



ROYALTY PHARMA

2023 Corporate Responsibility Report

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Our Company

ROYALTY PHARMA



A Message from Our Chairman and Chief Executive Officer



Pablo Legorreta

Chairman of the Board and
Chief Executive Officer

We are funding the next wave of biopharma innovation and positively impacting patient lives worldwide. To achieve this mission, we strategically collaborate with academic institutions, research hospitals, non-profit organizations and biopharmaceutical companies. We aim to create substantial value for our stakeholders by investing in promising therapies that are capable of allowing people to live longer, healthier lives.

We believe that our scale, adaptable business model and expertise uniquely position us to accelerate innovation. We do this both directly and indirectly — directly by partnering with companies to co-fund late-stage clinical trials and new product launches in exchange for future royalties, and indirectly by acquiring existing royalties from the original innovators. We extend our impact through our philanthropic and volunteer initiatives which contribute to organizations that enhance people's lives.

In evaluating investment opportunities, we focus on many characteristics, including whether the underlying therapy provides a strong scientific rationale, offers a compelling proposition to the biopharma ecosystem and delivers significant benefits to patients.

Royalty Pharma has an enduring commitment to our philanthropic efforts. We have dedicated approximately \$30 million to alliances that address complex healthcare challenges, such as improving access to care and medicine for underserved communities. We recognize how socioeconomic status, race and ethnicity contribute to disparities in health outcomes around the world and we are committed to addressing these issues.

We also recognize the importance of integrating responsible business and social initiatives into our business model. We are encouraged by our achievements to date and remain committed to further strengthening our responsible business policies and practices.

In 2023, we focused on advancing human capital development through employee engagement, professional development and internship opportunities to foster a work environment in which employees experience professional fulfillment and genuinely feel valued. Efforts on this front contribute to low employee turnover. To strengthen our emerging and executive leaders at Royalty Pharma, we formed our Senior Leadership Committee to foster collaboration, tackle challenges and contribute to strategic initiatives.



In 2023, we formed a Diversity, Equity and Inclusion (DEI) Task Force. Comprising a cross-section of employees from different departments, tenures and levels, this advisory group will help shape our DEI efforts by offering recommendations to further embed DEI into Royalty Pharma's culture.

Our robust governance, risk management and compliance programs serve as the cornerstones of our success. Our diverse Board, predominately comprised of independent members, delivers strategic guidance for our business and rigorous oversight of our responsible business practices.

As the largest buyer of biopharmaceutical royalties and a leading funder of innovation in life sciences, we possess a unique potential for business expansion and advancement in the future. We look forward to our continued engagement with you, our valued stakeholders, as we make progress on our goals and enable our partners to transform patient lives.

Sincerely,

Pablo Legorreta

Chairman of the Board and
Chief Executive Officer



Who We Are

Royalty Pharma has been a pioneer in the pharmaceutical royalty market since our founding in 1996. We collaborate with innovators ranging from academic institutions, research hospitals and non-profit organizations to small- and mid-cap biopharmaceutical businesses and leading global pharmaceutical companies.

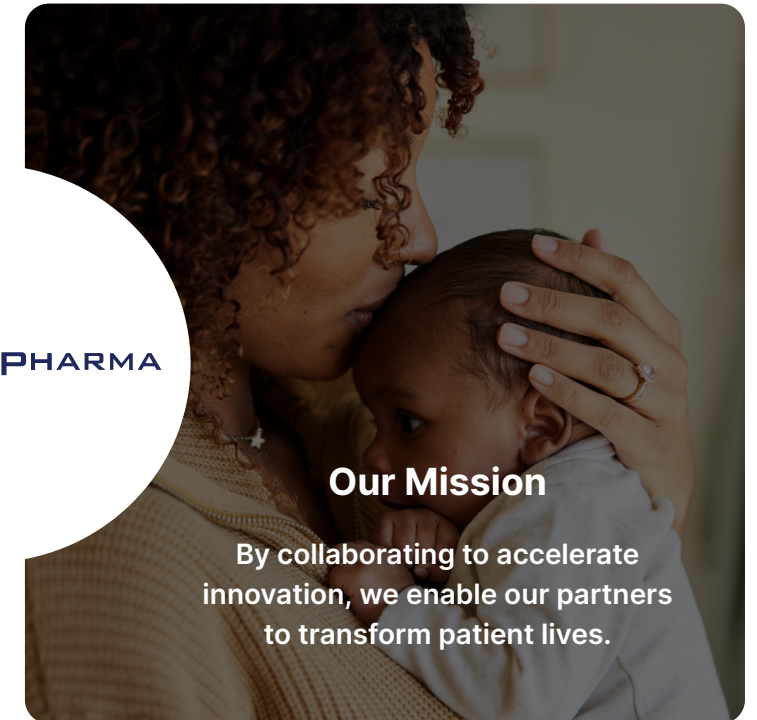
Our portfolio of royalties entitles us to payments based directly on the top-line sales of many of the industry's leading therapies. Since 2012, when we began acquiring royalties on development-stage product candidates, we have entered into agreements to acquire biopharmaceutical royalties with an aggregated transaction value of approximately \$26 billion.



ROYALTY PHARMA

Our Vision

To be the leading partner funding innovation in life sciences.



Our Mission

By collaborating to accelerate innovation, we enable our partners to transform patient lives.

35+

Commercial Products

14

Development-Stage Product Candidates



Strong 2023 Financial Profile

\$3.0bn
Portfolio Receipts

\$2.8bn
Adjusted EBITDA¹

\$2.7bn
Portfolio Cash Flow¹

¹Please refer to Royalty Pharma's Current Report on Form 8-K dated February 15, 2024, for our GAAP to non-GAAP reconciliations.

INNOVATING AND COLLABORATING TO MAKE A POSITIVE IMPACT ON SOCIETY

Teamwork: Our interdisciplinary teams, comprised of individuals with a wide range of experience, educational and professional backgrounds, contribute diverse perspectives in an inclusive environment of trust and respect.

Trusted Partner: Our reputation as a dependable partner is essential. We seek to create lasting relationships with partners who will return for repeat transactions.

Critical Thinking: We encourage debate and critical thinking and insist that colleagues challenge assumptions to achieve better outcomes.

Innovation: We approach each new investment with a blank sheet of paper and intellectual curiosity in an effort to find creative funding solutions for our partners.

Pursuit of Excellence: We apply high ethical standards and rigorous scientific analysis in order to deliver superior results for our partners and stakeholders.



Our Approach to Responsibility and Sustainability

In 2023, responsibility and sustainability issues remained in focus across our organization. Since performing our first materiality assessment in 2022 to determine our most important social and governance priorities, we strengthened our emphasis on social initiatives. We have improved our internal and external social practices, such as further engaging with our employees, expanding our internship opportunities, and improving access to healthcare by supporting philanthropic initiatives aligned with our mission.

Our Board oversees all responsible business-related initiatives, our leadership team manages the initiatives, and our workforce actively integrates them into our operational activities. In 2023, the Senior Leadership

Committee and DEI Task Force were implemented to assist in our management, including corporate responsibility and sustainability-related risks and opportunities. In 2023, these committees enabled new and diverse leaders to contribute to the leadership of our organization.

Responsible investments are key priorities to the business. Sustainability and responsible business risks and opportunities extend beyond our immediate operations as they are also manifested in our partners' businesses. In early 2023, we published our [Responsible Investment Policy](#), which further formalized our robust due diligence process. For more information, please refer to [page 14](#).

ALIGNING WITH UN SDGS

As we refine our responsible business efforts, we remain committed to aligning our sustainability initiatives with four of the United Nations (UN) Sustainable Development Goals (SDGs) based on a comprehensive assessment of where our business, strategy and expertise can have the most significant impact.





Engaging Our Stakeholders

To understand what matters most to our stakeholders, we conducted our first ever materiality assessment in 2022. This included a series of surveys, interviews and workshops as well as discussions with internal and external stakeholders.

In 2023, we leveraged these findings to enhance our policies and improve transparency with our stakeholders. For more information on our policies, please visit our [corporate governance website](#) and [responsibility resource center website](#). We published our first corporate responsibility report in 2023, which showcased various initiatives from recent years. We intend to continue to report our ongoing commitment to our responsible business policies and practices and to provide a clear and consistent overview of our progress each year.

10

Externally Hosted Investor Conferences

17

Roadshows

470+

Investor Interactions

Throughout the year we continued to engage our key stakeholders as follows:



Employees

We conducted an engagement survey to improve our understanding of employee satisfaction and foster a culture of collaboration.



Community

Through philanthropic endeavors and strategic organizational partnerships, we strove to improve access to healthcare.



Shareholders

Through routine investor meetings, quarterly financial results calls, press releases, and participation in investor conferences, roadshows and special events, we continued to create opportunities for engagement and connection.

ENHANCING OUR RESPONSIBLE BUSINESS PRIORITIES

Throughout 2023, we prioritized key areas of focus for improving and differentiating our sustainability initiatives based on our unique business model. These included:

Business Oversight

- Corporate Governance
- Sustainability Governance

Patients

- Responsible Investment
- Access to Health and Medicine

Talent

- Diversity, Equity and Inclusion
- Human Capital Management



2023 Sustainability Highlights



Inaugurated Senior Leadership Committee



Implemented the DEI Task Force



Conducted employee engagement survey



Two internship programs offered



\$7.5 million donated to non-profit organizations



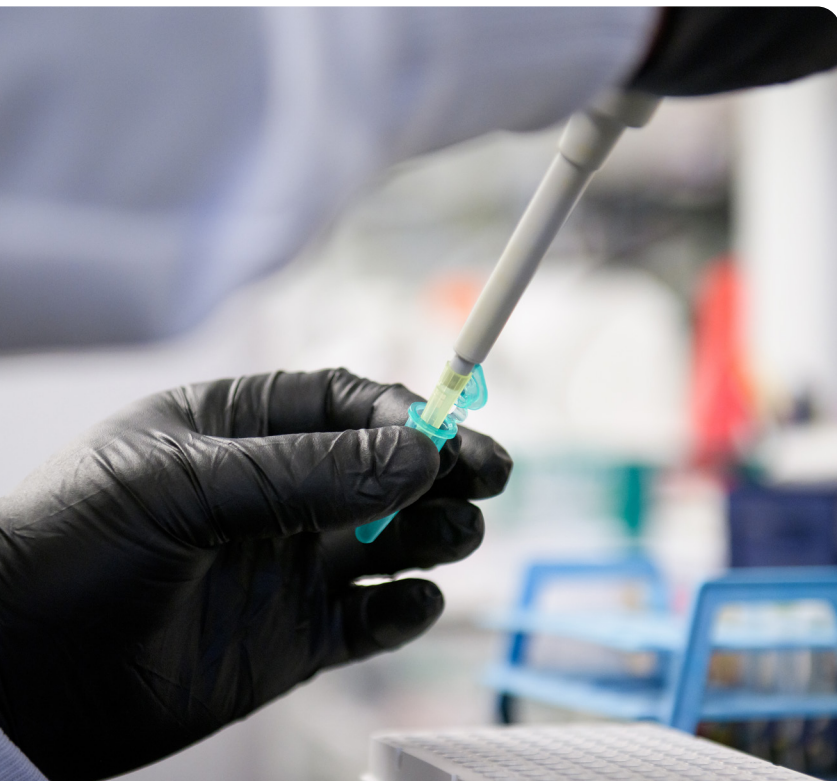
Over 470 investor interactions

Accelerating Innovation

A photograph of a female scientist in a white lab coat and blue gloves, looking through a microscope in a laboratory. The scene is dimly lit with blue ambient lighting. In the foreground, there is a rack of test tubes. The background shows laboratory equipment and another person working.



We take pride in our important role in accelerating biopharmaceutical innovation. The surge in innovation in recent years, along with the emergence of many new life sciences companies and the escalating cost of drug development, has created a greater need for capital. We are well positioned to harness the potential of this groundbreaking era with our tailored funding solutions.



Responsible Investment

Our mission is to accelerate innovation in life sciences and transform patient lives globally by funding the development and commercialization of leading biopharmaceutical products that positively impact human health. Our investment decisions are based on a data-driven approach to carefully analyze risks and opportunities.

The following figures demonstrate the critical nature of our mission. In our estimation, academic institutions and non-profit organizations will spend more than \$1 trillion to fund life sciences research and development over the next decade. Over the same period, currently unprofitable biopharmaceutical companies are expected to require more than \$1 trillion in capital to fund the development and commercialization of new therapies.

8

New royalties acquired

\$4.0bn

In announced transactions with the biopharma ecosystem

35+

Commercial products in our portfolio

14

Development-stage product candidates

2023

Responsible Investment Policy implemented



Royalty Pharma seeks to partner with biopharmaceutical companies with robust environment, health and safety (EHS) management systems. We may take into consideration a partner's systems that identify and manage quality, compliance and EHS risk, including adherence to national and international standards and frameworks, such as Good Manufacturing Practices (cGMPs), International Organization for Standardization (ISO) series, International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) and other biopharmaceutical industry best practices.

100%

of 2023 investments were made in alignment with the Responsible Investment Policy

In 2023, we implemented our Responsible Investment Policy, which outlines how we identify opportunities and minimize sustainability- and other business-related risk. In 2024, we have enhanced this policy to consider human rights within our investment practices. This policy has been fully integrated into our comprehensive due diligence process.

Our responsible investment practices include the following:

- Incorporating material business, regulatory, geopolitical and reputational considerations into our decision making and management practices
- Leveraging the expertise of our management team and third-party experts and advisors to assess risks and identify opportunities driven by sustainability
- Advancing our investment processes by collaborating with key stakeholders
- Holding ourselves accountable for our approach, progress and goals by providing periodic reporting on our responsible business performance

- Maintaining our governance and culture to ensure that Royalty Pharma acts as a good citizen in the community
- Reviewing and evaluating investment opportunities for potential exclusionary issues, and determining any critical sustainability, responsible business or reputational concerns

Our Responsible Investment Policy details formal procedures for evaluating all Royalty Pharma investment activities. Our due diligence process is comprehensive, delving into deal-specific issues that include evaluating material business risks and opportunities related to potential investments or partners. All relevant findings are reviewed in detail. We hold detailed strategic discussions and systematically document key risks and opportunities ahead of making investment decisions.

