

# Strategy and Management

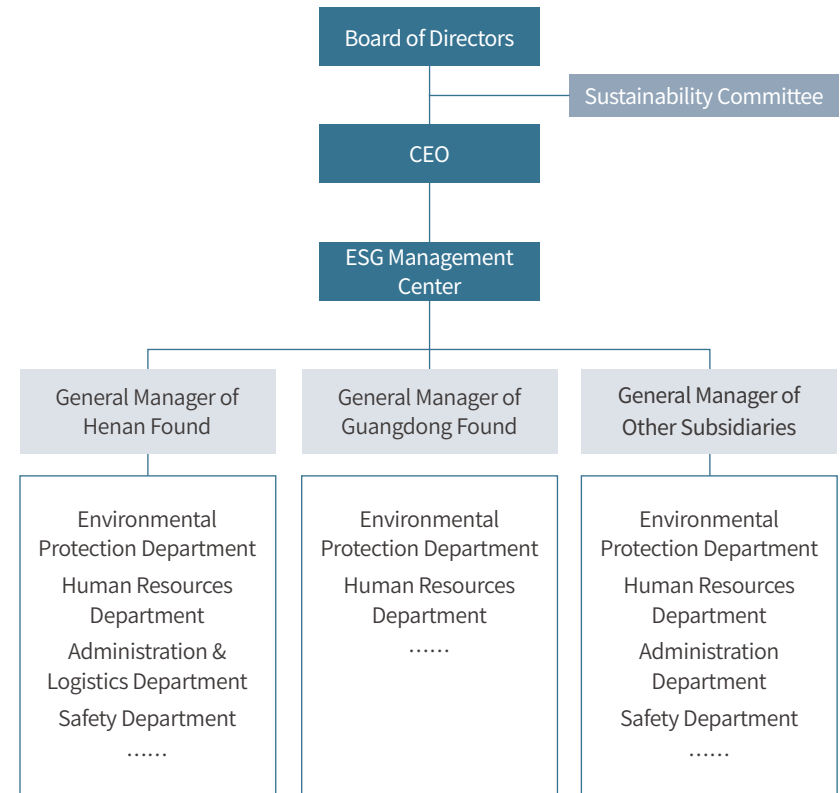
## Our Philosophy

<b>Mission</b>	At Silvercorp, we strive to operate all aspects of our business safely, efficiently, and sustainably. Our focus is on generating sustainable growth through the optimization of innovative technology while operating in an environmentally responsible way.
<b>Vision</b>	To be a technologically advanced, well-managed, and sustainable mining company.
<b>Values</b>	<p>Operate sustainably by prioritizing safety and the environment.</p> <p>Applying technology and efficient management to ensure our competitiveness.</p> <p>Respect our people and enable them to achieve their potential.</p> <p>Embody the principles of honesty and integrity.</p> <p>Strive to innovate for further excellence.</p>
<b>Sustainable Development Strategic Positioning</b>	Supplying silver for the expanding green energy sector.

## ESG Governance

### ESG Management

Silvercorp has established a three-tier ESG management structure. At the decision-making level, the Board of Directors has established a Sustainability Committee, chaired by Marina Katusa, Independent Director. At the management level, Silvercorp has set up an ESG Management Center at its Beijing head office, which also involves members of the Vancouver-based Investor Relations Team and with the President of Silvercorp China in charge to ensure timely communication and implementation of ESG-related work. At the implementation level, the General Managers of Silvercorp subsidiaries serve as direct leaders to coordinate the implementation of ESG-related work on the front line.



## Sustainability Committee

Silvercorp attaches great importance to sustainability management. To further strengthen the role of the Board of Directors in ESG-related management and decision-making, Silvercorp officially established the Sustainability Committee under the Board of Directors, chaired by Marina Katusa, Independent Director. The Sustainability Committee provides advice and oversight on the Company's sustainability strategies, plans, implementation, and performance. It supervises the Company's work on ESG related issues, including safety management, energy intensity, environmental protection, and climate responses. Additionally, it guides the management in evaluating ESG related risks and opportunities, approves the Company's annual ESG management goals, reviews and evaluates the performance of the management based on various ESG performance indicators, and reviews the Company's annual sustainability report.

