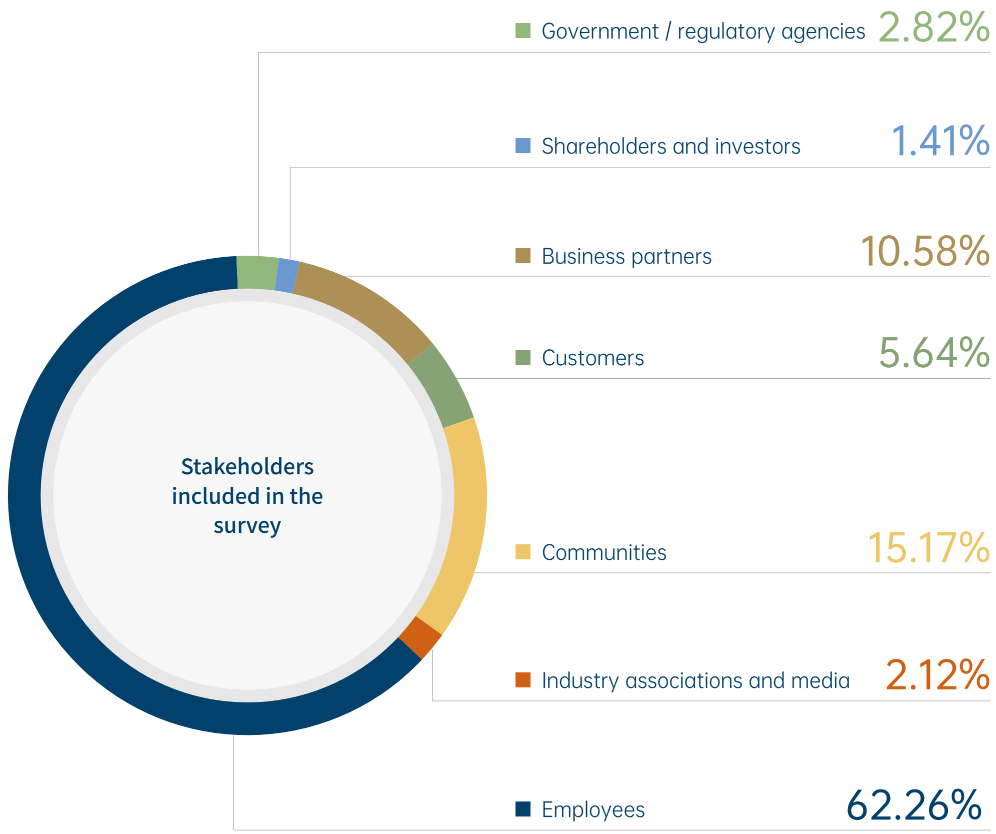
Materiality Assessment

Materiality Assessment

In Fiscal 2026, Silvercorp continued to reference GRI Standards and sustainability disclosure practices in the metals and mining industry to conduct its annual materiality assessment. The assessment was based on impact materiality, with qualitative consideration of financial relevance, incorporating investor concerns, industry trends, and corporate strategy. The Company developed a materiality analysis matrix based on two dimensions: "impact on Silvercorp's sustainable development" and "significance to stakeholders." Material issues were then assessed and prioritized to inform reporting focus, ESG management improvement, and cross- jurisdictional risk control.

In Fiscal 2026, in response to changes in the Company's global footprint, the stakeholder survey was expanded. An online questionnaire was distributed in four languages—Chinese, English, Spanish, and Russian—resulting in 567 valid responses (China: 322; Ecuador: 186; Canada: 23; Kyrgyzstan: 18; corporate level: 18). Feedback was collected from internal and external stakeholders, including government and regulatory agencies, shareholders and investors, employees, customers, business partners, communities, industry associations, and media. By integrating international sustainability standards, key mining industry issues, peer practices, and corporate strategy, a total of 27 material issues were identified across environmental, social, and governance dimensions.



