

Environment, Climate Change, Health and Safety Policy

Effective: February 10, 2020, amended and restated February 12, 2024

1. Introduction

PrairieSky Royalty Ltd. ("**PrairieSky**" or the "**Company**") is committed to a healthy and safe workplace and to the protection of the environment. The protection and promotion of health, safety and the environment is a fundamental value of PrairieSky that guides and is integrated into the Company's business activities.

2. Scope

This Environment, Climate Change, Health and Safety Policy (this "**Policy**") applies to PrairieSky's business activities and to its business relationships with others. This Policy is applicable to all employees, contractors and officers of the Company, including any joint ventures or subsidiaries thereof from time to time (collectively, "**covered persons**").

Covered persons should carefully read and understand this Policy and must agree to abide by its requirements as a condition of employment and/or engagement with PrairieSky. This Policy supplements the requirements, guidelines and standards of conduct described in PrairieSky's governance policies, including the *Joint Work Site Health and Safety Committee Policy* and the *Business Code of Conduct*.

3. Objectives

Although PrairieSky does not directly operate oil and gas properties, facilities or related assets, the Company's goal is to conduct its business in a manner that visibly demonstrates a commitment to leadership in health, safety and environmental matters throughout its business activities, while also minimizing adverse environmental and health and safety effects and consequences by:

1. Complying with all applicable environmental, climate change and occupational health and safety requirements, including all applicable federal, provincial, state or local laws and regulations and exceeding such requirements, taking into consideration targets and metrics adopted by the Company and stakeholder perspectives.
2. Supporting and participating in environmental initiatives including: using natural resources and energy more efficiently; preventing pollution; protecting biodiversity and ecosystems; reducing and managing greenhouse gas ("**GHG**") and air emissions, effluents, releases and waste including taking interim steps to meet GHG emission reduction targets and other targets and metrics adopted by the Company; driving environmental awareness; promoting environmental responsibility; encouraging the development and diffusion of environmentally friendly technologies; and taking a precautionary approach in managing environmental and climate-related transition and physical risks.

3. Providing a safe and healthy work environment for workers, preventing work-related injury and illness and fostering a workplace free of recognized hazards, workplace violence and harassment, and occupational injuries and illness by reducing and, where feasible, eliminating health and safety risks.
4. Ensuring prompt and effective preparation, response and follow up to workplace hazards, emergency situations and incidents.
5. Communicating this Policy to internal and external stakeholders and providing required training to all employees and contractors, if and when required, to ensure competency and compliance with PrairieSky's environmental, health and safety requirements and interim steps to meet GHG emission reduction targets and other targets and metrics adopted by the Company.
6. PrairieSky's external communications regarding its participation in environmental initiatives and reporting on the Company's environmental and climate change performance will be based on information that has been substantiated and verified before the communication is made.
7. Consulting and engaging PrairieSky's employees, employee representatives and stakeholders to share perspectives on environmental, health and safety issues, and working together and learning from each other through teamwork and leadership.
8. Continuously monitoring, evaluating and, where appropriate, systematically amending the Company's policies and procedures, including this Policy, to ensure continual improvement.
9. Providing regular and objective reporting on PrairieSky's environmental, climate change and health and safety performance in accordance with prevailing reporting frameworks.

4. Reporting Concerns

Covered persons affected by PrairieSky's activities have access to mechanisms to voice concerns that are legitimate, accessible, predictable, equitable and transparent. PrairieSky's approach to resolving disputes and concerns is based on engagement and dialogue with the stakeholders and communities that are impacted by the Company.

Covered persons who witness, discover or become aware of a violation of this Policy, or any of PrairieSky's related policies, practices and guidelines, are to promptly report the violation, in good faith, to their manager or senior management (or in the case of contractors, to their Company contact), or such other person in accordance with the reporting requirements of applicable policies. Covered persons who have reason to suspect a violation may have occurred must also report the suspected violation to their manager or senior management (or in the case of contractors, to their Company contact). Covered persons should take their concerns beyond their manager or senior management if suspected violations are not resolved. Covered persons are required to cooperate in PrairieSky's investigations regarding violations of this Policy.

Reference is made to PrairieSky's *Investigations Practice Policy* (whistleblower hotline) as an available method to submit matters to the Company in a confidential anonymous manner. The *Investigations Practice Policy* outlines how notifications or complaints will be treated once made and includes whistleblower protections for complainants making anonymous complaints. The whistleblower hotline may be accessed at any time by calling 1-800-661-9675 or by visiting prairiesky.confidenceline.net. The Company will not allow any form of retaliation for reports made lawfully and in accordance with the *Investigations Practice Policy*.

5. Governance and Accountability

The President and Chief Executive Officer of PrairieSky is accountable to the Board of Directors for establishing, maintaining and ensuring this Policy is effectively implemented and ensuring that this Policy continues to be of value to PrairieSky and its stakeholders.

All employees, officers and contractors play a vital role in achieving excellence in environmental, health and safety performance, maintaining a healthy and safe workplace and protecting the well-being of others. This is best achieved through careful planning and the support and active participation of everyone involved. Accordingly, all PrairieSky employees, officers and contractors engaged in activities under PrairieSky's control are required to comply with and perform their duties in a manner consistent with this Policy as a condition of employment, or in the case of contractors their engagement with, the Company. Managers are responsible for monitoring and ensuring compliance, mentoring and training workers on matters related to this Policy, and ensuring they are trained and able to supervise and protect workers under their supervision.

This Policy will be included in PrairieSky's Employee Handbook, which is annually reviewed and accepted by all employees of PrairieSky.

DATED this 12th day of February, 2024.



Andrew Phillips
President and Chief Executive Officer