## ESG Management Center

Silvercorp has established the ESG Management Center in Beijing, which reports directly to the Sustainability Committee of the Board. Chaired by Mr. Lichang Peng, President of Silvercorp China, the ESG Management Center oversees the Company's sustainability planning at the management level, coordinates the implementation of key sustainability projects, and supervises the implementation of all ESG related work at subsidiaries. The responsibilities of the ESG Management Center includes: formulating ESG vision, strategy, framework, principles, and management policies; reviewing industry-specific ESG trends, risks, and opportunities and formulating corresponding measures; implementing the ESG strategy in corporate decision-making, investment, and operations; organizing the preparation and review of ESG-related reports and disclosures; formulating annual ESG work plans for subsidiaries, and ensuring the implementation of ESG practices with support and coordination from relevant functional departments, such as Environmental Protection, Safety, Human Resources, Investor Relations, and Public Relations.

## Policy Disclosure

To view the Sustainability Committee Charter in full, please click on the link or scan the QR Code.

[Sustainability Committee Charter](#)



## ESG Management and Implementation at Subsidiaries

The General Manager of each subsidiary is directly responsible for the overall management of ESG affairs at their respective subsidiary. They ensure the realization of the ESG targets set by the head office and oversee the specific ESG practices for achieving the overall ESG strategic objectives. Additionally, they coordinate the communication with key stakeholder groups, while the functional departments, such as Safety, Environmental Protection, Human Resources, and Administration are responsible for implementing ESG matters related to them.



# ESG Strategy and Support for SDGs Goals

ABOUT THIS REPORT

CHAIRMAN'S MESSAGE

SILVERCORP IN CHINA

STRATEGY AND MANAGEMENT






CORPORATE GOVERNANCE




ENVIRONMENTAL PROTECTION

SOCIAL RESPONSIBILITY

ESG PERFORMANCE REPORT

APPENDIX

Our Goals and SDGs	Our Targets	Our Actions	Progress in Fiscal 2023
<p>► <b>Safety</b></p> 	Zero work-related fatalities	There were no work-related fatalities in Fiscal 2023.	✓
	Zero work-related fatalities (including contractors)	There were no work-related fatalities, including contractors, in Fiscal 2023.	✓
	Reduce the Lost Time Incident Rate (LTIR)	LTIR reduced to 0.55 from 0.25.	✓
	All major operating entities covered by Occupational Health and Safety Management System Certification	Both Henan Found and Guangdong Found passed the ISO45001 certification in Fiscal 2023, and other mining sites that have not yet started operating are also actively preparing for related work.	✓
	Full coverage of safety training for both employees and contractors	All Silvercorp employees and contractors were 100% covered by safety training in Fiscal 2023.	✓
<p>► <b>Environment</b></p>    	All major operating entities covered by Environmental Management System Certification.	Both Henan Found and Guangdong Found passed the ISO14001 certification in Fiscal 2023, and other mining sites that have not yet started operating are also actively preparing for related work.	✓
	All major operating entities covered by Energy Management System Certification.	Both Henan Found and Guangdong Found passed the ISO50001 certification in Fiscal 2023, and other mining sites that have not yet started operating are also actively preparing for related work.	✓
	Zero major environmental incident	There was no major environmental incident in Fiscal 2023.	✓
	By 2030, fresh water withdrawal intensity will be reduced by 10% compared with 2020	Fresh water withdrawal intensity increased slightly in Fiscal 2023, mainly due to the volatility of prices in the bulk market, which resulted in a decrease in the Company's operating income.	⋯
	By 2030, water recycling and utilization rate will increase by 8% compared with 2020	Water recycling and utilization rate increased from 83.52% in Fiscal 2022 to 84.85%, an increase of 5.63% compared with 2020.	✓
	By 2030, GHG intensity will be reduced by 20% compared with 2020	GHG intensity slightly increased in Fiscal 2023 due to the impact of COVID19 on sales.	⋯
	Implement energy conservation and emission reduction projects	Actively rolled out photovoltaic power generation projects, with the photovoltaic installation unit of the processing plant started operating with an estimated annual power generation capacity of 190,000 KWh, which could save 76 tonnes of standard coal, and reduce 189 tonnes of carbon dioxide emissions and 5.7 tonnes of sulfur dioxide emissions.	✓
	Reduce emission of air pollutants	Emissions of nitrogen oxide increased slightly.	!
	Improve the utilization rate of non-hazardous waste	Comprehensive utilization rate of tailings increased from 11.47% to 13.11%, while comprehensive utilization rate of waste rock decreased slightly.	!
	Develop and implement biodiversity conservation plan	Carried out biodiversity surveys, and implemented corrective measures in ecologically disturbed areas.	✓
	Reclaim 100% land with ecological interference from our activities	Reclaimed a total of 9.98 hectares of land in Fiscal 2023. For land that has not been reclaimed, relevant reclamation plan has been made and will be implemented accordingly.	✓
	All mining sites meet the Green Mine standards	As of the end of Fiscal 2023, Silvercorp had five mines that obtained the Green Mine certification, and we are actively promoting green mine certification for projects that are still under preparation.	⋯

