



2023 Annual Environmental Metrics and Goals

September 11, 2024

The following data has been prepared with reference to the Corporate Accounting and Reporting Standard (Revised Edition) developed by the Greenhouse Gas Protocol of the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD). Reporting boundaries are based on “financial control”.

This document has been updated on September 11, 2024 with adjusted calculations based on new information regarding ARR’s electricity usage.

Greenhouse gas emissions (tonnes of CO₂e)			
Metric	2023	2022	2021
Scope 1 (direct)	0	0	0
Scope 2 (indirect)^[1]	1.1	1.5	1.3
Total Scope 1 and Scope 2	1.1	1.5	1.3
NEW 2023 Scope 1 and 2 ARR	2.7	reported separately by ARR	not reported
Scope 3			
Business travel	39.5	21.6	0 ^[2]
Employee commuting	10.4	10.3	9.2
NEW 2023 business travel ARR	8.9	reported separately by ARR	not reported
NEW 2023 employee commuting ARR	7.15		
Investments (financed emissions) ⁽³⁾	72,691.0	104,153.0	94,954.0
Total Scope 3	72,757.0	104,185.0	94,963.2
Total Scope 3 emissions from Genesee ⁽⁴⁾	50,182.0	79,416.0	71,319.0
Scope 3 financed emissions excluding Genesee	22,509.0	24,737.0	23,635.0
Total Scope 3 excluding Genesee	22,578.8	24,737.0	23,635.0
Carbon offsets purchased (tonnes)	22,578.80	25,309.0	none ⁽⁵⁾

^[1] For Scope 2 emissions, the values reflect purchased electricity. For the Newfoundland office, the emissions factor was sourced from the *National Inventory Report 1990 - 2022: Greenhouse Gas Sources and Sinks in Canada* prepared by Environment and Climate Change Canada as part of Canada's Submission to the United Nations Framework Convention on Climate Change.

^[2] Business travel was significantly reduced in 2021 due to travel restrictions related to the COVID-19 pandemic, and increased significantly in 2023 as more Board meetings were held in person and more investor marketing trips occurred.

⁽³⁾ Attributable emissions by asset = (total royalty rate by asset) x total mine or asset Scope 1 and 2 emissions

⁽⁴⁾ This disclosure has been included to illustrate the change in our portfolio emissions when Genesee ceases production, as our investment interest in Genesee ended in 2023 as the Genesee operator has converted its coal-fired units to natural gas. The Genesee emissions reduction in 2023 from 2022 and 2021 reflects a partial year of operation as this transition was occurring and is now complete.

⁽⁵⁾ In 2022, we engaged a third party consultant to assist with the measurement of our Scope 3 Category 15 Investments emissions for 2021; we did not purchase carbon offsets in 2022 for the 2021 emissions, as we utilized that year to better understand evolving standards, including the coming ISSB. In 2024, we purchased a combination of Verra-certified or Gold Standard certified reforestation credits to offset 2023 emissions including Scope 3 Category 15 Investments.

Electricity Usage (kWh)			
Location	2023	2022	2021
St. John's headquarters	52,360	50,836	43,647
Toronto shared office	7,000	7,000	7,000
ARR 50% share of GBR New Hampshire office	6,900	not reported	not reported
TOTAL	61,383	57,836	45,668
Energy derived from renewable resources (% of total)	78.8 ⁽⁶⁾	not reported	not reported
Energy derived from non-renewable resources (% of total)	21.2 ⁽⁶⁾	not reported	not reported
Energy derived from renewable resources (kWh)	52,228 ⁽⁶⁾	not reported	not reported
Energy derived from non-renewable resources (kWh)	14,032 ⁽⁶⁾	not reported	not reported

⁽⁶⁾ Percentages and kWh of energy derived from renewable and non-renewable resources have been estimated based on publicly available statistics of regional energy generation and purchase provided by Newfoundland Power, Ontario's Independent Electricity System Operator (IESO) and New Hampshire local utility provider, Eversource.

Water Usage			
Metric	2023	2022	2021
Total Water Consumption (litres)	0	0	0
Proportion of corporate operations in areas of high water stress	0	0	0
Goals and Targets			
Water reduction goals	As a royalty company, we do not use water in our operations and will continue to consume 0 litres of water per year.		

Non-GHG emissions and waste (tonnes)			
Metric	2023	2022	2021
Nitrogen Oxide (NOx)	0	0	0
Sulphur Oxide (Sox)	0	0	0
Volatile Organic Compounds (VOC)	0	0	0
Particulate matter (PM)	0	0	0
Hazardous Air Pollutants	0	0	0
Total hazardous waste	0	0	0
Total waste	0	0	0
Goals and Targets			
Waste reduction goals	Our operations do not produce hazardous or non-hazardous waste and we will continue to produce 0 tonnes of these materials in the future.		