

While Sandstorm has determined that climate-related issues are not likely to have a significant impact on the Company's revenues in the short term, we recognize that climate-related risks could materialize in the medium to long-term. Sandstorm will be undertaking a scenario analysis in 2022 to consider long term risks and opportunities associated with climate change to strengthen our strategy and financial planning process. The results of this analysis will be included in our next Sustainability Report.

Climate Risks

When evaluating new royalty opportunities, Sandstorm employs multiple due diligence methods, which assists in determining climate risks ranging from both short-term to long-term.

Sandstorm enters into agreements with mining partners that cover the life of the mines, often with our royalties outliving the operators of an asset. Accordingly, Sandstorm defines our time horizons in climate change risk management the following way:

- **Short term**
Under 5 years
- **Medium term**
5-10 years
- **Long term**
Greater than 10 years

The due diligence process is undertaken by Sandstorm's management team, using a multi-disciplinary approach when evaluating potential transactions. The due diligence team consists of professionals with experience and expertise in the fields of geology, mining, metallurgy, engineering, and finance. By conducting a robust and detailed due diligence process, Sandstorm endeavors to invest in projects with a relatively low ESG, and climate-related, risk. Where appropriate, the due diligence process will utilize the expertise of third-party consultants. During the due diligence process, climate risks and opportunities may be identified, including potential impacts to the investment related to physical and transition climate change risks.

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The table below outlines the physical and transition risks that could impact the operations of our partners and our Company's results, many of which are considered throughout the due diligence process and through ongoing monitoring:

Category of Risk	Description of Risk and Potential Financial Impact for our Partners	Potential Financial impact for our Company
ACUTE PHYSICAL RISKS	Extreme weather events caused by global warming, such as droughts, floods, hurricanes, etc. These events may lead to production delays and/or cessation of operations.	Short term delay of revenues, with potential longer term elimination of revenues if operations ceased.
CHRONIC PHYSICAL RISKS	Gradual shifts in weather conditions could lead to water scarcity, shifts in rainfall patterns, rising sea levels, etc. These shifts may lead to recurring production delays, cessations of operations and/or increased operating costs to adapt to climate changes. These results may lead to mines being abandoned or placed into care and maintenance if adaptation costs erode anticipated profitability.	Longer-term and potentially recurring delays of revenues, long term impact to asset value including impairment.
POLICY & LEGAL RISKS	Policy & legal changes in a jurisdiction that seeks to promote adaptation to climate change and/or constrain the activities of operators and operations that contribute to adverse effects of climate change. These legislative and legal changes may require extensive capital expenditures by our partners to accommodate or conform to such changes, which may lead to projects being abandoned or placed into care and maintenance if such mandatory expenditures erode anticipated profitability.	Potential impairment of assets, delays of revenues, and additional expenses to legal experts to ensure meeting legislative requirements.
REPUTATIONAL RISKS	Changing public perceptions of our partner's climate-related activities and their contributions to or detractions from the transition to a low carbon economy. This may affect access to capital which may lead to projects changing hands or being temporarily or permanently abandoned.	Delays of revenues, and impairment of assets.
MARKET RISKS	Shifts in supply and demand for certain commodities based on their real or perceived impact on the climate. Reductions in commodity prices may impact our partner's revenues and, in severe cases, render a project uneconomic, causing projects to be abandoned or placed into care and maintenance until commodity prices recover.	Delays of revenue and lack of opportunities for future growth. Potential impairment of assets.

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Risk Mitigation through Diversified Portfolio

Sandstorm has over 230 royalty and stream agreements, therefore our exposure to climate-related risks is partially mitigated by our diversification. In 2021, our revenue was made up from 26 producing partners, located in countries throughout the world. This helps mitigate both operator-specific risks, as well as localized climate-related risks. Our due diligence process is focused on identifying high-quality mine operators that share our values in responsible mining. While the majority of our revenue is generated through precious metals, including gold and silver, we also receive revenues from various commodity types produced in multiple jurisdictions, which helps mitigate risks impacting broader regions and markets.

Climate Opportunities

The mining industry supplies commodities to sectors that are essential for the transition to a low carbon economy. Sandstorm is well positioned to participate in climate-related opportunities in connection with this transition. The following describes climate-related opportunities that we have within our portfolio, and that we expect will continue to be available to our company throughout the short, medium and long-term.

PRODUCTS AND SERVICES

→ Copper

Copper is the best nonprecious metal conductor of heat and electricity, and is already used in low carbon technologies such as wind,

solar power, nuclear power, and electrical vehicles. Therefore, it will play an important role in the decarbonization of the planet.

Sandstorm currently receives copper from our Chapada mine, with Lundin Mining Corp. In 2021, Chapada made up 13% of total revenue. Strong demand for copper increases the prospects of greater production from this operation, which is currently anticipated to produce through to 2050. We expect in the future there will be significant opportunities for our company to finance copper operations with our recently announced strategic mining partner, Horizon Copper, which will have a focus on copper projects. Sandstorm and Horizon Copper may partner together in the future, whereby Sandstorm will purchase stream on the precious metals by-products from the copper project acquisitions made by Horizon Copper.

→ Silver

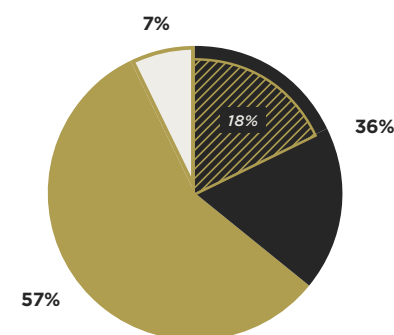
Silver has proven to be invaluable across numerous applications, and is essential in the production of both solar panels and electrical vehicles. Silver is also used in electronics, alloying, chemical catalysts and photographic film. Due to its numerous uses, it will play a key role in transitioning from fossil fuels.