Accountability extends throughout our organization and is supported by subject matter experts and our leadership team. Our Nominating and Corporate Governance Committee also reviews our Responsible Investment Policy at least annually. Read more about our formal procedures in our Responsible Investment Policy, which is available on our [website](#).



Robust Due Diligence

We have refined our due diligence process over more than 25 years, and responsible business considerations are an integral component of our investment processes.

As we are generally passive investors, we do not have operational control over the discovery, clinical development, manufacturing or commercialization of the therapies on which we receive royalties. We seek to mitigate these risks by conducting robust business risk due diligence. This promotes a responsible investment process and partner selection. In 2023, we further formalized our due diligence process by incorporating the Responsible Investment Policy.

Ahead of an initial investment, our due diligence leverages the expertise of Royalty Pharma’s management team and third-party experts, advisors and healthcare professionals to assess risks and identify sustainability-related opportunities. We generally partner with companies that operate under the oversight of major regulatory agencies and adhere to industry standards, including [PhRMA’s Principles on Conduct of Clinical Trials](#) and [BIO’s Principles on Clinical Trials](#).

Our Framework Focuses on Key Product Success Factors



Strong scientific rationale



Significant impact on patients and/or caregivers



Conviction in probability of clinical and regulatory success for pre-approval programs



Mission and execution-oriented management team



Strong marketer and global commercial opportunity



Clear commercial positioning



Potential for multiple indications or label expansion



First-in-class or best-in-class



Long duration of patent protection or exclusivity



Compelling value proposition for government and commercial payors



CLINICAL

REGULATORY, IP,
MANUFACTURING

COMMERCIAL

CONTRACTS +
GOVERNANCE

<p>Physician diligence</p> <ul style="list-style-type: none"> • US/EU/Japan • KOL/academic • Community • Surveys <p>Non-clinical</p> <ul style="list-style-type: none"> • Pharmacokinetics • Pharmacodynamics • Dose modeling 	<p>Intellectual property</p> <ul style="list-style-type: none"> • US/EU/Japan and other • Litigation scenario analysis • Multiple opinions 	<p>Claims analysis</p> <ul style="list-style-type: none"> • Patient diagnosis, treatment, compliance • Site of care • Other patient metrics <p>Market sizing</p> <ul style="list-style-type: none"> • Patient finding • Claims-driven • Epidemiology • Scaled market surveys 	<p>Transactional</p> <ul style="list-style-type: none"> • Accounting treatment • Tax implications
<p>Statistics</p> <ul style="list-style-type: none"> • Probability of success • Effect size modeling • Enrollment modeling • Statistical Analysis Plans <p>Toxicology</p> <ul style="list-style-type: none"> • Animal toxicologists • Specialized areas (i.e., ophthalmology) 	<p>Manufacturing</p> <ul style="list-style-type: none"> • Modality expertise: small molecule, biologics, gene therapy • Regulatory perspectives • Capacity planning 	<p>US pricing</p> <ul style="list-style-type: none"> • Pricing modeling • Gross-to-net modeling <p>Payors</p> <ul style="list-style-type: none"> • Payor/PBM executives • Formulary analyses 	<p>Licensing and contracts</p> <ul style="list-style-type: none"> • Analysis of contract language • Risk assessment • Expert structuring and drafting
<p>Clinical</p> <ul style="list-style-type: none"> • Interview former R&D executives • Patient level data analysis • Immunogenicity and specific safety observations • Clinical trial design and study reports • Comparative analysis 	<p>Drug delivery</p> <ul style="list-style-type: none"> • Auto-injectors and devices • Design and human factors • Formulation technologies 	<p>Competition</p> <ul style="list-style-type: none"> • Landscape analysis • Product profile and cost comparisons <p>International access</p> <ul style="list-style-type: none"> • Market-by-market pricing • Addressable patients • Yearly access caps and other structures 	<p>Management & governance</p> <ul style="list-style-type: none"> • Experience and strategy • Compensation alignment
<p>Patients & Caregivers</p> <ul style="list-style-type: none"> • Efficacy, tolerability, convenience perspectives • Social media 	<p>Regulatory</p> <ul style="list-style-type: none"> • US/FDA meeting minutes • EU/EMA meeting minutes • International (PMDA, other) • Consultants 	<p>Commercial strategy</p> <ul style="list-style-type: none"> • Interview sales and marketing executives, MSLs and district managers • Required promotional spend 	<p>Environmental, Social & Governance</p> <ul style="list-style-type: none"> • Board oversight • ESG-informed investment processes



Unique Business Model

As the largest buyer of biopharmaceutical royalties and a leading funder of innovation in life sciences, Royalty Pharma supports product development and market commercialization by:

- Direct partnerships with companies to co-fund late-stage clinical trials and new product launches in exchange for future royalties
- Indirect acquisitions of existing royalties from the original innovators, which provide these organizations with immediate capital to fund further research

Our highly flexible, capital-efficient business model is agnostic to therapeutic area and modality. This allows us to acquire royalties on some of the most attractive therapies across the biopharmaceutical industry.

Royalty Pharma announced new transactions of up to \$4.0 billion in 2023 and deployed capital of \$2.2 billion. Seven transactions were announced for royalties on eight potentially transformative therapies across four therapeutic areas. The performance of our portfolio and execution against our strategy allowed us to deliver strong financial results and raise our financial guidance three times in 2023.

By adhering to our mission and vision, we help improve patients' experiences by facilitating access to disruptive and beneficial medicines.

We operate at the intersection of science, medicine and investing. We search for important medicines in underserved markets and therapeutic areas, and we conduct extensive due diligence to understand the regulatory, clinical and commercial risks. Royalty Pharma strives to invest in differentiated therapies that can transform patient lives. We provide capital in exchange for existing or new synthetic royalties on market-leading products or late-stage development therapies. The focus is to support the pharmaceutical sector and expand the availability of life changing medicines, especially those supporting underserved markets.

COLLABORATING TO ACCELERATE OLANZAPINE LAI RESEARCH

In 2023, Royalty Pharma partnered with [Teva Pharmaceuticals](#) to help develop a long-acting injectable (LAI) of olanzapine (TEV-'749) for the treatment of schizophrenia. Teva will receive up to \$125 million from Royalty Pharma to expedite clinical development for this antipsychotic therapy which may prevent hospitalizations.

“2023 was one of our best years ever for funding innovation. We maintained our leading share of the biopharma royalty funding market with announced transactions of up to \$4 billion, which included a record \$775 million in synthetic royalty transactions.”

— Sara Klymkowsky, SVP, Research and Investments



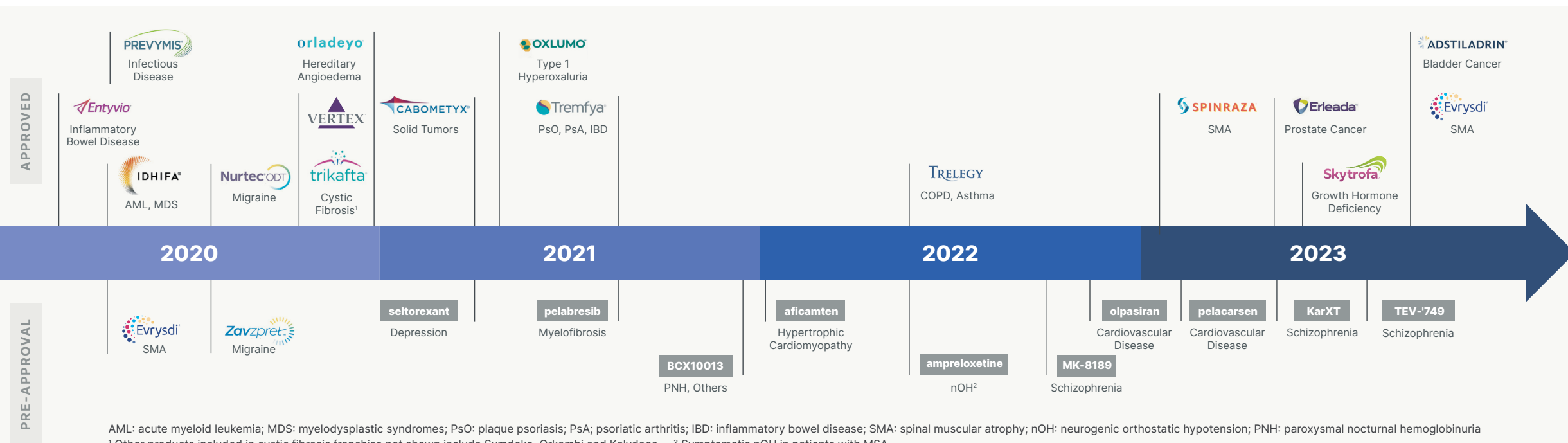
Diversification of Our Portfolio

OUR PORTFOLIO

We are the largest buyer of biopharmaceutical royalties and the partner of choice for biopharma funding solutions. This gives us access to a rich pipeline of opportunities and has helped us build an enviable portfolio of market-leading therapies. For more information and details on our portfolio, please visit our [website](#).

Since 2020, we have announced transactions of approximately \$12.7 billion to fund innovation. We acquired royalties on 34 unique therapies, 17 of which were in development stage. As of December 31, 2023, the therapies in our portfolio address more than 30 diseases across seven therapeutic areas.

The size and diversification of our portfolio compare favorably with many of the largest biotechnology companies. In the years to come, we will continue to grow our portfolio by investing in approved and development-stage therapies.



AML: acute myeloid leukemia; MDS: myelodysplastic syndromes; PsO: plaque psoriasis; PsA: psoriatic arthritis; IBD: inflammatory bowel disease; SMA: spinal muscular atrophy; nOH: neurogenic orthostatic hypotension; PNH: paroxysmal nocturnal hemoglobinuria
¹ Other products included in cystic fibrosis franchise not shown include Symdeko, Orkambi and Kalydeco ² Symptomatic nOH in patients with MSA



BIOHAVEN CASE STUDY

Challenge

Annually, the United States spends \$27 billion to address migraines, which are debilitating headaches that result in reduced functionality and affect an estimated 15% of the U.S. population. Earlier treatment options to address the condition had major limitations:

- Triptans offer inadequate relief and are contraindicated for many patients
- NSAIDs have potential gastrointestinal and cardiovascular side effects
- Opioids have a risk of abuse/misuse

Investment and Outcome

Biohaven pioneered Nurtec ODT (rimegepant), an oral, small-molecule calcitonin gene-related peptide receptor (CGRP) antagonist for the acute treatment and prevention of migraine. Two positive Phase 3 trials showcased clear efficacy for Nurtec ODT, including rapid onset of pain relief with one dose and sustained benefit through 48 hours.

Biohaven needed a partner who understood the business and could grow with the company. Royalty Pharma entered into the first of multiple funding transactions with Biohaven in 2018 to provide the resources needed to support Nurtec ODT's development through commercialization, zavegepant's clinical development, glutamate modulator platform advancement and the advancement of Biohaven's earlier pipeline and the clinical infrastructure.

Nurtec ODT received Food and Drug Administration (FDA) approval in 2020 and EU approval in 2022 (under the brand name Vydura) and has since launched globally. In addition, Biohaven's other migraine therapy, zavegepant, was approved by the FDA in March 2023, as an intranasal formulation for acute treatment of migraine in adults and is now marketed under the Zavzpret brand.

Our partnership with Biohaven consisted of four transactions, totaling approximately \$760 million in funding. This financial support aimed to accelerate the development and commercialization of innovative migraine therapies for patients. In 2022, Pfizer acquired Biohaven. Pfizer is significantly expanding patient access globally to this transformative medicine.



“The impressive launch of Nurtec ODT underscores the significant need for new therapeutic options, such as oral CGRPs, to treat this often-debilitating disease.”

– Pablo Legorreta, Royalty Pharma's Founder and Chief Executive Officer



Collaborating for Innovation and Impact

In order to advance innovation and improve outcomes in health equity, we bring together individuals and organizations to collaborate on solutions that have the greatest potential impact on the future. Our partners span the spectrum of healthcare innovation, and include researchers, academic institutions, biotechs and leading pharmaceutical companies.



MIT School of Engineering



Yale Innovation Summit and MIT Koch Institute

MIT FACULTY FOUNDER INITIATIVE

Royalty Pharma supports the MIT Faculty Founder Initiative, which focuses on addressing gender disparities in the health sciences.

Launched in 2020 by MIT’s School of Engineering in collaboration with the Martin Trust Center for MIT Entrepreneurship, the Initiative aims to increase the number of female faculty members at MIT who launch biotechnology companies through the MIT Faculty Founder Prize Competition.

In 2023, Royalty Pharma became the sponsor for the prize awarded to the winner of a business plan pitch from women seeking support to launch their own companies and also sits on the committee that selects winning applications.

YALE INNOVATION SUMMIT AND MIT KOCH INSTITUTE FOR INTEGRATIVE CANCER RESEARCH

Royalty Pharma sponsors events that advance understanding of new research and collaboration in the biopharmaceutical space and life sciences.

We support the annual Yale Innovation Summit at which faculty and post-doctoral fellows present high-quality research to potential funders, turning academic pursuits into practical solutions.

The annual Koch Institute Cancer Research Symposium brings together leading researchers, biotech professionals and physician-scientists from across the country to explore the latest perspectives, breakthroughs and challenges associated with cancer research. Every year focuses on a different topic, representing key areas essential to progress against cancer, including emerging trends such as convergence and machine learning.

ACCELERATING BIO-INNOVATION 2023 CONFERENCE

Royalty Pharma encourages innovation and collaboration globally. In 2019, we formed a partnership with the University of Cambridge to organize, curate and cultivate the annual [Accelerating Bio-Innovation Conference](#), which alternates between Cambridge U.K. and Cambridge U.S.

