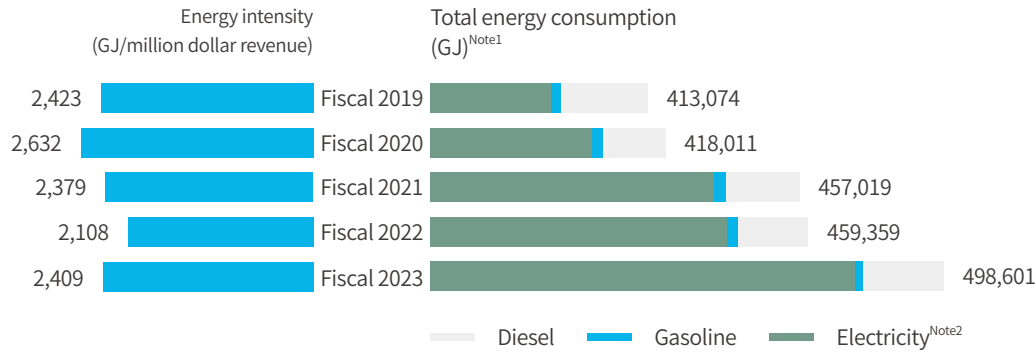


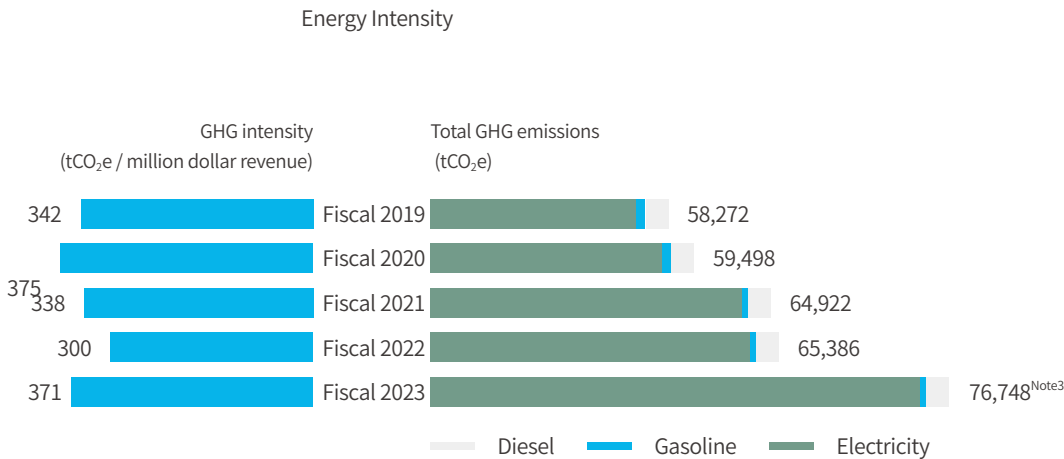
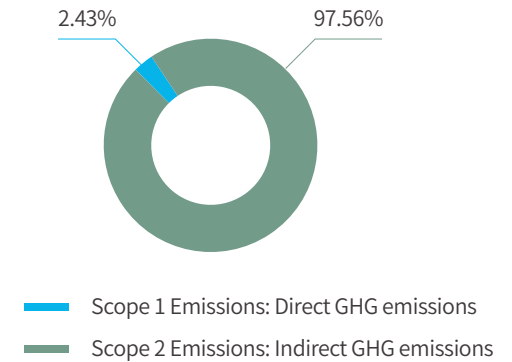
Energy Consumption and Greenhouse Gas Emission Management

The Company continuously strives to optimize its energy structure through a focus on energy efficiency and the circular utilization of resources, seeking to lower energy consumption and emissions and reduce production and operation costs. In addition to phasing out the use of coal, the Company actively explores and carries out pilot projects on new energy utilization, adopts new energy equipment in lighting, transportation, heating, and cooling to improve energy efficiency. In Fiscal 2023, Silvercorp's energy intensity was 2,409 GJ/million dollar revenue; its greenhouse gas emissions intensity was 371 tonnes CO₂-eq/million dollar revenue. Both its annual energy consumption and GHG emissions intensity indicators increased slightly due to the impact of COVID-19 on production and sales.

In Fiscal 2023, Henan Found implemented the photovoltaic power generation project, building a total of 180 KW of installed generation capacity at its processing plant. The project started operating in December 2022. With an estimated annual generation capacity of 190,000 KWh per year, this project is expected to help save 76 tonnes of standard coal, reduce carbon dioxide emissions by 189 tonnes, and reduce sulfur dioxide emissions by 5.7 tonnes annually.



