

# Community Investment Strategy

## Who We Are

Triple Flag is a carbon neutral, gold focused streaming and royalty company headquartered in Toronto, Canada, offering customized, enabling financing solutions to the metals and mining industry.

### Our Vision:

To be the leading sustainable precious metals streaming and royalty company

### Our Mission:

To be a sought-after, long-term funding partner to mining companies throughout the commodity cycle while generating attractive returns for our investors

### Our Purpose for Community Investment:

To contribute to the social, environmental and economic well-being of our communities of interest by supporting responsible and sustainable investments across our portfolio

## Our Communities of Interest

Our communities of interest include all individuals and groups who have an interest in, or believe they may be affected by, decisions respecting the assets in which we invest<sup>1</sup>. These may include, but are not restricted to, investors, governments, counterparties, community members, and civil society organizations. We regularly engage with our communities of interest to understand expectations and priorities. In 2021, we conducted a materiality, stakeholder, and community investment scan and survey of the 15 producing mines in our portfolio.



### Material Issues

Of the full range of environmental, social and governance issues deemed material to their business, our producing counterparties identified:

Environment	Social	Governance
Water and waste management	Health and Safety	Emergency response
Climate change	Community relations and development	Business ethics



### Stakeholder Groups

Of the range of stakeholder groups our producing counterparties engage with, they identified host communities, governments and regulatory agencies, investors and shareholders, and employees as being most affected by or most influential on their business.

<sup>1</sup> *Indigenous and Community Relationships Protocol*, Mining Association of Canada, 2020, <https://mining.ca/wp-content/uploads/2020/07/Indigenous-and-Community-2019-EN.pdf>



## Community Investments

Of the voluntary contributions our producing counterparties make to their host communities above and beyond the payment of taxes and royalties, they prioritized support for health and nutrition, water and sanitation, and education and employment initiatives.

In addition to the communities of interest at our producing assets, we also have communities of interest associated with our corporate offices in Canada and Bermuda.

## Our Approach to Community Investment

Given the unique nature of our business as a precious metals streaming and royalty company, we employ a hybrid approach to community investment that supports both partner and local initiatives, magnifies the positive impacts on communities, and enhances and sustains the social and economic well-being of our communities of interest.

Partner program	Local program
Long-term sustainable initiatives	Short-term, quick impact initiatives
Mostly international	Mostly within Canada
Selected from partners' project portfolios	Selected based on Triple Flag research and priorities
Managed by partners with input from Triple Flag	Managed by Triple Flag
Extensive number of initiatives	Limited number of initiatives

## Selection Criteria

We will select specific community investment opportunities based on criteria that include, but are not restricted to, the following:

- Compatibility with Triple Flag's vision, mission and values
- Geographic proximity and alignment with material issues of Triple Flag and/or its counterparties
- Alignment with priorities identified by communities of interest, including vulnerable and marginalized groups
- Alignment with local, national, and international development strategies
- Potential for collaboration and leveraging with governments, peers, and other stakeholders
- Supportive of capacity-building of communities of interest and strengthening of existing social systems
- Delivery of sustainable outcomes beyond the asset life or the timeframe of the investment
- Rapid response to major events (e.g. supporting health systems during the COVID-19 pandemic)

These criteria may vary by initiative and are subject to revision. We will encourage and request turnaround, handover, or exit strategies from partners at the outset of new investments to avoid dependency and ensure outcomes are sustainable beyond the life of an asset or the timeframe of an investment.

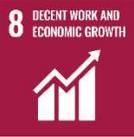
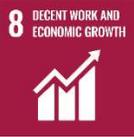
## Our Areas of Focus

As a signatory to the United Nations Global Compact (UNGC), we support the Sustainable Development Goals (SDGs) adopted by all UN Member States in 2015 as part of the 2030 Agenda for Sustainable Development to end poverty, protect the planet and improve the lives of everyone.<sup>2</sup> Building on the material issues, stakeholder groups, and community investment priorities of the producing mines in our portfolio, we have chosen to focus our community investments in the following areas:



## Measuring and Communicating Results

As part of our portfolio-wide enhanced disclosure framework, Triple Flag commits to annual measurement and public disclosure of results in line with the relevant SDG targets for our areas of focus. Partners will be responsible for implementing the initiatives and providing regular updates to Triple Flag. These results may include, but are not restricted to:

	4.3 Support equal access for women and men to affordable and quality technical, vocational and tertiary education
	4.4 Support technical and vocational skills for employment, decent jobs, and entrepreneurship for youth and adults
	4.5 Support equal access to education and vocational training for women and girls
	5.5 Support women's full and effective participation and equal opportunities for leadership and decision-making
	8.3 Support productive activities, decent job creation, entrepreneurship, creativity and innovation
	8.6 Support the reduction of youth not in employment, education or training
	13.1 Strengthen resilience and adaptive capacity to climate-related hazards
	13.3 Improve awareness and capacity on climate change mitigation, adaptation, and impact reduction

<sup>2</sup> Sustainable Development Goals, United Nations Global Compact, 2015, <https://www.unglobalcompact.org/sdgs>

We will share our progress and results with our communities of interest through our annual sustainability report, our website, and other communication channels and activities. Our reporting will align with the reporting frameworks to which we subscribe, including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and the UNGC Communication on Progress.<sup>3</sup> We will invite and encourage feedback from our communities of interest to identify opportunities for continuous improvement.

## Our Targets and Leverage

Triple Flag has established a community investment target of 2% of average net income over the previous 5 years. Of this amount, approximately 75% will be allocated to partner initiatives, and 25% will be allocated to local initiatives and corporate reporting responsibilities. The funding target, allocation levels and funding priorities will be reviewed annually, or as necessary, by the Compensation & ESG Committee, determined by the CEO, and approved by the Board.

We will match or contribute to existing initiatives, and jointly explore and monitor leveraging opportunities with additional key stakeholders, which may include multilateral institutions, home and host governments, industry organizations, and international civil society organizations.

## Our Governance

The charter of the Compensation & ESG Committee includes the mandate to develop, review and oversee our sustainability approach, policy, performance, and adoption of sustainability initiatives.<sup>4</sup> As such, this Committee is responsible for oversight of the Community Investment Portfolio. Training and capacity-building opportunities will be offered to Committee members and the wider Board of Directors as required to enhance their abilities to conduct this role effectively.

The Vice-President Talent & ESG is responsible for establishing and implementing this Strategy, including conducting effective due diligence on community investment opportunities and maintaining robust documentation. The Strategy is approved by the Board of Directors and will be reviewed and updated whenever there is a significant change in the nature, scale or scope of Triple Flag's activities, and at a minimum every 5 years.

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<sup>3</sup> *Sustainability Report*, Triple Flag Precious Metals, annual, <https://www.tripleflagpm.com/responsibility/our-sustainability-approach/default.aspx>

<sup>4</sup> *Compensation & ESG Committee Charter*, Triple Flag Precious Metals, 2021, [https://s24.g4cdn.com/156422165/files/doc\\_downloads/Compensation-ESG-Committee-Charter-May-3-2021.pdf](https://s24.g4cdn.com/156422165/files/doc_downloads/Compensation-ESG-Committee-Charter-May-3-2021.pdf)