We helped create this interdisciplinary summit to bring together award-winning scientists, academics, entrepreneurs, investors and key opinion and thought leaders in the bio-innovation sphere.



The Accelerating Bio-Innovation Conference is a unique, multiday event in the life sciences world that focuses on three main sources of innovation: academia, industry and finance.

Facts about the conference:

- Attendees include industry leaders, noted scientists and inventors, and finance innovators
- Royalty Pharma, together with the Massachusetts Institute of Technology or the University of Cambridge finances and sponsors the event
- This interactive conference brings together diverse participants in the biopharma ecosystem to engage in crucial debates and discussions confronting pioneers in the world of new biopharmaceuticals, bridging the realms of science, investing and innovative therapeutics

By collaborating on this conference, we aim to connect global innovators in life sciences to drive therapeutic development and generate new ideas and partnerships.

IN 2023, THE ACCELERATING BIO-INNOVATION CONFERENCE WAS HELD AT THE MASSACHUSETTS INSTITUTE OF TECHNOLOGY.

280

innovators and executives attended the conference and were comprised of the following:

76

CEOs and
founders

80

academics
and scientists

3

Nobel
Laureates

24%

finance
experts

48%

industry
experts

24%

international
participants



Access to Healthcare and Medicine

Our management is focused on ensuring that our operations and our partners promote healthcare access for all patients. Improving and increasing access to healthcare helps to close equity gaps and is part of our business model.

Approximately 57% of the therapies from which we receive royalties address diseases on the 2022 [Access to Medicines Index](#).

“We leverage data to identify, analyze and support investment opportunities and partnerships that have a meaningful impact on patient lives.”

– Sandy Balkin, SVP, Strategy and Analytics

ADVANCEMENT IN GENE THERAPY FOR BLADDER CANCER

Bladder cancer is the sixth most common cancer in the United States, with non-muscle-invasive bladder cancer representing approximately 75% of all new bladder cancer cases.

In 2023, Royalty Pharma and Ferring Pharmaceuticals announced the acquisition of a synthetic royalty on U.S. net sales of Ferring’s innovative [Adstiladrin \(nadofaragene firadenovec-vncg\)](#). This transaction was valued at up to \$500 million, consisting of an upfront payment of \$300 million and a potential milestone payment of \$200 million.

[Adstiladrin](#), an FDA-approved intravesical gene therapy, stands at the forefront of our

commitment to innovative healthcare solutions. Tailored for the treatment of adult patients with high-risk Bacillus Calmette-Guerin (BCG)-unresponsive non-muscle invasive bladder cancer with carcinoma in situ (CIS) and papillary tumors, Adstiladrin represents a paradigm shift in addressing unmet medical needs. The non-replicating adenovirus vector-based gene therapy orchestrates a unique transformation within patients bladder wall cells, bolstering the body’s natural defenses against cancer.

Royalty Pharma’s significant non-dilutive capital supported the commercialization and further clinical development of Adstiladrin, as well as potential manufacturing capacity expansion.





INVESTMENTS

Our business model helps foster the development of innovative therapies. We support expanded patient access to healthcare and medicine by providing funding to organizations that address patient needs through innovation and philanthropic engagement.

We play a unique role at the heart of funding life sciences innovation and we believe that significant opportunities exist for deploying capital to provide patients with access to novel, disruptive and beneficial medicines. By helping bring life changing medicines to market and increasing patient access to them, we are also fulfilling our mission of improving patient lives.

SOCIAL BOND FRAMEWORK

We introduced our Social Bond Framework in 2021. By issuing social bonds, we aim to finance and refinance, in whole or in part, social investments that align with our mission to positively impact human health. Proceeds from our social bonds contribute to investments in partnerships that help fund innovation in the biopharmaceutical industry and treat diseases. A second-party opinion provider determined that our Social Bond Framework made a significant contribution to SDG 3. To read more about our Social Bond, please visit our [website](#).

STRATEGIC ALLIANCE FOR CARDIOVASCULAR ADVANCEMENT

Cytokinetics, a late-stage biopharmaceutical company focused on cardiovascular and neuromuscular diseases, successfully secured long-term capital support from Royalty Pharma to further the development of aficamten, an investigational cardiac myosin inhibitor. The capital infusion totaling up to \$375 million was structured in multiple tranches, contingent upon Cytokinetics achieving regulatory and clinical development milestones.

Hypertrophic cardiomyopathy is a condition characterized by abnormal thickening (hypertrophy) of the heart muscle (myocardium) and stands as the most prevalent monogenic inherited cardiovascular disorder. This thickening causes a reduction in the size

and flexibility of the left ventricle, leading to impaired relaxation and decreased blood filling capacity. Consequently, the heart's pumping function is restricted, resulting in diminished exercise capacity and symptoms such as chest pain, dizziness, shortness of breath or fainting during physical activities.

Aficamten is under investigation for hypertrophic cardiomyopathy and was granted Breakthrough Therapy Designation by the FDA. In December 2023, Cytokinetics announced positive results from SEQUOIA-HCM, the pivotal Phase 3 study in patients with symptomatic obstructive hypertrophic cardiomyopathy. Cytokinetics plans on submitting a New Drug Application to the FDA in 2024.



Philanthropy

At Royalty Pharma, we leverage our network and resources to foster a positive societal impact. Complementing our investment opportunities and strategies, our philanthropic efforts seek to address the challenges of a complex, evolving world by supporting programs that:

- Enable innovation in life sciences
- Reduce the risk of disease
- Strengthen and ensure equal access to quality healthcare
- Work to ensure equity in clinical studies

“Royalty Pharma’s generosity has dramatically accelerated our efforts in health equity research.”

– Dennis S. Charney, MD, Mount Sinai

ADDRESSING SYSTEMIC INEQUITIES THROUGH PHILANTHROPY



Royalty Pharma has formed several partnerships dedicated to aiding institutions that spearhead efforts to advance access to high quality care. Through public-private partnerships, we aim to improve medical research and empower stakeholders to enhance their approach to improving patient accessibility to care. These are two areas that make up the core aspects of our philanthropic contributions.

Mount Sinai

We have a deep partnership with Mount Sinai that includes a range of key initiatives, including financial donations, learning opportunities, data sharing and research. In 2023, we donated \$4.3 million towards our \$20 million commitment to Mount Sinai. This commitment led to the establishment of the Mount Sinai-Royalty Pharma Alliance for Health Equity Research. This alliance supports Mount Sinai’s Institute for Health Equity Research (IHER) in its endeavors to bridge the gap in healthcare disparities. It focuses on translating discoveries into sustainable initiatives and policies that dismantle systemic barriers to care within communities across the United States and globally.

Beyond our financial commitments, Royalty Pharma and Mount Sinai researchers are engaged in a collaborative research effort which utilizes Royalty Pharma’s proprietary and HIPA-compliant datasets along with Mount Sinai’s population data to systematically identify racial and other disparities in the treatment and outcomes of patients. Additionally, Royalty Pharma provides regular training on how to analyze and extract valuable insights from the data. Weekly meetings with Mount Sinai scientists allow for further collaboration on data management and analysis.

In 2023, we enhanced our partnership with Mount Sinai through internship opportunities and training sessions. Our inaugural internship program introduced our interns to Mount Sinai and their scientists provided hands on experience in healthcare equity data research. At the end of the internship, the interns presented their research at the Alliance’s inaugural symposium, which brought together community, academic, clinical, industry, policy and funder stakeholders to generate new ideas and partnerships that advance health equity. For more information, please refer to [page 44](#).

Life Science Cares (LSC) New York

In 2023, Royalty Pharma continued to support the Life Science Cares (LSC) organization in New York City, a collective effort in the life sciences industry to reduce the impact of inequality and poverty. LSC unites the human and financial resources of local companies and industry leaders in support of non-profit service organizations.

LSC NYC focuses on how education impacts poverty and it supports two local organizations, [BioBus](#) and [HYPOTHEkids](#), to improve STEM education and provide opportunities for underserved and underrepresented children anticipating future careers in life sciences. LSC is also active in Boston, San Francisco, San Diego and Philadelphia.

BIOBUS

With its school bus of microscopes, BioBus brings science to life for kids from K-12 to college. Staffed with an instructor, the bus visits schools that lack equipment for classes. The program focuses on underserved and underrepresented students in the scientific community.





Leukemia and Lymphoma Society (LLS)

Myeloma stands as the most prevalent blood cancer among African Americans, affecting this population twice as much as white Americans. However, despite the disproportionate impact, African Americans are less likely to know about or receive the latest therapies and are more likely to experience treatment delays. To address these barriers, Royalty Pharma made a five-year charitable commitment totaling \$7.5 million in 2022 to the Leukemia and Lymphoma Society (LLS), a global leader in the fight against blood cancer. In 2023, Royalty Pharma donated an additional \$1.5 million toward this commitment, for a total of \$3 million donated since 2022.

Our commitment aims to bolster LLS's efforts to mitigate these disparities by delivering crucial information and assistance directly to these communities. LLS and its partner, Myeloma Link, collaborate with trusted institutions in African American communities, including churches, senior centers and community health centers, to raise awareness around the signs and symptoms of myeloma and connect people with resources. In 2023 alone, this initiative reached over 80,000 individuals through community-based education and outreach activities in 15 cities, as well as education and outreach efforts that were national in scope.

The commitment will help support three LLS initiatives focused on reducing disparities in blood cancer care and treatment:

Equity in Access Research Program

A commitment to reduce and ultimately eliminate disparities in health.

LLS IMPACT* Research Grants

Improve access to clinical trials for underrepresented patients and people from rural communities.

Myeloma Link

Raise community awareness about myeloma, connect underrepresented patients and caregivers to free myeloma information, and support and offer enhanced access to care and the latest treatments.



*Royalty Pharma is a founding donor of the LLS IMPACT grant program.



Supporting Physicians in Emerging Markets

For over a decade, our CEO and founder, Pablo Legorreta, has been committed to improving the health ecosystem in Latin America. His efforts facilitated a connection between Alianza Médica para la Salud (AMSA), a non-profit organization dedicated to educating and empowering physicians in Latin America, and the Open Medical Institute (OMI), an international initiative that aims to improve healthcare on a global scale through education and research.

Through OMI, physicians in this emerging market receive comprehensive training opportunities aimed at enhancing their medical expertise and developing strategies to improve access to healthcare and enhance the healthcare systems within their communities.

In addition to Mr. Legorreta's personal work and contributions totaling more than \$7.6 million, Royalty Pharma has pledged \$320,000 over a three year period to the American Austrian Foundation, which underwrites Open Medical Institute's costs for various seminars. In 2023, \$120,000 was contributed toward this pledge.





Giving Back to Our Community

In addition to our philanthropic partnerships, Royalty Pharma is proud to participate in various local charitable events. These activities encourage team building and employee engagement as part of our commitment to creating a fulfilling and meaningful workplace while giving back to our community.

VOLUNTEER OPPORTUNITIES

Royalty Pharma is dedicated to creating meaningful volunteering experiences for employees. In 2023, we conducted an employee survey to gauge interest in various volunteer themes, such as those which involved children, older adults, animals and environmental initiatives. This feedback informs our diverse volunteer offerings, which have included activities such as assisting at soup kitchens and wrapping holiday gifts for children.

In addition to these volunteer opportunities, Royalty Pharma matches up to \$1,000 per employee for donations to a registered non-profit organization of the employees' choosing. We formalized this initiative, and details on these contributions are found in our

internal Employee Handbook, which is made available to all employees. In 2023, Royalty Pharma's matching program made approximately \$10,000 in donations across various charities.

In 2023, Royalty Pharma supported three different organizations through its volunteering and philanthropic endeavors.

El Nido de Esperanza An organization that helps immigrant mothers and children. Royalty Pharma donated both financial support and volunteer hours across the organization's events, which focused on children and students.

Project EATs An urban rooftop farm that feeds the New York community and creates new opportunities for creating and utilizing city green spaces as well as children's programming.

Fifth Avenue Presbyterian Church This organization serves lunch daily to the unhoused population of New York. Employees helped to serve meals and distribute hygiene kits.



Managing Our Business





Royalty Pharma is committed to maintaining strong governance and robust policy making to guide us forward. To this end, we developed our responsible business strategy, policies and practices to create long-term, sustainable value for our employees, stakeholders and company.

Key Governance Policies and Practices*	Expanded Board of Director Oversight on Sustainability and Responsible Business-Related Topics
Supplier Code of Conduct	Access to Healthcare
Responsible Investment Policy	Enhanced Transparency and Disclosure through the Inaugural Corporate Responsibility Report published in 2023
Executive Share Ownership Policy	GRI Standards
Clawback Policy	SASB Standards

* Policies Publicly Available to Our Stakeholders

Corporate Governance

Royalty Pharma believes in upholding the highest standards of trust and integrity as we pursue excellence in corporate governance. Both our market-leading position and the biopharmaceutical industry's high esteem for our company reflect our adherence to proven business ethics, policies and practices.

We perform thorough due diligence and monitor our investments. We typically work with academic and non-profit institutions and pharmaceutical companies that have transparent and well-developed governance policies, which benefit society through ethical and sustainable business practices.

Our governance, IT and cybersecurity policies and compliance framework cover areas such as anti-bribery, anti-fraud, document retention, FCPA, EEO and securities trading. We are committed to re-examining our corporate governance policies regularly to ensure our Board's independence and effectiveness in company- and industry-specific circumstances. Our corporate governance guidelines provide that our Board meets at least four times annually and may hold special meetings based on our company's needs. Director attendance at meetings is mandatory.



COMMITTEES

Our Board has three standing committees: the Audit Committee, the Management Development and Compensation Committee, and the Nominating and Corporate Governance Committee. Each one performs its duties as assigned by the Board, complying with the Committee's charter and the company's Articles of Association. Directors must attend meetings of the Committees on which they serve.