Sandstorm currently receives silver from our Yamana silver stream, with Yamana Gold. In 2021, the Yamana silver stream made up 22% of total revenue. Sandstorm will continue to look for opportunities to allocate capital into the silver space.

2021 Attributable Gold Equivalent Ounces

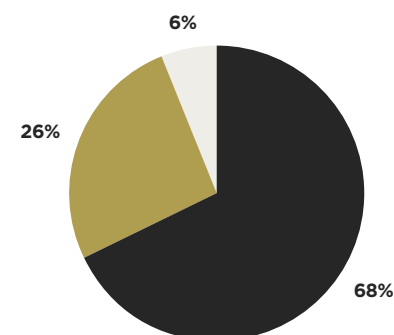
by Region

■ North America
 ▨ CANADA
 ■ South America
 □ Other



by Metal

■ Precious Metals
 ■ Base Metals
 □ Diamonds



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→ Operations

Sandstorm's head office is situated in a LEED Gold certified building in Vancouver, British Columbia, Canada. The LEED rating system is recognized as the international mark of excellence for green building in over 160 countries. As a LEED Gold certified building, specific measures are taken to reduce waste, conserve energy, and decrease water consumption. In Vancouver, 90% of the energy is supplied from renewable, clean energy sources, mainly using hydroelectric generation.

While our direct environmental impact and carbon footprint is small, operating out of a sustainably designed building is a strategic decision to further minimize our impact on the environment.

Risk Management

How the organization identifies, assesses, and manages climate-related risks

Our Company does not operate mines, but instead provides upfront capital to mining operators, in exchange for a portion of the future metal or revenue from the mining operators, with the view of holding onto these interests for extended time horizons. Therefore, the key period for assessing and identifying ESG risks, including climate-related risks, is prior to making an investment with our partners. Accordingly, we have a due diligence process for potential operating partners. With over 230 royalty and stream agreements, our due diligence team has put in thousands of hours reviewing investment opportunities. This process involves

utilizing the extensive experience of our management team, technical team and Board of Directors to evaluate ESG and climate-related risks, where appropriate, specific to a mining operation and the plans adopted by the operator to manage risks. For a detailed description of our due diligence process, refer to pages 17–19 in our Sustainability Report.

If ESG risks, including climate-related risks, identified in our due diligence process are assessed and deemed to be materially adverse to the prospects of the respective mine, this may result in Sandstorm's decision not to proceed with an investment. Over the last several years, we have rejected over \$500 million in potential transactions on the basis of ESG concerns. If we elect to proceed with an investment, we endeavour to include in our agreements, specific provisions that include reporting obligations, audit and inspection rights, etc. For further information, refer to page 19 in our Sustainability Report.

Once we have acquired a royalty or stream agreement, we do not have control over the mines or their operations. Due to the nature of our business, we are exposed to other risks, which we may be unable to mitigate. For additional discussion on these risk factors, refer to the Company's Annual Information Form dated March 31, 2022, which is available on www.sedar.com

As discussed in our Governance section above, the Board of Directors meet with senior management to discuss our company's ESG and/or climate-related risks and exposures on a regular basis. This collaborative effort is aimed at defining our ESG and climate strategy going forward. This will be further informed by a detailed

scenario analysis, which we are undertaking in 2022. This process will consider how we can mitigate, transfer, or accept the identified risks.

Metrics and Targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material

METRICS

Sandstorm has been reporting our Scope 2 and relevant Scope 3 emissions in line with the Greenhouse Gas (GHG) Protocol through the CDP Climate Change Questionnaire since 2019. As per our Sustainability Report, we have committed to being carbon neutral in our operations by 2035. Details on our Carbon Footprint, greenhouse gas emissions and our carbon-neutral commitment, are on pages 31–32 of our Sustainability Report. As a summary, for 2021, our Scope 2 GHG was 28.2 metric tonnes CO₂e, and Scope 3 GHG was 107.5 metric tonnes CO₂e.

TARGETS

Sandstorm is an office-based company with 24 employees, therefore our carbon footprint is minimal. As a royalty company, we are not involved in, nor control, the operational decisions of the mine projects on which we have royalties or streams. Our targets used to assess and manage our climate-related risks and opportunities reflect this fact, with the focus on our own actions and initiatives. Our climate-related targets and 2021 performance related to such targets are as follows:

Task Force on Climate-related Financial Disclosures

→ Partnering with best-in-class partners

To ensure that we are partnering with high quality partners, Sandstorm has set the goal to have a percentage of our assets align with sustainability and climate related reporting standards and frameworks by the year 2025.

2021 Performance: As outlined on page 21 of our Sustainability report, 82% of our producing partners are reporting under a sustainability reporting standard, and 59% of our producing partners are reporting under a climate related reporting standard.

→ Carbon neutral

We aim to be carbon neutral for our direct Scope 2 and Scope 3 emissions, by the year 2035.

2021 Performance: As discussed above, discussed above, for 2021, our Scope 2 emissions were 28.2 metric tonnes CO₂e, and Scope 3 emissions were 107.5 metric tonnes CO₂e. We believe we are on track to becoming carbon neutral within our timeline.

→ Enhanced climate-related transparency

Sandstorm aims to be on the leading edge of the sustainability movement, and to continue to improve and increase the transparency in our sustainability reporting and continue to address climate-related issues that are important to our stakeholders.

2021 Performance: For 2021, we have significantly enhanced our climate-related disclosure, with the inclusion of our first-time TCFD-aligned climate disclosure. We have also seen improvement in our ratings with MSCI, moving from a “A” rating in 2020, to an “AA” rating in 2021.