Our Goals and SDGs	Our Targets	Our Actions	Progress in Fiscal 2023
<p><b>► Society</b></p> 	<p>Zero incident of community disputes in all mining sites</p> <p>Continuously make charitable donations</p> <p>Support local economic development</p> <p>Help communities improve local infrastructure</p>	<p>There was no incident of community disputes in Fiscal 2023.</p> <p>Donated \$1.1 million to support infrastructure construction, educational assistance, and rural tourism development in local communities.</p> <p>Provided subcontracting opportunities to local residents where possible; hired 72.48% employees locally.</p> <p>Supported the transportation, medical, and education infrastructure construction in targeted aid areas.</p>	<p>☑</p> <p>☑</p> <p>☑</p> <p>☑</p>
<p><b>► People</b></p> 	<p>Keep optimizing human rights management system</p> <p>Zero major incident of human right infringement</p> <p>Strengthen employee vocational training</p> <p>Ensure an equal and fair workplace for female employees</p>	<p>Established a Company-wide human rights management framework of public commitment, management system, and employee capacity building, and kept optimizing its human rights management system.</p> <p>No major incident of human right infringement in all mining sites.</p> <p>Total employee participation in vocational training reached 15,783 person-times, a year-on-year increase of 7.56%.</p> <p>The Company forbids any gender-based discrimination on employee recruitment, salary assessment, career promotion, and other key career decisions. The Employee Representative Meeting has formulated the <i>Collective Contract for the Protection of Special Rights and Interests of Female Employees</i> to guarantee equality and fairness for female employees in terms of remuneration and benefits.</p>	<p>☑</p> <p>☑</p> <p>☑</p> <p>☑</p>
<p><b>► Governance</b></p> 	<p>Improve ESG management system</p> <p>Improve ESG-related policies</p> <p>Improve supplier ESG management assessment</p> <p>Increase investment in R&amp;D and industry-university-research cooperation</p>	<p>Formulated the ESG performance appraisal mechanism to improve ESG performance appraisal management. Improved environmental management with the compilation of <i>Silvercorp Environmental Protection Refined Management Manual</i>.</p> <p>Formulated a number of policies, including <i>Environmental Protection Policy</i>, <i>Community Relations Policy</i>, and <i>Occupational Health and Safety Policy</i>.</p> <p>Formulated a complete set of requirements for suppliers to continuously promote supply chain sustainability, including production process, environmental protection, legal compliance, packaging reduction, and transportation compliance, etc.</p> <p>Added 9 new researchers and obtained 19 new patents in Fiscal 2023.</p>	<p>☑</p> <p>☑</p> <p>☑</p> <p>☑</p>

☑ Accomplished    ⋯ In progress    ! Not accomplished