BOARD OF DIRECTORS The Board provides general oversight of our Corporate Responsibility		
Audit Committee	Management Development and Compensation Committee	Nominating and Corporate Governance Committee
<p>Addresses:</p> <ul style="list-style-type: none"> • Anti-bribery and anti-corruption complaints or incidents • Whistleblower Policy complaints • Financial statements, disclosure and other risk management and compliance matters 	<ul style="list-style-type: none"> • Review and assess company's compensation policies and practices • Review risks likely to have material adverse effects on the company • Assess and provide feedback regarding senior management team • Evaluate internal capabilities of senior executive roles and executive transition 	<ul style="list-style-type: none"> • Conducts Board performance evaluation • Selects diverse Board members <p>Oversees compliance with:</p> <ul style="list-style-type: none"> • Responsible Investment Policy • Anti-Bribery and Anti-Corruption Policy • Human Rights Policy Statement



Board Structure

Our Board consists of our CEO and independent directors from diverse backgrounds. We regularly assess the Board and its Committees to maintain effective leadership, diversity, performance and succession planning.

BOARD LEADERSHIP

Pablo Legorreta, our founder and CEO, serves as the Chairman of the Board. He has led the company as CEO since its inception. Our Lead Independent Director is Henry Fernandez, the CEO of MSCI Inc. He presides over meetings of our company's independent directors and acts as a liaison between the Chairman of the Board and the directors.

Seven of eight directors of our Board will be independent after our 2024 Annual Meeting, and independent directors make up 100% of our Board Committees. The Board believes that its leadership structure, composition and sound corporate governance policies and practices allow it to maintain sufficient independence from management and its oversight.

BOARD PERFORMANCE EVALUATION AND SUCCESSION PLANNING









We perform ongoing and dynamic evaluations of the Board and Committees. This includes the Board's own annual evaluation to determine its effectiveness as well as those performed by its Committees and Board members. These evaluations go beyond regular open discussions and provide an opportunity for stakeholders to reflect on and improve processes.

For succession planning, the Nominating and Corporate Governance Committee and the Board itself may recommend Director candidates for election.

Royalty Pharma's Board leverages its combined decades of risk management expertise to ensure strong corporate governance.





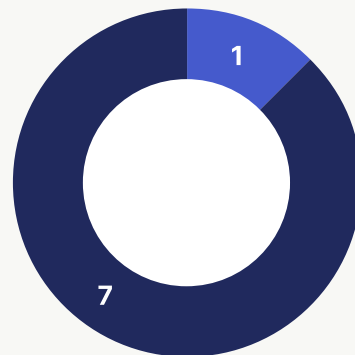
		LEADERSHIP	FINANCE & ACCOUNTING	SCIENCE & BIOTECH	BUSINESS STRATEGY	RESEARCH & ACADEMIC	TECHNOLOGY & CYBERSECURITY	RISK MANAGEMENT	CORPORATE RESPONSIBILITY	PUBLIC COMPANY CEO
	PABLO LEGORRETA	✓		✓	✓			✓		✓
	HENRY FERNANDEZ	✓	✓		✓		✓	✓	✓	✓
	BONNIE BASSLER, PH.D.	✓		✓		✓	✓		✓	
	ERROL DE SOUZA, PH.D.	✓		✓	✓	✓	✓	✓	✓	✓
	CATHERINE ENGELBERT	✓	✓		✓		✓	✓	✓	
	DAVID HODGSON	✓	✓		✓		✓	✓	✓	
	TED LOVE, M.D.	✓		✓	✓	✓	✓	✓	✓	✓
	GREGORY NORDEN	✓	✓	✓	✓		✓	✓		

BOARD DIVERSITY

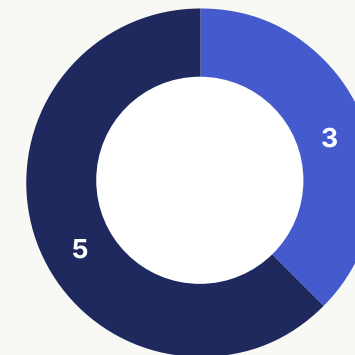
We believe that our successful performance depends on the inclusion of diverse perspectives and backgrounds. That is why our Board and the Nominating and Corporate Governance Committee actively seek out highly qualified, diverse individuals for the Board nominees.

7 Directors are Independent

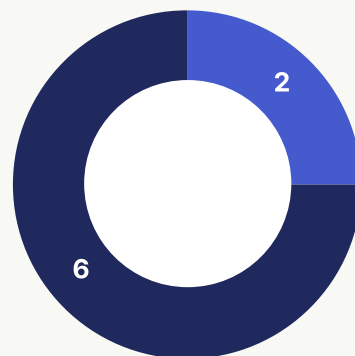
- Non-Independent director
- Independent directors

**>60% of Directors are ≤ 65 Years Old**

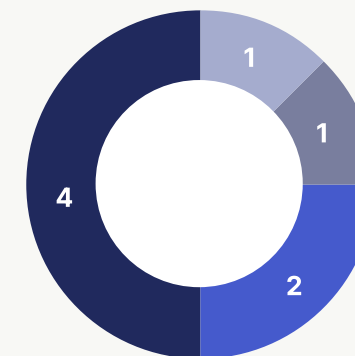
- >65
- ≤65

**Board Member by Gender**

- Female
- Male

**Board Member by Race/Ethnicity**

- African American/Black
- South Asian
- Hispanic/Latinx
- Caucasian/White





Sustainability Oversight

Appropriate controls and oversight help ensure our effective operations and sustainable growth. With this firmly in mind, the Board provides oversight of our sustainability efforts, while the Nominating and Corporate Governance Committee maintains the primary oversight of our responsible business policies, practices, reporting, strategy and progress. In 2023, we expanded the Nominating and Corporate Governance Committee's oversight into additional material and responsible business areas, including access to healthcare by updating its charter and enhancing the cadence by which it receives regular sustainability updates.

The Nominating and Corporate Governance Committee, along with the Board, also reviews public disclosures regarding sustainability issues and corporate responsibility. The Board's other committees are also engaged in and oversee specific elements of responsible business associated with their applicable area of responsibility. Members of the Royalty Pharma leadership team review and approve sustainability reporting, ensuring that it addresses material issues.

CROSS-FUNCTIONAL CORPORATE RESPONSIBILITY COMMITTEE

Our cross-functional, dedicated Corporate Responsibility Committee consists of managers and team leads from several departments, including human resources and legal. The Corporate Responsibility Committee's goals are to strengthen and formalize Royalty Pharma's sustainability efforts and foster company-wide responsible business practices integration. The Corporate Responsibility Committee typically meets monthly and delivers quarterly updates to the Nominating and Corporate Governance Committee, which has helped to expand the governance oversight over the company and access to healthcare initiatives.





Corporate Behavior

CODE OF BUSINESS CONDUCT AND ETHICS

We require all employees to review and certify that they will comply with the policies outlined in Royalty Pharma's Compliance Manual and Code of Business Conduct and Ethics. In 2023, 100% of employees certified that they would comply with the Code of Business Conduct and Ethics.

ETHICAL STANDARDS TRAINING

In 2023, we connected with a third-party expert to conduct mandatory ethics training for all full-time employees, with 100% participation. The training included topics such as insider training, conflicts of interest, political contributions, the whistleblower policy, cybersecurity and more. The training courses are designed to be engaging and effective in instilling respect and understanding in employee interactions and enabling employees to be their best selves.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Our [Anti-Bribery and Anti-Corruption Policy](#) embodies Royalty Pharma's commitment to managing corruption risk exposures and related controversies. To maintain this commitment, we conduct our business according to all applicable laws, rules and regulations.

Our goal is to always engage in honest, ethical conduct, and we expect all employees, officers and directors to comply with the Anti-Bribery and Anti-Corruption Policy. The Nominating and Corporate Governance Committee oversees compliance with the policy. The Audit Committee addresses any complaints or incidents raised, as well as reviews policies and practices to be used with respect to risk assessment and risk management. The policy also applies to payments made by third-party representatives on our behalf.

SUPPLIER CODE OF CONDUCT

Our [Supplier Code of Conduct](#) reflects both our and the industry's expectations for sustainable performance. It addresses ethical concerns such as business integrity, animal welfare, data protection, conflicts of interest and fair competition, along with labor concerns such as non-discrimination.

HUMAN RIGHTS POLICY STATEMENT

We aligned our [Human Rights Policy Statement](#) with the UN Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. Our policy statement is also based on the principles of the International Labour Organization's Declaration of Fundamental Principles and Rights at Work and the

International Bill of Human Rights. The Nominating and Corporate Governance Committee oversees compliance across this area and relies on the Responsible Investment Policy to guide the process, including reviewing of sustainability and business risk factors across internal operations and vendor engagements.

WHISTLEBLOWER POLICY

Our employee handbook and [Whistleblower Policy](#) establish the procedures for formal grievance escalation and reporting. Through our confidential whistleblower hotline, employees may submit good faith complaints anonymously and without fear of any kind of retaliation. The submitted information is reviewed and addressed by the Audit Committee. In addition, disclosures for potential conflicts of interest must be made at least annually, as well as any time a potential conflict of interest may arise. This procedure is applicable to every employee who must certify disclosure of conflicts of interest each year.

POLICIES AND PRACTICES

Royalty Pharma maintains strong governance practices and policies, adhering to high regulatory compliance, ethics, integrity and transparency standards. Our policies can be found on our [website](#).



Data Privacy and Cybersecurity

Our internal Cybersecurity and Personal Data Breach Policy demonstrates Royalty Pharma's proactive risk mitigation efforts. This starts with our recently appointed Chief Technology Officer (CTO) at Royalty Pharma, who is responsible for the company's cybersecurity strategy. Reporting to the CEO and the Audit Committee and Board on cybersecurity issues, the CTO implements policies and procedures, escalates issues that present material risks and ensures that all employees are sufficiently trained in cybersecurity.

Royalty Pharma's Technology Committee identifies, monitors and prioritizes the cybersecurity risk environment. The Committee also fosters awareness, promotes proactive risk mitigation and ensures accountability throughout the organization.

Our technology team employs specialized tools to monitor our security infrastructure, promptly detecting any suspicious activities. We utilize a platform for phishing simulations and employee training. Assessing vendor compliance with industry best practices and the standards of vendors who might have access to our data and systems is integral to our information protection strategy.

Employees and anyone who has access to our electronic systems, software, hardware and information must abide by our cybersecurity policy. In 2023, 100% of employees signed attestations of the Compliance Manual, indicating acknowledgement of the policy.



Building and Supporting Talent





The foundation of our culture rests on teamwork, critical thinking, innovation and the pursuit of excellence. Our interdisciplinary teams, comprised of individuals with a wide range of experience and educational and professional backgrounds, contribute diverse perspectives in an inclusive environment of trust and respect.

Talent Management and Engagement

Our culture helps us to retain talent, resulting in long-tenured teams with low staff turnover. The hiring and retention of top talent is integral to driving our work culture. As we engage our workforce in both formal and informal ways, we focus on creating a culture of meaningful connections, one that is supportive and values-based.

By collaborating to accelerate innovation, we enable our partners to transform patient lives while simultaneously creating sustained long-term value for our shareholders.



TEAMWORK



TRUSTED PARTNER



CRITICAL THINKING



INNOVATION



PURSUIT OF EXCELLENCE



WORKFORCE CULTURE

19%

headcount growth in 2023

11

years average tenure among leadership team

6.2%

average total turnover past three years

1.7%

average VP-level turnover past three years

94%

employee engagement in survey



Compensation and Benefits

Our employees receive competitive salaries and are eligible for annual cash bonuses. Non-salary benefits cover all employees. We also offer access to a 401(k) retirement plan as part of our non-salary benefits and compensation package. In 2023, we began offering a 401(k) match of up to 5%.

We also offer a healthcare benefit consultation service and an employee assistance program to help employees make the best decisions for themselves

and their families. Employees have the option to enroll in additional benefits, including legal service plans, accident insurance, flexible spending accounts and identity theft protection.

In 2023, we began offering free membership to One Medical, a primary care practice that facilitates access to quality healthcare. Through One Medical, employees and their listed dependents have access to primary care providers, virtual healthcare services,

same-day and urgent care appointments and mental health services. They also have access to TouchCare Healthcare Concierge, which provides unlimited consultations from a team of professional advisors. The advisors can help with addressing medical billing mistakes, selecting health insurance plans and finding and coordinating healthcare providers. We pay more than 95% of the aggregate costs of medical insurance premiums for all employees. We have expanded our dental plans with no cost to our employees.

We continue to focus on supporting our employees' general well-being. In 2023, we continued our wellness month and introduced several employee wellness initiatives:

- Enhanced on-site fitness facility to accommodate more employees
- Onsite one-on-one dietitian support for healthy eating habits
- Participation in J.P. Morgan's Corporate Challenge, the world's largest corporate running event
- Weekly meditation sessions throughout May
- Full medical, vision and dental benefits
- Competitive paid vacation time, including 25 days of paid time off, which includes two quiet weeks, in addition to 13 holidays
- Provision of onsite flu shots
- Offered one-on-one sessions with career coaches
- Access to 401(k) plan with company match
- Company match for charitable 501(c)3 contributions
- Long-term disability and limited life insurance
- Hybrid schedule
- Commuter benefits



Work/Life Balance

A healthy work/life balance matters, and we take a thoughtful approach to preserving it. In 2021, we conducted an employee survey from which we determined that a hybrid workplace structure would best serve our employees. Under the hybrid structure, most employees work remotely twice per week and Royalty Pharma provides in-home office equipment and technology.

We provide support to employees at all life stages. For those who are growing their families, we provide ample quality time for parents to bond with their newest family member, with 16 weeks of parental leave to the primary caregiver and four weeks of leave to the secondary caregiver. We also offer generous paid time off annually and additional flexibility during the holidays.

Our employees are kept apprised of their benefits through our readily available comprehensive internal [Employee Handbook](#).