Identification

- The identification process considers macroeconomic policies, international standards and guidelines, industry trends, and the sustainability focus of industry peers. It aims to clarify the policy direction, development opportunities, and risks in the metals and metal mining industry. By aligning with Silvercorp's strategic development and relevant planning documents, key issues of significant importance to both Silvercorp and its stakeholders are identified

Assessment

- The Company conducts an annual identification of its key stakeholders
- Stakeholder questionnaires are distributed in Chinese, English, Spanish, and Russian versions, targeting stakeholders in different countries where the Company operates. After collecting the responses, the data is compiled and analyzed

Prioritization

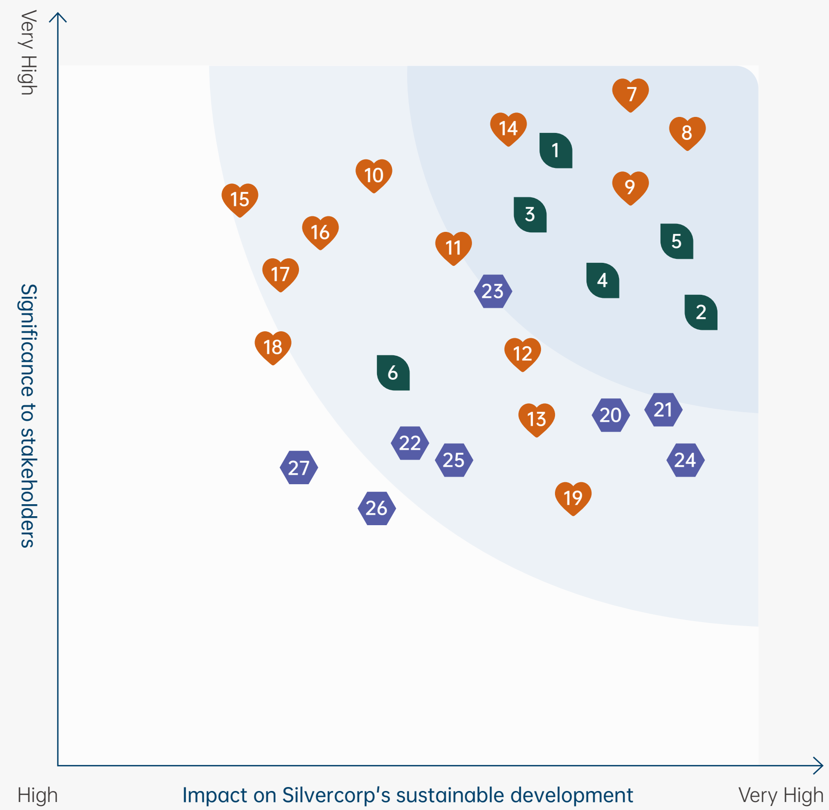
- Aligning with two dimensions of the materiality matrix, the Company comprehensively evaluates stakeholder expectations, industry development trends, and its own business strategy to prioritize various issues
- Internal expert discussions and external expert consultations are conducted to form conclusions on impact materiality

Review

- The results of the materiality assessment are presented alongside the sustainability report for review by the ESG Management Center for deliberation and approval, and are subsequently approved by the Board of Directors

Compared with Fiscal 2025, the Company maintained eight core material topics, including production safety, occupational health and safety, climate change response and energy conservation and carbon reduction, disaster prevention and emergency management, tailings storage facility management, waste management, water resource management, and environmental compliance management. One new core topic was added: community relations and Indigenous Peoples' rights, reflecting the Company's reliance on social license to operate for projects in Ecuador (El Domo and Condor) and Kyrgyzstan (Chaarat Gold Project). Currently, these projects are still in the construction/development stage, with ongoing community engagement, indigenous consultation, and rights protection practices. As the projects move into construction and operational phases, the Company will continue to strengthen the management and disclosure of this material topic in subsequent fiscal years.

On this basis, and in light of the Company's international business expansion, project development progress, and stakeholder feedback, the Company has added or refined a series of material topics, including community environmental and health impact monitoring, local hiring, cultural heritage protection, workforce diversity, equity and inclusion, and ESG strategic targets and performance assessment. Customer privacy protection has been expanded to information security, while biodiversity and land restoration has been expanded to biodiversity and ecosystems, in order to better reflect evolving expectations in cross-jurisdictional operations, community impact management, indigenous rights, labor rights, and group-level ESG governance.