Total GHG emissions in Fiscal 2023



Note1: All mining operations of Silvercorp do not use coal or LPG.

Note 2: Electricity used by the Company's mining operations is purchased from the State Grid and the Southern Grid.

Note 3: The increase of greenhouse gas emission data in Fiscal 2023 is mainly due to the adjustment of the conversion coefficient. In accordance with the *Notice on Enterprises Greenhouse Gas Emissions Reporting Management for the Power Generation Industry(2023-2025)*, both mines used a new electricity-carbon emissions conversion coefficient, which is 0.5703tCO₂/MWh (The coefficients used to be 0.5271 for GC Mines and 0.5257 for Ying Mining Districts), for GHG emissions calculation this fiscal year. The new conversion coefficient is slightly higher than the one used in previous years, and led to an increase of 11,176 tonnes CO₂-eq in the Scope 2 emissions data, which the Scope 1 emissions data virtually unaffected.





Risks and Challenges of TMFs

TMFs are usually man-made sources of mudslides with high potential energy, and the collapse or breach of a TMF can be catastrophic for nearby populations, infrastructure, and the environment. Silvercorp places a heightened focus on the safety and environmental risks of its TMFs and puts safety of the people above everything else. The Company actively works with the government and regulators to monitor and check for hazards at TMFs to ensure top-tier safety management.

<p>Flooding</p>	<p>During the flood season, heavy rains may pour into the TMF, which, when coupled with inadequate drainage facilities, could cause flooding and then the collapse of the TMF.</p>
<p>Landslides</p>	<p>A landslide begins with a small crack in the TMF, which slowly grows before finally causing a landslide and dam failure.</p>
<p>Seepage failures</p>	<p>Ongoing seepage can accelerate the formation of TMF dry beaches and the solidification of tailings, making the dam more stable and safer. However, in the case of a poorly designed or constructed dam body or an aging drainage system, the infiltration line of the dam body may become high enough to cause a dam collapse.</p>
<p>Piping</p>	<p>As the water level rises, the gushing water also carries with it more sand and soil. If the sand layer under the dam is hollowed out, it will cause the dam to suddenly fall and even collapse.</p>
<p>Cracking in dam body</p>	<p>Partial collapse or cracking in the dam body resulting from insufficient bearing capacity, improper design of the dam slope, or undesirable cross-sectional size can cause cracks to develop in the dam body and become a channel for concentrated leakage.</p>

Response Measures

Silvercorp strictly follows the *Global Industry Standard on Tailings Management* and the *Tailings Pond Safety Regulations (GB39496-2020)*, and in doing so ensures that its tailings discharge and dam construction are carried out in accordance with relevant design requirements, operation plans, and technical specifications, ensuring effective water level control, flood control, and seepage control. In addition, we have a monitoring system in place to monitor the main technical data of the TMFs in real time and carry out regular inspections for safety hazards. We have also developed a sound emergency management system to ensure the safe and stable operations of TMFs.

The Company intends to explore the efficient management of TMFs with tailings backfilling, striving to continuously increase its tailings backfilling rates and reduce the tailings disposal rate in the next three years. Meanwhile, the Company plans to achieve a 100% comprehensive utilization rate of tailings with technological innovation by the end of 2026, realizing "zero-tailing" mines.



TMF dam slope after reclamation

Systems and Policies

We continuously optimize our TMF management system. In Fiscal 2022, we revised and optimized the following systems and polices:

- *The Safety Management Policy for Control and Seepage Drainage Facilities*
- *The Safety Management Policy for Flood Control Measures and Flood Drainage Facilities*
- *The Safety Management Policy for Tailings Transportation, Dam Building, and Discharge*

Emergency Planning

We have developed emergency plans to enhance the response and preparedness for emergencies and disasters at the TMFs, including the *Comprehensive Emergency Plan for Production Safety Accidents in Dry Stack TMF*, the *Special Emergency Plan for Production Safety Accidents in Dry Stack TMF*, the *On-site Rescue Plan for Dry Stack TMF*, and the *Emergency Rescue Plan for Production Safety Accidents*.

Guangdong Found stipulated a number of TMF management policies, including the *Safety Management Policy for Dry Stack TMF*, the *Safety Inspection Policy for Dry Stack TMF*, and the *Management Policy on 24-hour Monitoring, Inspection and Shift Management for Dry Stack TMF*.