TURNOVER RATES OVER THE YEARS



Safety

We promote a respectful and safe work environment for all employees, with no tolerance for harassment or discrimination. For this purpose, we designed our Policy Prohibiting Discrimination, Harassment and Retaliation to be broader than the law and to prohibit unwelcome conduct. Our policy is designed to keep complaints, and their resolution, confidential to the extent possible, subject to our company’s responsibility to conduct an appropriate investigation and take necessary disciplinary action. We require Harassment Prevention Training and annual certification of compliance with the [Employee Handbook](#). 100% of employees completed this training in 2023.



Human Capital Management

RECRUITMENT

Our Human Resources department works closely with each department to ensure recruitment assistance either through recruiters or employee referrals as needed. Our Employee Referral Program helps enhance our talent pipeline and grow our team.

Royalty Pharma has two internship programs available with leading non-profits dedicated to providing opportunities to members of underrepresented groups: OnRamp and the Biomedical Science Careers Program (BSCP). In 2023, we welcomed four BSCP interns and two Onramp interns for the summer. Please refer to [page 44](#) for more information on our internship programs.

PROFESSIONAL DEVELOPMENT

Our employees receive evaluations and performance reviews at least annually. We encourage open lines of communication and regular check-ins with managers. We also offer classes to boost general office skills and job-specific skills.

In 2021, we launched a leadership development program featuring leadership coaches. Through the program, participants identify personal development goals and enhance their leadership skills. The three core components include group coaching, self-development and social learning. In 2022, we committed to expanding our six-month leadership program. In 2023, six participants took part in this program. They gained skills to increase productivity, improve employee engagement, become more knowledgeable leaders and foster a positive company culture. Since the launch of this program, 42 employees have taken part in the program and 10 have gone on to become leaders or receive promotions within Royalty Pharma.

Throughout the year, we offer various professional development training opportunities. In 2023, we partnered with Harvard University to offer a course on advanced negotiations. Twenty-three employees took part in this course. We also provide tuition

CHIEF NETWORK SPONSORSHIP

Royalty Pharma encourages our employees to pursue both professional and personal aspirations. We sponsor the membership fees for accomplished senior-level women within our organization who participate in the Chief Network – a private professional network designed to empower women in C-suite, senior executive and VP positions. This network connects thousands of senior executive women leading companies across the U.S. with the goal of enhancing their leadership skills, amplifying their influence and creating pathways for others to follow. Members also benefit from insights on how to retain women executives, provide resources to solve their leaders' business challenges and access innovation.

reimbursement and extend education reimbursement to all active full-time employees for the cost of any successfully completed, job-related courses and/or courses taken as part of an undergraduate or graduate degree program at an accredited institution while actively employed by Royalty Pharma.

Details on these opportunities are found in our [Employee Handbook](#).

Employee Evaluations and Performance Appraisals

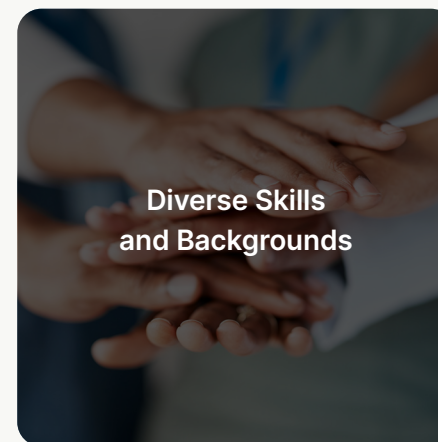
During annual evaluations and performance appraisals, employees receive feedback from their supervisors regarding their job performance. These one-on-one conversations can positively influence an employee's professional development, performance and career goals. During the reviews, employees have the opportunity to highlight their achievements and discuss specific goals and other material issues. All employees receive annual evaluations and performance appraisals, with the vast majority of employees also completing self-performance reviews.

For evaluations, we prioritize open lines of communication with regular check-ins. Each department head is empowered to adopt a schedule and strategy that works best for their team.

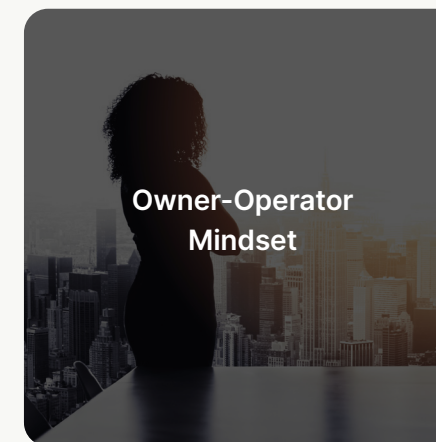
WORKING AT ROYALTY PHARMA



Our culture makes it easy to retain talent, resulting in long-tenured teams with low staff turnover.



Our colleagues come from diverse backgrounds and bring deep expertise in the fields of science, medicine and investing.



Our team and our shareholders are aligned, with one third of shares owned by employees, the Board and their affiliated entities.



Diversity, Equity and Inclusion

We are committed to practices that promote diversity, equity and inclusion (DEI) and create an environment that allows employees to bring their full and authentic selves to work. In line with our goals, we respect and value people from different backgrounds and ensure that people have equal opportunities and treatment. We want to shed light on any company blind spots around DEI and get feedback on our current efforts, which include:

- Encouraging supervisors to develop inclusive environments that value employees' diverse viewpoints
- Lawfully expanding advancement opportunities for diverse employees and recruiting candidates from diverse backgrounds
- Enforcing equal employment opportunity, non-harassment, non-retaliation and non-discrimination policies

To advance a more positive and inclusive company culture, Royalty Pharma had employees complete an engagement survey. The results from the engagement survey were shared with the Senior Leadership Committee.

DEI TASK FORCE

We created the DEI Task Force in 2023, comprising a cross-section of employees across departments, tenures and levels. We also brought in a DEI consultant to help further understand areas of opportunity to create an inclusive work environment. This advisory group offers recommendations on how to embed DEI into all aspects of our culture. The group held its first meeting in 2023 and it will continue to hold meetings to improve DEI initiatives. We will deploy an employee engagement survey to help inform the task force's work and generate useful DEI insights. The task force will help Royalty Pharma cultivate a more diverse and inclusive company.

Inclusive Workplace Environments

Expanded Advancement Opportunities

Equity in Employment Opportunities



INTERNSHIP PROGRAMS: A PATHWAY TO GAINING EXPERIENCE IN HEALTHCARE



Inaugural Health Equity Internship Program

We partnered with the Biomedical Science Careers Program (BSCP), which aims to increase the representation of minority and disadvantaged individuals in all facets of medicine and science while helping institutions diversify their workforces. Thirty resumes were reviewed before granting four paid internship opportunities for 10 weeks at Royalty Pharma. The selected college-level interns were paired with Royalty Pharma mentors and Mount Sinai and Leukemia & Lymphoma Society (LLS) researchers. The interns were trained in health equity and inequity and were taught how to extract data and insights to support their research.

The positive impacts from this program are two-fold, both for the firm and for the individuals. The individuals are provided with valuable real-work experience, networking opportunities, skill development and insights into the industry. Royalty Pharma gains fresh perspectives, increased productivity, potential talent pipeline building and contribution to the overall growth and success of the company.

Project Onramp

Project Onramp, which is facilitated by Life Science Cares (LSC), creates paid summer internships for underrepresented college students, helping to bridge the opportunity gap. In 2023, we supported Project Onramp NYC by hiring two interns for 12 weeks for our Research and Investments team. We submitted a job description for the paid internship and Project Onramp identified students with the required skills and interest. We interviewed, evaluated and hired the candidates who best fit the internship positions. Throughout the program, Project Onramp provided wrap-around training and support to the interns and supervisors.

Engaging with Employees

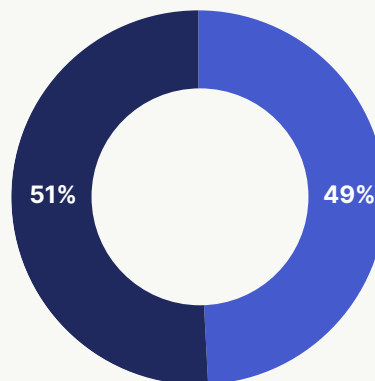
Our open-door culture empowers employees to speak freely and directly address issues with their managers and teams. Employee feedback allows us to understand their perspectives and concerns, which is fundamental to the success of our business.

To gather input on important topics, such as our transition to a hybrid work model, we leveraged an employee satisfaction survey. Regular town hall meetings provide another opportunity for engagement, with updates on the business, our human capital and financial performance.

We continue to recognize and celebrate team and individual accomplishments along with the achievement of broader company goals.

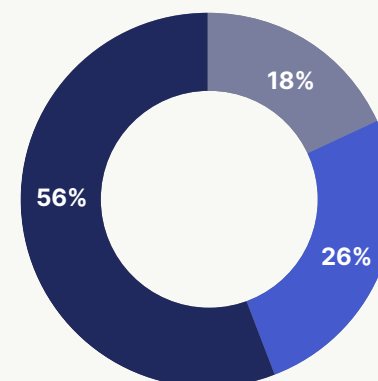
2023 WORKFORCE DIVERSITY DATA

Workforce by Gender



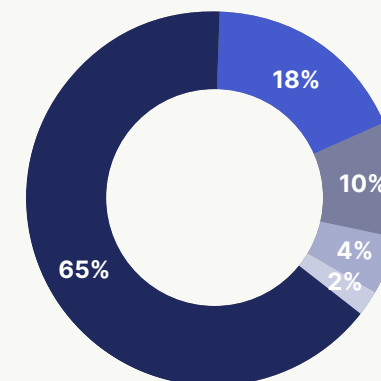
- Female
- Male

Workforce by Age



- 50+ years old
- <30 years old
- 30-50 years old

Workforce by Race/Ethnicity



- Black/ African American
- Two or more races
- Hispanic or Latino
- Asian
- White/ Caucasian



SENIOR LEADERSHIP COMMITTEE

We are committed to listening to employee voices as the company grows, since our employees drive positive change with their diverse experiences, viewpoints and backgrounds. In late 2022, we formed the Senior Leadership Committee, consisting of the next generation of Royalty Pharma leaders. Individuals work with the leadership team to broaden decision-making within the Company. In 2023, the first meeting was held. We also continue to make strides to advance women in our leadership ranks and women currently represent 25% of our senior leadership team.*



Alessandra Sassun



Art McGivern



Ashwin Pai



Brienne Kugler



Chris Hite



Eric Schneider



George Grofik



George Lloyd



Jason Mehar



Jim Reddoch



Kristin Stafford



Marshall Urist



Pablo Legorreta



Sandy Balkin



Sara Klymkowsky



Terrance Coyne

*This number is as of the publication date of this Report.



EMPLOYEE SURVEY

Royalty Pharma surveyed employees across seniority levels and departments in 2023 in order to gauge employee satisfaction. Employees were asked about their work/life balance, interests and challenges, and the survey also included questions about our DEI efforts, providing employees with an opportunity to express what they felt we were doing well and where there was room for improvement. To gain further insights, we asked a selected group of employees a series of detailed follow-up questions. The information gathered will allow us to address and prioritize any potential gaps. A final summary of the findings was presented to the Senior Leadership Committee to inform future strategic approaches.

COMPANY RETREAT

We cultivate a culture that fosters collaboration and provides opportunities to learn, contribute and grow professionally. We host an annual two-day, company-wide, offsite team-building retreat, the purpose of which is to create connections, foster a sense of belonging and enhance shared values

among employees. During the 2023 retreat, a guest speaker hosted a workshop to facilitate discussion on culture and opportunities for improving the work environment. A three-hour workshop focused on the opportunities for and the challenges of change. The topic of change was selected in recognition that businesses and organizations need to adapt to evolving circumstances, technologies and market dynamics. Participants were empowered with proactive approaches on how to manage and navigate change effectively.

During the discussions, team members had an opportunity to interview the company CEO and gain a better understanding of the company mission and vision. In addition to several workshops and speakers, the Human Resources team strategically created the opportunity for employees to connect. These connections foster a collaborative work environment back in the office and improve how information is shared between departments.





Embedding Environmental Sustainability



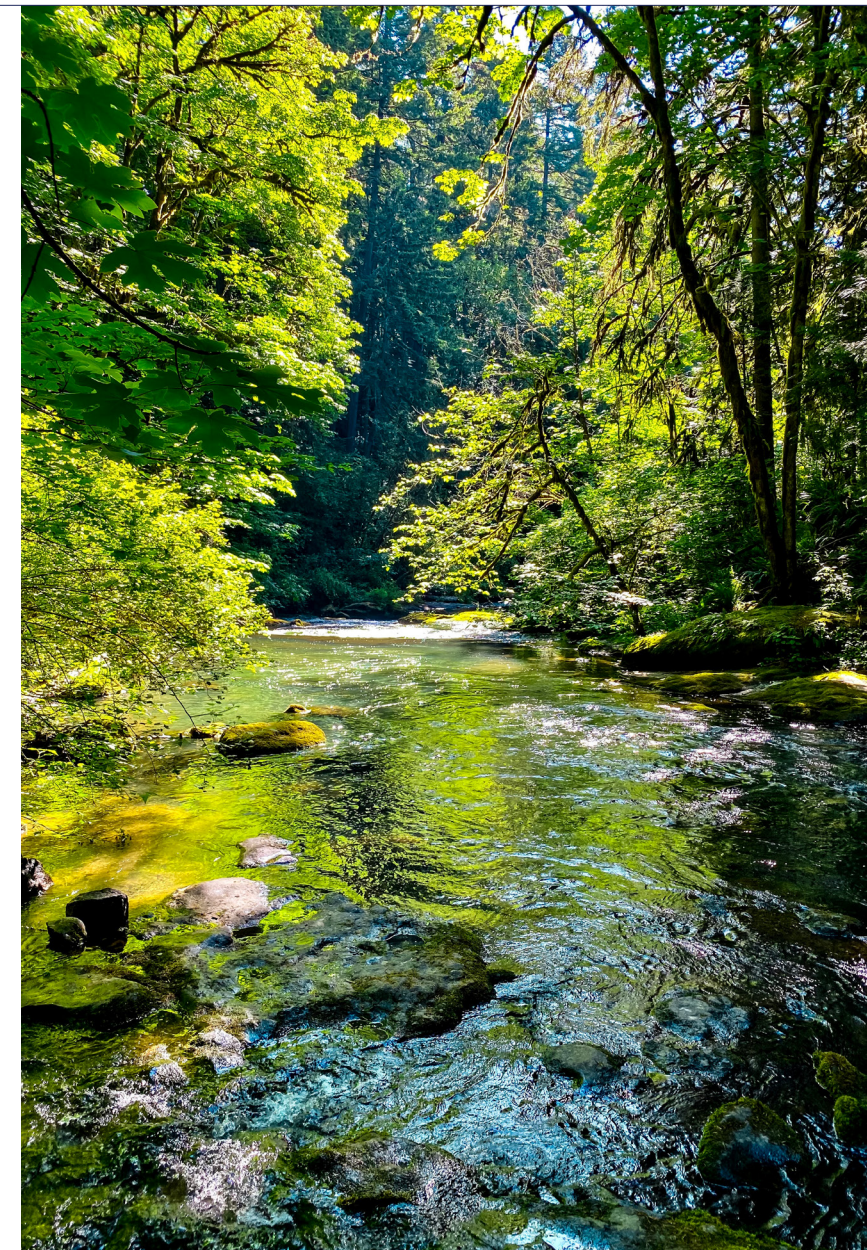
We are committed to protecting the environment and reducing our impact on the planet. For several years, we have taken steps to develop an Environmental Policy, improve waste management and maintain transparency in our activities.