Environmental

1 Climate change and energy conservation & carbon reduction
2 Tailings facility management
3 Waste management
4 Water resource management
5 Environmental compliance management
6 Biodiversity and ecosystems

Social

7 Production safety
8 Occupational health and safety
9 Disaster prevention and emergency management
10 Workforce diversity, equity, and inclusion
11 Human rights and labor rights protection
12 Employee development
13 Responsible supply chain
14 Community relations and Indigenous Peoples' rights
15 Local hiring
16 Community environmental and health impact monitoring
17 Community development and support
18 Cultural heritage protection
19 Product and service quality

Governance

20 Compliance and internal control
21 Risk management
22 Research and innovation
23 Business ethics
24 Board governance
25 ESG strategic targets and performance assessment
26 Sustainability due diligence
27 Information security

Stakeholder Engagement

Stakeholder	Key Issues			Engagement Methods		Key Actions/ Outcomes
Government / Regulatory Agencies	• Production safety • Occupational health and safety • Environmental compliance management	• Tailings facility management • Water resource management • Disaster prevention and emergency management	• Climate change response, energy conservation and carbon reduction • Waste management • Cultural heritage protection	• Routine compliance reporting and communication • Project approval and permit applications	• Cooperating with regulatory inspections • Submission of regulatory reports and government visits	• Paid USD 89.97 million in taxes and other government payments • Achieved 100% ISO 14001 environmental management system certification across operating mines • Achieved 100% ISO 45001 occupational health and safety management system certification across operating mines
Shareholders and Investors	• Compliance and internal control • Risk management • Board governance	• Climate change response, energy conservation and carbon reduction • Water resource management • Waste management	• Research and innovation • ESG strategic targets and performance assessment • Sustainability due diligence	• Annual report, sustainability report, and other statutory disclosures	• Quarterly / annual results briefings • Investor hotline and email	• Held 238 investor meetings and 5 institutional investor site visits • Held 1 Annual General Meeting (AGM) • Held 3 quarterly results briefings and 1 annual results briefing • Conducted 5 roadshows
Employees	• Occupational health and safety • Human rights and labor rights protection	• Employee development • Production safety	• Workforce diversity, equity, and inclusion • Local hiring	• Regular communication with trade unions • Regular employee representative meetings • Employee grievance and feedback channels	• Safety training, skills enhancement, and capacity building • Employee recognition, corporate culture activities, and team building events	• Conducted 21 campus recruitment events • Held 236 cross-cultural integration and cultural activities across all operating regions • Invested USD 4.68 million in production safety
Customers	• Product and service quality • Information security	• Business ethics • Research and innovation		• Regular business and service communication • Customer visits and on-site exchanges	• Mutual oversight and reporting • Official website disclosures and customer service hotline	• Distributed 26 customer satisfaction survey questionnaires, with an overall "relatively high" customer satisfaction rating
Partners	• Responsible supply chain • Compliance and internal control	• Business ethics • Sustainable development due diligence	• Human rights and labor rights protection	• Business negotiations and meetings • Regular site visits and audits	• Supplier complaint and feedback hotline	• Evaluated 441 suppliers across global operating mines
Communities	• Community development and support • Community environmental and health impact monitoring	• Community relations and Indigenous Peoples' rights • Biodiversity and ecosystems	• Local hiring • Cultural heritage protection	• Community outreach and charitable donation activities • Regular community meetings and roundtable discussions	• Public disclosure of project Environmental Impact Assessment (EIA) information • External inquiry response and community feedback hotlines	• Invested USD 3.15 million in community programs, including education support and infrastructure improvements
Industry Organizations and Media	• Human rights and labor rights protection • Biodiversity and ecosystems	• Community development and support • Business ethics	• Climate change response, energy conservation and carbon reduction • Tailings facility management	• Press releases • Routine media communication and engagement	• ESG information disclosure on corporate website	• Disclosed sustainability practices, project updates, and ESG information through the corporate website, press releases, ESG information section, and investor relations channels • Received 3 ESG-related awards