

SILVERCORP METALS INC.

Water Stewardship Policy

Silvercorp Metals Inc. is committed to responsible water stewardship and believes in using water in an environmentally sustainable manner. In our production and operational processes, we are continually optimizing our water management strategy, increasing water resource efficiency, and reducing the adverse impact of our operations on local water resources.

Silvercorp is committed to:

Implementation and Management

- We will continuously improve the internal management structure related to water resources, ensuring efficient and compliant management of water intake, usage, and discharge. The Sustainability Committee of the Board is responsible for strategic decision-making on the company's water-related activities. The General Manager of each subsidiary oversees key water resource-related activities at their respective subsidiary, with the Environmental Protection Department accountable for planning and organizing the company's water-related activities.
- We manage water resource safety risks by assessing their occurrence and impact. We have established a robust mechanism to analyze and prevent water resource safety risks, develop response plans, and mitigate the impact of water resource safety risks.
- We publicly disclose the water withdrawn and discharge data in accordance with local regulations or international standards. This shall ensure that concerns from various stakeholders are addressed effectively.

Compliance with Laws and Regulations

- We comply with relevant laws and regulations enacted by regulatory authorities at operational sites, including the *Water Law of the People's Republic of China*, *Water Pollution Prevention and Control Law of the People's Republic of China*, *Environmental Protection Law of the People's Republic of China*, and *Yellow River Protection Law of the People's Republic of China*. This includes adherence to specific water resource management regulations of Henan and Guangdong provinces.

Planning and Design

- We conduct water analysis and assessments prior to the intake of water, taking into account the impact on surrounding communities, governments, residents, and other stakeholders. We develop methods that are appropriate and comply with regulations.
- Upon extraction of water from rivers, lakes, or underground sources, it is necessary to prepare a *Water Resource Demonstration Report* as required by the Government where the project is located and comply with legal obligations to pay water resource taxes during the extraction process.

Performance Monitoring

- We have set up water quality monitoring points at all water recycle points, including groundwater withdrawal, mine water inflow treatment and discharge, local rivers and lakes,

TMFs and TMF backwater pools, domestic sewage treatment and discharge, and artificial wetlands.

- Water quality is monitored over the entire water recycling process to minimize environmental risks.

Improving Water Recycling and Efficiency:

- We aim to maximize water resource conservation by savings, promoting the application of water-saving equipment and production processes. We are committed to actively increasing the rate of water recycling and reducing the consumption of fresh water by replacing new water withdrawal with mine water inflow and recycled wastewater from processing plants.
- We conduct baseline water stress evaluations using the Aqueduct™ Water Risk Atlas Tool developed by the World Resources Institute to establish risk response measures, and actively decrease water intake and consumption in areas experiencing high water resource pressure.

Water Pollution Control

- We build wastewater treatment facilities with appropriate treatment capabilities to improve its wastewater treatment and ensure all wastewater is properly treated to meet the relevant standards before being discharged.

Provide Clean Water for Employees:

- We ensure access to clean water, sanitation and hygiene for all employees in the workplace.

Scope of Application

The Water Stewardship Policy applies to Silvercorp Metals Inc., its direct business activities, subsidiaries, and contractors. Silvercorp actively encourages our partners, including suppliers, service providers, consultants, agents, as well as potential partners for future due diligence, mergers and acquisitions, joint ventures, and other business partners, to comply with this policy.