Our Commitment to the Environment

Sustainability is critical for addressing risks and identifying opportunities in our business. For that reason, we are committed to putting key sustainability practices in place across our operations. We are taking steps to measure, manage and minimize our environmental impact where possible.

Since most of our operations are only conducted within our offices, our direct business environmental impact is low. However, we have made a commitment to strengthening waste management across office operations by complying with the building policy for waste and recycling procedures. Through a third-party expert, we provided online training on sustainability and recycling efforts and procedures.

We also plan to continue expanding our Scope 3 emissions measurements. We also remain committed to transparency through the publication of our greenhouse gas (GHG) emissions.





Our Commitment to Transparency

Tracking our carbon emissions footprint remains a priority, as it provides insight into ways to reduce our environmental impact and increase energy efficiency. The Corporate Responsibility Committee is responsible for the review of energy usage and associated greenhouse gas emissions data.

To help gauge its progress, Royalty Pharma plc conducted a CO₂e emissions measurement for 2023. We also calculated GHG emissions using methodologies from the Greenhouse Gas Protocol, developed by the World Resources Institute and the World Business Council for Sustainable Development (GHG Protocol). Following the criteria of the GHG Protocol, we obtained independent verification declaration from Apex Companies, LLC (Apex) for the emissions disclosed below. This is part of our continual efforts to improve the accuracy and transparency of our disclosures. For more information on this, please refer to [page 78](#).

We defined our organizational boundaries using the financial control approach. Since Royalty Pharma plc is externally managed, we did not have any Scope 1 or Scope 2 emissions. We also performed a scoping exercise to consider relevant Scope 3 emission

categories per the GHG Protocol. Emissions related to portfolio investments (Scope 3, Category 15) were identified as the most material emissions category under the GHG Protocol.

Our investments in Scope 3 Category 15 are primarily comprised of royalties on a portfolio of biopharmaceutical products. We receive cash royalties on these products based on their sales performance and respective royalty terms. We are also entitled to receive returns on other investments through our joint ventures, hold of debt instruments and equity method investees.

We calculated Royalty Pharma plc's Scope 3 Category 15 GHG emissions by disaggregating our portfolio as follows:

ROYALTY INVESTMENTS FOR WHICH MARKETER/PAYOR EMISSION DATA IS AVAILABLE

We estimated the emissions from such activities by applying a derived emission intensity of the product's marketer or payor to our related royalty receipts. The emission intensity is calculated as the published 2022 Scope 1 and Scope 2 (market-based) emissions from the royalty product's marketer/payor's Carbon Disclosure Project (CDP)'s Climate response or their

ESG (or equivalent) report, divided by the marketer/payor's 2022 or 2023 reported revenue taken from their CDP Climate response or their financial reports, such as the annual report.

ROYALTY INVESTMENTS FOR WHICH MARKETER/PAYOR EMISSION DATA IS NOT AVAILABLE

We estimated the emissions from such investments by applying the estimated emission intensity factor of the product's marketer or payor to our related royalty receipts. The estimated emission intensity is calculated as the average emission intensity from our portfolio of marketers/payors that do have published 2022 Scope 1 and Scope 2 (market-based) emissions data divided by the average reported 2022 or 2023 revenues of those marketers/payors (Estimated Emission Intensity).

OTHER INVESTMENTS

We estimated the emissions from equity investments in private companies and debt securities with listed companies. We calculated our investees' estimated emissions by multiplying the investees' total revenue by the Estimated Emission Intensity. We then take a proportionate share of the investee's estimated emissions by multiplying the investee's estimated emissions by Royalty Pharma plc's interests in the investees.



Reducing Our Operational Impact

Our New York City office is Energy Star certified and WELL designated, supporting our energy consumption management and operational efficiency efforts. To further reduce our environmental impact, we encourage our entire team to play a role. Initiatives such as using smart, low-voltage and energy-efficient office lighting are some of the concrete steps we are taking to reduce our environmental impact. Many of our employees use public transit to get to work, and transportation emissions from commuting remain immaterial.

Environmental Considerations Across Our Partner Network

Looking beyond our office and employee footprint, we consider environmental impact in our investment decisions, since our partners play an essential role in our environmental commitment. We seek partners who value environmental sustainability, as these partners can be responsible for performing biopharmaceutical research and development or manufacturing the biopharmaceutical products in which we invest. Our Environmental Policy and Supplier Code of Conduct encourage our partners' environmental awareness.

GHG EMISSIONS (SCOPE 1, 2 AND 3)		Years Ended December 31,		
METRICS	UNIT	2021	2022	2023
Scope 1 GHG Emissions	Metric tonnes carbon dioxide equivalent ("MT CO ₂ e")	N/A	N/A	N/A
Scope 2 GHG Emissions (Location-based & Market-based)	MT CO ₂ e	N/A	N/A	N/A
GHG Emissions from Investments (Scope 3 Category 15)	MT CO ₂ e	18,445	19,610	32,002

N/A - Not Applicable

EVERY ACT COUNTS

We continue to implement ways to reduce our environmental impact and create less waste from our operations. For example, we donate leftovers from our catered meals to NY Common Pantry, which has prevented food from being discarded and contributed to reducing hunger in our community. We also continue to purchase and use recycled and compostable products in our office. Royalty Pharma's office complies with single stream recycling and aims to reduce waste, including properly discarding electronics.

Promoting Transparency



About This Report

We are pleased to publish Royalty Pharma's 2023 Corporate Responsibility Report, which is in reference with Global Reporting Initiative (GRI) and aligned with Sustainability Accounting Standards Board (SASB) reporting standards. Given the unique overlap of our business in funding innovation across the biopharmaceutical industry, we have reported against the two SASB sector standards most relevant to our business: 1) Biotechnology & Pharmaceuticals (HC-BP) and 2) Asset Management & Custody Activities (FN-AC). The GRI and SASB indices direct readers to responses contained in this report and external documents.

We are publishing this report on April 25, 2024, based on the January 1, 2023 to December 31, 2023 fiscal year, unless otherwise specified. Where applicable, we have provided updates on our progress in 2023 and our planned activities for 2024.

For questions about this report, please email contact@royaltypharma.com or contact us at 110 East 59th Street, New York, NY 10022. More information about our responsible business and sustainability policies and practices is available on our website, www.royaltypharma.com, under "[Responsibility](#)."

Royalty Pharma plc is externally managed and does not employ its own personnel and instead depends upon RP Management, LLC, and its officers and employees for virtually all of the services it requires.

Because RP Management, LLC provides Royalty Pharma plc and its subsidiaries with management for its day-to-day operations, we believe that presenting certain information in this report for both Royalty Pharma plc and its subsidiaries and RP Management, LLC, on a combined basis will assist in comparability of our responsible business and sustainability policies and practices with our peers.

For the purposes of this report only, references to "Royalty Pharma," the "Company," "we," "us," or "our" and similar expressions refer to Royalty Pharma plc and its subsidiaries and RP Management, LLC. References to either Royalty Pharma plc or RP Management, LLC are intended to refer only to the specifically stated entity.

We have obtained independent verification declaration from Apex of Royalty Pharma plc's greenhouse gas emissions (GHG) data for 2023. Refer to the Verification Opinion Declaration for full details of the verification scope, standards used, work undertaken and conclusions.



GRI INDEX

STATEMENT OF USE

ROYALTY PHARMA HAS REPORTED WITH REFERENCE TO THE GRI STANDARDS FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023.

GRI STANDARD

DISCLOSURES

2023 RESPONSE

General Disclosures

	GRI STANDARD	DISCLOSURES	2023 RESPONSE
GRI 2: General Disclosures 2021	2-1	Organizational details	Who We Are, p. 6 2023 Workforce Diversity Data, p. 45 2023 Form 10-K, pp. 46-48, 83
	2-2	Entities included in the organization's sustainability reporting	2023 Form 10-K, p. 83
	2-3	Reporting period, frequency and contact point	We are publishing this report on April 25, 2024, based on the fiscal year January 1, 2023, to December 31, 2023. The period for our financial reporting is in line with our responsible business and sustainability reporting period. For questions about this report, please contact us using this address: 110 East 59 Street New York, NY 10022 or at contact@royaltypharma.com
	2-4	Restatements of information	Due to clerical error and a change to calculation methodology, Royalty Pharma has restated certain workplace performance metrics for the years 2021 and 2022.
	2-5	External assurance	Apex Companies, LLC has assured the Royalty Pharma GHG emissions for 2023. The consolidated financial statements of Royalty Pharma plc are externally audited by Ernst & Young LLP.
	2-6	Activities, value chain and other business relationships	Our Company, pp. 3-10 2023 Form 10-K, pp. 1-13
	2-7	Employees	2023 Workforce Diversity Data, p. 45
	2-8	Workers who are not employees	Although we receive services from workers employed by third-party vendors and service providers, none of those services are rendered by workers who meet the definition of "other workers" provided in the guidance associated with the standard.



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ROYALTY PHARMA HAS REPORTED WITH REFERENCE TO THE GRI STANDARDS FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023.

GRI STANDARD

DISCLOSURES

2023 RESPONSE

General Disclosures

GRI 2: General Disclosures 2021

2-9	Governance structure and composition	Board Structure, p. 31 2024 Proxy Statement, pp. 8-11, 22-27 Royalty Pharma Corporate Governance Guidelines Royalty Pharma Nominating and Corporate Governance Committee Charter
2-10	Nomination and selection of the highest governance body	Board Structure, p. 31 2024 Proxy Statement, p. 31 Royalty Pharma Corporate Governance Guidelines Royalty Pharma Nominating and Corporate Governance Committee Charter
2-11	Chair of the highest governance body	Board Structure, p. 31 2024 Proxy Statement, p. 24 Royalty Pharma Corporate Governance Guidelines Royalty Pharma Nominating and Corporate Governance Committee Charter
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Oversight, p. 34 2024 Proxy Statement, pp. 22-38 Royalty Pharma Board of Director's Overview Royalty Pharma Board Committee List Royalty Pharma Nominating and Corporate Governance Committee Charter Royalty Pharma Corporate Governance Guidelines
2-13	Delegation of responsibility for managing impacts	Sustainability Oversight, p. 34 2024 Proxy Statement, pp. 36-38 Royalty Pharma Nominating and Corporate Governance Committee Charter



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GRI STANDARD

DISCLOSURES

2023 RESPONSE

General Disclosures

GRI 2: General Disclosures 2021

2-14	Role of the highest governance body in sustainability reporting	Committees, p. 30 Sustainability Oversight, p. 34 Royalty Pharma Nominating and Corporate Governance Committee Charter
2-15	Conflicts of interest	Board Structure, p. 31 Corporate Behavior, p. 35 2024 Proxy Statement, pp. 46-49 Royalty Pharma Corporate Governance Guidelines Royalty Pharma Nominating and Corporate Governance Committee Charter
2-16	Communication of critical concerns	Policies and Practices, p. 29 Corporate Behavior, p. 35 2024 Proxy Statement, pp. 22-35
2-17	Collective knowledge of the highest governance body	Board Structure, p. 31 2024 Proxy Statement, pp. 11, 33, 36
2-18	Evaluation of the performance of the highest governance body	Board Performance Evaluation and Succession Planning, p. 31 2024 Proxy Statement, pp. 11, 32-33, 36 Royalty Pharma Corporate Governance Guidelines Royalty Pharma Nominating and Corporate Governance Committee Charter
2-19	Remuneration policies	2024 Proxy Statement, pp. 13, 39-40, 51-62 Royalty Pharma Clawback Policy Financial Statement Compensation Recoupment Policy



GRI INDEX

STATEMENT OF USE

ROYALTY PHARMA HAS REPORTED WITH REFERENCE TO THE GRI STANDARDS FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023.

GRI STANDARD

DISCLOSURES

2023 RESPONSE

General Disclosures

	GRI STANDARD	DISCLOSURES	2023 RESPONSE
GRI 2: General Disclosures 2021	2-20	Process to determine remuneration	2024 Proxy Statement, pp. 51-59
	2-21	Annual total compensation ratio	The ratio of annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) is 240 to 1. 2024 Proxy Statement, p. 63
	2-22	Statement on sustainable development strategy	A Message from Our Chairman and Chief Executive Officer, pp. 4-5
	2-23	Policy commitments	Managing Our Business, pp. 28-36 Royalty Pharma Code of Business Conduct and Ethics Royalty Pharma Supplier Code of Conduct Royalty Pharma Environmental Policy Royalty Pharma Human Rights Policy Royalty Pharma Employee Handbook
	2-24	Embedding policy commitments	Managing Our Business, pp. 28-36 Royalty Pharma Code of Business Conduct and Ethics Royalty Pharma Supplier Code of Conduct Royalty Pharma Environmental Policy
	2-25	Processes to remediate negative impacts	Managing Our Business, pp. 28-36 Reducing Our Operational Impact, p. 51 2024 Proxy Statement, pp. 36-38 Royalty Pharma Environmental Policy Royalty Pharma Whistleblower Policy



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GRI STANDARD

DISCLOSURES

2023 RESPONSE

General Disclosures

GRI 2: General Disclosures 2021

2-26	Mechanisms for seeking advice and raising concerns	Sustainability Oversight, p. 34 Corporate Behavior, p. 35 2024 Proxy Statement, pp. 22-35 Royalty Pharma Whistleblower Policy contact@royaltypharma.com
2-27	Compliance with laws and regulations	Royalty Pharma has not been subject to any material instances of non-compliance with laws and regulations during the reporting period. No material fines or non-monetary sanctions were imposed on Royalty Pharma during the reporting period. 2023 Form 10-K, pp. 12, 30-31
2-28	Membership associations	Biotechnology Innovation Organization (BIO) FasterCures Advisory Board CEO Action for Diversity & Inclusion
2-29	Approach to stakeholder engagement	Our Company, pp. 3-10 Talent Management and Engagement, p. 38 Engaging Our Stakeholders, p. 9 2024 Proxy Statement, p. 31
2-30	Collective bargaining agreements	There are no employees covered by collective bargaining agreements.



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ROYALTY PHARMA HAS REPORTED WITH REFERENCE TO THE GRI STANDARDS FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023.

	GRI STANDARD	DISCLOSURES	2023 RESPONSE
Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Engaging Our Stakeholders, p. 9
	3-2	List of material topics	Engaging Our Stakeholders, p. 9
Human Capital Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	Talent Management and Engagement, p. 38
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Building and Supporting Talent, pp. 37-45 2023 Workforce Diversity Data, p. 45 Workplace Performance: Social, p. 72
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Compensation and Benefits, p. 39 Parental Leave Planning, p. 77
GRI 401: Employment 2016	401-3	Parental leave	Work/Life Balance, p. 40 Parental Leave Planning, p. 77
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	Building and Supporting Talent, pp. 37-45
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital Management, p. 41 Employee Evaluations and Performance Appraisal, p. 42



GRI INDEX

STATEMENT OF USE

ROYALTY PHARMA HAS REPORTED WITH REFERENCE TO THE GRI STANDARDS FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023.

	GRI STANDARD	DISCLOSURES	2023 RESPONSE
Material Topics			
Diversity, Equity and Inclusion			
GRI 3: Material Topics 2021	3-3	Management of material topics	Building and Supporting Talent, pp. 37-45
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Board Diversity, p. 33 2023 Workforce Diversity Data, p. 45 2024 Proxy Statement, p. 10 EEO-1
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	There were 0 firmwide incidents of discrimination.
Responsible Investment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Responsible Investment, pp. 12-13 Responsible Investment Policy Note that there is not a relevant GRI Topic standard for this material issue.
Access to Health and Medicine			
GRI 3: Material Topics 2021	3-3	Management of material topics	Access to Healthcare and Medicine, pp. 21-22 Note that there is not a relevant GRI Topic standard for this material issue.



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ROYALTY PHARMA HAS REPORTED WITH REFERENCE TO THE GRI STANDARDS FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023.

GRI STANDARD

DISCLOSURES

2023 RESPONSE

Material Topics

Corporate Governance

GRI 3: Material Topics 2021

3-3

Management of material topics

[Board Structure, p. 31](#)
[Sustainability Oversight, p. 34](#)

Note that there is not a relevant GRI Topic standard for this material issue.



GRI INDEX

STATEMENT OF USE

ROYALTY PHARMA HAS REPORTED WITH REFERENCE TO THE GRI STANDARDS FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023.

	GRI STANDARD	DISCLOSURES	2023 RESPONSE
Additional GRI Disclosures			
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	Access to Healthcare and Medicine, pp. 21-22
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Corporate Behavior, p. 35
GRI 412: Human Rights Assessment 2016	412-2	Employee training on human rights policies or procedures	Our Human Rights Policy Statement is made available to all our employees.
GRI 412: Human Rights Assessment 2016	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Managing Our Business, pp. 28-36
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Access to Healthcare and Medicine, pp. 21-22



SASB SUSTAINABILITY ACCOUNTING STANDARDS 2018*

SASB CODE AND ACCOUNTING

ACCOUNTING OR ACTIVITY METRIC

2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS

SASB Index: Biotechnology & Pharmaceuticals

Safety of Clinical Trial Participants, Access to Medicine, Affordability & Pricing, Drug Safety, Counterfeit Drugs, Ethical Marketing, Supply Chain Management

SASB HC-BP-210a.1	Ensuring quality and patient safety during clinical trials	
SASB HC-BP-210a.2	FDA Inspections resulting in Voluntary Action Indicated (VAI) and Official Action Indicated (OAI)	<p>We are passive investors and therefore do not have operational control over the discovery, clinical development, manufacturing or commercialization of the therapies on which we receive royalties. However, we seek to partner with companies who prioritize responsible practices through our investment process and comprehensive due diligence practices.</p> <p>Responsible Investment, pp. 12-13 Responsible Investment Policy</p> <p>Given that royalties from Vertex, Biogen, Johnson & Johnson, Pfizer, and AbbVie made up over 60% of total revenues for 2023 on the basis of cash receipts, please see below for links to their most recent disclosures on these topics: Vertex 2022 Corporate Responsibility Report, pp. 32-33 Johnson & Johnson 2022 ESG Disclosure Index, pp. 25-27 Biogen 2022 ESG Report, pp. 60-63 AbbVie 2022 ESG Action Report, pp. 82-84 Pfizer 2023 ESG Report, pp. 71-75</p>
SASB HC-BP-210a.3	Monetary impact of legal proceedings from clinical trials in developing countries	
SASB HC-BP-000.A	Number of patients treated	
SASB HC-BP-240b.1	Settlements from Abbreviated New Drug Application (ANDA) litigation involving payments and/or provisions to delay bringing an authorized generic product to market	
SASB HC-BP-240b.2	Annual percentage change in U.S. average list price and average net price	
SASB HC-BP-240b.3	Largest annual percentage change in U.S. list price and net price	
SASB HC-BP-250a.1	List of products in the FDA MedWatch Safety Alerts for Human Medical Products database	

* This applies the 2018 version of the SASB Standards; "2018" refers to the Standards issue date, not the date of information presented in this report.



SASB SUSTAINABILITY ACCOUNTING STANDARDS 2018*

SASB CODE AND ACCOUNTING

ACCOUNTING OR ACTIVITY METRIC

2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS

SASB Index: Biotechnology & Pharmaceuticals

Safety of Clinical Trial Participants, Access to Medicine, Affordability & Pricing, Drug Safety, Counterfeit Drugs, Ethical Marketing, Supply Chain Management

SASB HC-BP-250a.2	Number of fatalities associated with products reported in the FDA Adverse Event Reporting System	<p>We are passive investors and therefore do not have operational control over the discovery, clinical development, manufacturing or commercialization of the therapies from which we receive royalties. However, we seek to partner with companies who prioritize responsible practices through our investment process and comprehensive due diligence practices.</p> <p>Responsible Investment, pp. 12-13 Responsible Investment Policy</p> <p>Given that royalties from Vertex, Biogen, Johnson & Johnson, Pfizer, and AbbVie made up over 60% of total revenues for 2023 on the basis of cash receipts, please see below for links to their most recent disclosures on these topics: Vertex 2022 Corporate Responsibility Report, pp. 32-33 Johnson & Johnson 2022 ESG Disclosure Index, pp. 25-27 Biogen 2022 ESG Report, pp. 60-63 AbbVie 2022 ESG Action Report, pp. 82-84 Pfizer 2023 ESG Report, pp. 71-75</p>
SASB HC-BP-250a.3	Number of recalls issued, total units recalled	
SASB HC-BP-250a.4	Total amount of product accepted for takeback, reuse or disposal	
SASB HC-BP-250a.5	Number of FDA enforcement actions in response to violations of current Good Manufacturing Practices	
SASB HC-BP-260a.1	Methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	
SASB HC-BP-260a.2	Process for alerting customers and business partners of potential or known risks associated with counterfeit products	
SASB HC-BP-260a.3	Number of actions that led to raids, seizure, arrests and/or filing of criminal charges related to counterfeit products	
SASB HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	

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SASB SUSTAINABILITY ACCOUNTING STANDARDS 2018*

SASB CODE AND ACCOUNTING

ACCOUNTING OR ACTIVITY METRIC

2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS

SASB Index: Biotechnology & Pharmaceuticals

Safety of Clinical Trial Participants, Access to Medicine, Affordability & Pricing, Drug Safety, Counterfeit Drugs, Ethical Marketing, Supply Chain Management

SASB CODE AND ACCOUNTING	ACCOUNTING OR ACTIVITY METRIC	2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS
SASB HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	
SASB HC-BP-430a.1	Percentage of facilities and Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients	<p>We are passive investors and therefore do not have operational control over the discovery, clinical development, manufacturing or commercialization of the therapies from which we receive royalties. However, we seek to partner with companies who prioritize responsible practices through our investment process and comprehensive due diligence practices.</p> <p>Responsible Investment, pp. 12-13 Responsible Investment Policy</p>
SASB HC-BP-510a.2	Description of code of ethics governing interactions with healthcare professionals	<p>Given that royalties from Vertex, Biogen, Johnson & Johnson, Pfizer, and AbbVie made up over 60% of total revenues for 2023 on the basis of cash receipts, please see below for links to their most recent disclosures on these topics:</p> <p>Vertex 2022 Corporate Responsibility Report, pp. 32-33 Johnson & Johnson 2022 ESG Disclosure Index, pp. 25-27 Biogen 2022 ESG Report, pp. 60-63 AbbVie 2022 ESG Action Report, pp. 82-84 Pfizer 2023 ESG Report, pp. 71-75</p>

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SASB SUSTAINABILITY ACCOUNTING STANDARDS 2018*

SASB CODE AND ACCOUNTING

ACCOUNTING OR ACTIVITY METRIC

2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS

SASB Index: Biotechnology & Pharmaceuticals

Access to Medicine

SASB HC-BP-240a.1

Access to healthcare for diseases and countries as defined by the Access to Medicine Index

[Access to Healthcare & Medicine, pp. 21-22](#)
[Royalty Pharma Social Bond Framework](#)

SASB HC-BP-240a.2

Products on the WHO List of Prequalified Medicinal Products

[2023 Form 10-K, pp. 7, 9](#)
[World Health Organization Prequalification of Medical Products](#)

Employee Recruitment, Development & Retention

SASB HC-BP-330a.1

Discussion of talent recruitment and retention efforts.

[Human Capital Management, pp. 41-42](#)
[2023 Workforce Diversity Data, p. 45](#)
[Royalty Pharma Employee Handbook](#)

SASB HC-BP-330a.2

Voluntary and involuntary turnover rate

[Building and Supporting Talent, pp. 37-45](#)

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SASB SUSTAINABILITY ACCOUNTING STANDARDS 2018*

SASB CODE AND ACCOUNTING

ACCOUNTING OR ACTIVITY METRIC

2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS

SASB Index: Biotechnology & Pharmaceuticals

Business Ethics

HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	2023 Form 10-K, p. 43
SASB HC-BP-510a.2	Description of code of ethics governing interactions with healthcare professionals	Not applicable. Royalty Pharma does not interact with healthcare professionals outside of its investment due diligence process. Royalty Pharma Code of Business Conduct and Ethics

Activity Metrics

SASB HC-BP-000.B	Number of drugs in portfolio and in research and clinical development	Our Company, pp. 3-10 Responsible Investment, pp. 12-13 2023 Form 10-K, p. 1
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SASB SUSTAINABILITY ACCOUNTING STANDARDS 2018*

SASB CODE AND ACCOUNTING

ACCOUNTING OR ACTIVITY METRIC

2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS

SASB Index: Asset Management & Custody Activities

Transparent Information & Fair Advice for Customers

SASB FN-AC-270a.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations or other regulatory proceedings	There are no known covered employees with records of investment-related investigations, consumer-initiated complaints, private civil litigations or other regulatory proceedings.
SASB FN-AC-270a.2	Amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	There are no known monetary losses as a result of legal proceedings associated with marketing and communications of financial product-related information to new and returning clients.
SASB FN-AC-270a.3	Description of approach to informing customers about products and services	The performance of Royalty Pharma plc is reported at least on a quarterly basis through SEC filings in our 10-Q, 10-K and 8-K and made publicly available to all investors. Additionally, all marketing and advertising materials submitted to our legal and compliance team will be reviewed to confirm that they are not fraudulent or misleading and that they comply with any applicable rules, regulations and our policies.
Employee Diversity & Inclusion		
SASB FN-AC-330a.1	Percentage of gender and racial/ ethnic group representation for executive management, non-executive management, professionals and all other employees	Board Diversity, p. 33 Diversity, Equity and Inclusion, p. 43 2023 Workforce Diversity Data, p. 45
SASB FN-IB-330a.1		Our most up to date EEO-1 is located here.

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SASB SUSTAINABILITY ACCOUNTING STANDARDS 2018*

SASB CODE AND ACCOUNTING

ACCOUNTING OR ACTIVITY METRIC

2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS

SASB Index: Asset Management & Custody Activities

Incorporation of Environmental, Social and Governance Factors in Investment Management & Advisory

SASB AC-IB-410a.1	Amount of assets under management, by asset class, that employ integration of ESG issues, sustainability-themed investing and screening	Responsible Investment, pp. 12-13 Access to Healthcare & Medicine, pp. 21-22 Responsible Investment Policy
SASB AC-IB-410a.2		Responsible Investment, pp. 12-13 Responsible Investment Policy
SASB FN-AC-410a.2	Description of approach to incorporation of ESG factors in investment and/or wealth management processes and strategies	2023 Form 10-K, p. 12 Royalty Pharma Supplier Code of Conduct Royalty Pharma Social Bond Framework Royalty Pharma Human Rights Policy

* This applies the 2018 version of the SASB Standards; "2018" refers to the Standards issue date, not the date of information presented in this report.



SASB SUSTAINABILITY ACCOUNTING STANDARDS 2018*

SASB CODE AND ACCOUNTING

ACCOUNTING OR ACTIVITY METRIC

2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS

SASB Index: Asset Management & Custody Activities

Incorporation of Environmental, Social and Governance Factors in Investment Management & Advisory

SASB AC-IB-410a.3

Description of proxy voting and investee engagement policies and procedures

Royalty Pharma has adopted proxy voting policies and procedures (the “Proxy Policy”) in accordance with requirements under Rule 206(4)-6 of the Investment Advisers Act. Our Manager will cast votes on a case- by-case basis. Our Manager will generally vote in favor of matters that follow an agreeable corporate strategic direction, support an ownership structure that enhances shareholder value without diluting management’s accountability to shareholders or present compensation plans that are commensurate with enhanced manager performance and market practices. We may occasionally be subject to conflicts of interest in the voting of proxies due to business or personal relationships we maintain with persons having an interest in the outcomes of certain votes. If, at any time, we become aware of an existing or potential conflict of interest relating to a particular proxy proposal, we will resolve the conflict before voting or obtain a consent or take other steps designed to ensure that the decision is in the best interests of the beneficial owners of the shares and is not the product of conflict. Appropriate documentation will be maintained by our legal and compliance team. In accordance with Rule 204-2 of the Advisers Act, the Manager maintains appropriate books and records in connection with the Proxy Policy.

Business Ethics

SASB AC-IB-510a.1

Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice or other related financial industry laws or regulations

[2023 Form 10-K, pp. 30-31, 41](#)

* This applies the 2018 version of the SASB Standards; “2018” refers to the Standards issue date, not the date of information presented in this report.



SASB SUSTAINABILITY ACCOUNTING STANDARDS 2018*

SASB CODE AND ACCOUNTING

ACCOUNTING OR ACTIVITY METRIC

2023 CROSS-REFERENCE, OMISSIONS AND EXPLANATIONS

SASB Index: Asset Management & Custody Activities

Business Ethics

SASB AC-IB-510a.2	Description of whistleblower policies and procedures	Whistleblower Policy, p. 35 Royalty Pharma Whistleblower Policy
SASB FN-AC-000.A	Total registered and total unregistered assets under management	2023 Form 10-K, pp. 74-110
SASB FN-AC-000.B	Total assets under custody and supervision	2023 Form 10-K, pp. 74-110

* This applies the 2018 version of the SASB Standards; "2018" refers to the Standards issue date, not the date of information presented in this report.



Data Tables

WORKPLACE PERFORMANCE SOCIAL ¹			
METRIC	2021	2022	2023
Total Workers	67	75	89
Number of employees	67	75	89
Number of contractors	0	0	0
Permanent	100%	100%	100%
Temporary	0%	0%	0%
Non-guaranteed hours	0%	0%	0%
Workforce			
Full-time	100%	100%	100%
Part-time	0%	0%	0%
Workforce by Gender			
Male	51%	48%	51%
Female	49%	52%	49%
Not disclosed	0%	0%	0%
Other	0%	0%	0%
Transgender	0%	0%	0%

¹ Percentages may not total 100 due to rounding



WORKPLACE PERFORMANCE SOCIAL¹

METRIC	2021	2022	2023
Workforce by Age			
< 30 years old	25%	24%	26%
30–50 years old	57%	59%	56%
50+ years old	18%	17%	18%
Workforce by Region			
North America	100%	100%	100%
South America	0%	0%	0%
Europe	0%	0%	0%
Asia Pacific	0%	0%	0%
Africa	0%	0%	0%
Workforce by Race/Ethnicity			
White/ Caucasian	70%	67%	65%
Black/ African American	0%	3%	2%
Asian	18%	19%	18%
Hispanic or Latino	9%	9%	10%
Native American	0%	0%	0%
Two or more races	3%	3%	4%
Undisclosed/Unknown	0%	0%	0%

¹ Percentages may not total 100 due to rounding

**WORKPLACE PERFORMANCE SOCIAL¹**

METRIC	2021	2022	2023
Diversity in Management			
Number of Company executives	6	7	8
Female VP-level and above	32%	32%	31%
Ethnic/racially diverse VP-level and above	29%	26%	25%
Diversity in Board of Directors			
Independent directors	70%	90%	90%
Number of females on Board	2	2	2
Percentage of females on Board	20%	20%	20%
Number of ethnic/racially diverse directors on Board	4	4	4
Percentage of ethnic/racially diverse directors on Board	40%	40%	40%

¹ Percentages may not total 100 due to rounding



WORKPLACE PERFORMANCE: EMPLOYEE TURNOVER AND RATE²

Employee Turnover Numbers

Employee Turnover Rate

METRIC	2021	2022	2023	2021	2022	2023
Voluntary	2	2	2	3.4%	2.8%	2.4%
Involuntary	2	2	3	3.4%	2.8%	3.7%
Total	4	4	5	6.8%	5.6%	6.1%
Turnover by Gender						
Male	2	3	3	6.8%	8.6%	7.4%
Female	2	1	2	6.8%	2.8%	4.8%
Turnover by Age						
<30	1	2	4	8.0%	11.4%	19.5%
30-50	2	2	0	5.7%	4.9%	0.0%
50+	1	0	1	8.7%	0.0%	6.9%

² Only region of operation is the United States

**NEW HIRES²**

METRIC	2021	2022	2023
Total	20	12	19
Employee growth rate	31%	12%	19%
New Hires by Gender			
Male	11	5	12
Female	9	7	7
New Hires by Age			
<30	10	7	11
30-50	9	5	5
50+	1	0	3
Diversity in New Hires			
Percentage of ethnic/racially diverse	50%	50%	47%

² Only region of operation is the United States



PARENTAL LEAVE PLANNING

METRIC	2021	2022	2023
Total number of employees that were entitled to parental leave	Not available	75	89
Male	Not available	36	45
Female	Not available	39	44
Total number of employees that took parental leave by gender	Not available	4	9
Male	Not available	2	3
Female	Not available	2	6
Return to work and retention rates of employees that took parental leave, by gender	Not available	100%	100%
Male	Not available	100%	100%
Female	Not available	100%	100%



Verification Opinion Declaration: Greenhouse Gas Emissions

To: The Stakeholders of Royalty Pharma plc

Apex Companies LLC, (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by Royalty Pharma plc (RP) for the period stated below. This verification opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of RP. RP is responsible for the preparation and fair presentation of the GHG emissions statement in accordance with the criteria. Apex's sole responsibility was to provide an independent verification opinion on the accuracy of the GHG emissions reported and on the underlying systems and processes used to collect, analyze, and review the information. Apex is responsible for expressing an opinion on the GHG emissions statement based on the verification. Verification activities applied in a limited level of assurance are less extensive in nature, timing, and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Financial Control
- Worldwide

Types of GHGs: CO₂, N₂O, CH₄

GHG Emissions Statement:

- **Scope 3 – Investments (excluding equity securities, held at cost royalties, and R&D funding):** 32,002 metric tons of CO₂ equivalent

Data and information supporting the Scope 3 GHG emissions statement were in some cases estimated rather than historical in nature.

Period covered by GHG emissions verification:

- January 1, 2023 to December 31, 2023

GHG Reporting Protocols against which verification was conducted:

- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3)

GHG Verification Protocols used to conduct the verification:

- ISO 14064-3 Second Edition 2019-04: Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of ±5% for aggregate errors in sampled data for each of the above indicators.

GHG Verification Methodology:

Evidence-gathering procedures included, but were not limited to:

- Interviews with relevant personnel of RP;
- Review of documentary evidence produced by RP;
- Review of RP data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and,
- Audit of sample of data used by RP to determine GHG emissions.



Verification Opinion Declaration: Greenhouse Gas Emissions

Verification Opinion:

Based on the verification process and procedures conducted to a limited assurance level of the GHG emissions statement shown above, Apex found no evidence that the GHG emissions statement:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that RP has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

This verification opinion declaration, including the opinion expressed herein, is provided to Royalty Pharma plc and is solely for the benefit of Royalty Pharma plc in accordance with the terms of our agreement. We consent to the release of this declaration by you to the public or other organizations but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this declaration.

Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with RP, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:

Thomas U. Jones, Lead Verifier
ESG – Program Manager
Apex Companies, LLC
Tampa, Florida

Trevor Donaghu, Technical Reviewer
ESG Director
Apex Companies, LLC
Pleasant Hill, California

March 29, 2024





Appendix A – Schedules of GHG Emissions

GHG EMISSIONS				
METRIC	UNIT	Volume		
		2021	2022	2023
Scope 1 GHG Emissions	Metric tonnes carbon dioxide equivalent ("MT CO ₂ e")	N/A	N/A	N/A
Scope 2 GHG Emissions (Location-based & Market-based)	MT CO ₂ e	N/A	N/A	N/A
GHG Emissions from Investments (Scope 3 Category 15)	MT CO ₂ e	18,445	19,610	32,002

N/A - Not Applicable



Cautionary Statement

The data and information in this report (“Report”), which has been prepared by Royalty Pharma plc, are presented for informational purposes only. This Report shall not constitute an offer to sell or the solicitation of any offer to buy any interest, security or investment product. The information in this Report is only as current as the date indicated and may be superseded by subsequent market events or for other reasons, and Royalty Pharma assumes no obligation to update the information herein. Nothing contained herein constitutes investment, legal, tax, or other advice nor is it to be relied on in making an investment or other decision. This Report should not be viewed as a current or past recommendation or a solicitation of an offer to buy or sell any securities.

This Report contains statements reflecting our views about our future performance that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “target,” “forecast,” “guidance,” “goal,” “predicts,” “project,” “potential” or “continue,” the negative of these terms

and other comparable terminology. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about us, our current and prospective assets, our industry, our beliefs and our assumptions. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. You should evaluate all forward-looking statements made in this Report in the context of the numerous risks outlined in Part I under Item 1A. under “Risk Factors” in our Annual Report on Form 10-K.

Any forward-looking statement speaks only as of the date on which such statement is made, and Royalty Pharma assumes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

Certain information contained herein relating to any goals, targets, intentions or expectations, including with respect to net-zero targets and related timelines, is subject to change, and no assurance can be given that such goals targets, intentions, or expectations will be met. The United Nations Sustainable Development Goals (SDGs) are aspirational in nature. The analysis involved in determining whether and how certain initiatives may contribute to the SDGs is inherently subjective and dependent on a number of factors. There can be no assurance that reasonable parties will agree on a decision as to whether certain projects or investments contribute to a particular SDG. Accordingly, investors should not place undue reliance on Royalty Pharma’s application of the SDGs, as such application is subject to change at any time and in Royalty Pharma’s sole discretion. Further, statistics and metrics relating to responsible business and sustainability matters are estimates and may be based on assumptions or developing standards (including Royalty Pharma’s internal standards and policies).

Similarly, there can be no assurance that Royalty Pharma’s responsible business and sustainability policies and procedures as described in this report,



including policies and procedures related to responsible investment or the application of responsible business and sustainability related criteria or reviews to the investment process will continue; such policies and procedures could change, even materially, or may not be applied to a particular investment. Royalty Pharma is permitted to determine in its discretion that it is not feasible or practical to implement or complete certain of its sustainability initiatives, policies and procedures based on cost, timing or other considerations. Statements about responsible business and sustainability initiatives or practices related to partners do not apply in every instance and depend on factors including, but not limited to, the relevance or implementation status of an sustainability initiative by the partner; the nature and/ or extent of investment in, ownership of or, control or influence exercised by Royalty Pharma with respect to the partner; and other factors as determined by Royalty Pharma on a case-by-case basis. Responsible business and sustainability factors are only some of the many factors Royalty Pharma considers in deploying capital, and there is no guarantee that Royalty Pharma will deploy capital with partners that create positive business operations impact or that consideration of material business factors will enhance long-term value and financial returns for investors. To the extent Royalty Pharma

engages with partners on Corporate Responsibility-related practices, there is no guarantee that such engagements will improve the financial or sustainability performance of any investment or the partner. In addition, the act of selecting and evaluating material responsible business factors is subjective by nature, and there is no guarantee that the criteria utilized or judgment exercised by Royalty Pharma will reflect the beliefs or values, internal policies or preferred practices of investors or with market trends.

Except where opinions and views are expressly attributed to individuals, general discussions contained within this Report regarding the market or market conditions represent the view of either the source cited or Royalty Pharma. Nothing contained herein is intended to predict the performance of any investment or partner. There can be no assurance that actual outcomes will match the assumptions or that actual returns will match any expected returns.

Case studies presented herein are for illustrative purposes only, have been selected in order to provide examples illustrating Royalty Pharma's application of its responsible business and sustainability policies and procedures and do not purport to be a complete list thereof. Further, references to partners included in

the illustrative case studies should not be construed as a recommendation of any particular investment or security. Certain information was provided by third parties and certain statements reflect Royalty Pharma's beliefs as of the date hereof based on prior experience and certain assumptions that Royalty Pharma believes are reasonable, but may prove incorrect. Past performance is not necessarily indicative of future results.

There can be no assurance that the operations and/or processes of the Royalty Pharma as described herein will continue, and such processes and operations may change, even materially. The actual investment process used for any or all of Royalty Pharma's investments may differ materially from the process described herein.

Certain information contained herein has been obtained from third parties, and in certain cases have not been updated through the date hereof. While these third-party sources are believed to be reliable, Royalty Pharma makes no representation or warranty, express or implied, with respect to the accuracy, fairness, reasonableness or completeness of any of the information contained herein, and expressly disclaims any responsibility or liability therefor. Actual results may differ materially from any forward-looking statements.

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