



## 2.4 ADDRESSING CLIMATE CHANGE

The Sustainability Committee of the Board of Directors is responsible for overseeing climate change-related issues and guiding the ESG Management Center in developing annual climate response action plans. Climate change has become a formal agenda for the Board of Directors, which holds annual meetings to evaluate the Company's climate response action plan and its implementation. In accordance with the goals and principles of the *United Nations Framework Convention on Climate Change* and the *Paris Agreement*, and with the goal of limiting the average temperature increase to within 1.5 degrees Celsius above the preindustrial level, Silvercorp is committed to realizing its interim target of reducing its GHG emissions intensity by 20% by 2030 compared to 2020.

In Fiscal 2024, Silvercorp reduced GHG emissions intensity by 0.16% compared to 2020. This year, we made progress in advancing our GHG emissions reduction goals by implementing several energy conservation and emissions reduction projects across our operations.



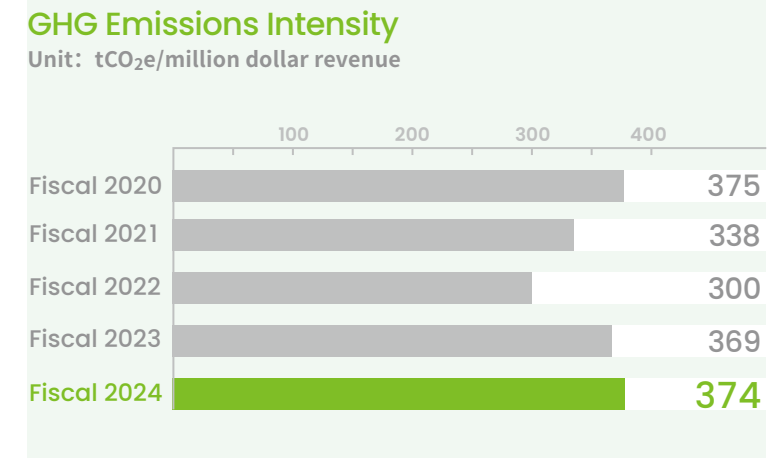
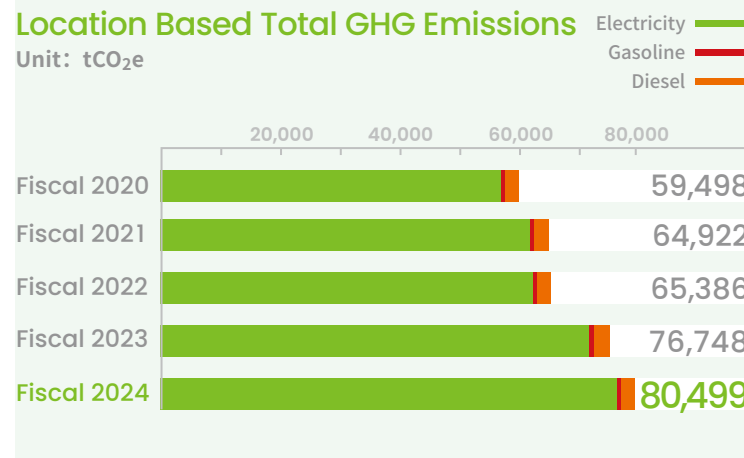
Photovoltaic power generation project in the Ying Mining District

### Climate Risk Management

#### 2.4.1



Silvercorp recognizes that the impact of climate change is far more than just an environmental issue. Instead, it has already become an issue of global prominence with profound impacts on the development of mankind. The Company actively responds to the global call to address climate change, treating climate risks as a core strategic concern. We have identified climate-related risks in accordance with recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) and integrated these risks into our corporate risk management system.



Risk/Opportunity Type	Risk/Opportunity Description	Period of Impact	Risk Response
<b>PHYSICAL RISKS</b>			
<b>Acute Physical Risks</b>	Frequent occurrences of extreme weather events, such as heavy rainfall, floods and typhoons may lead to operational disruptions and accidents, such as mine closures, transportation routes cutting off, TMFs dam failures, resulting in decreased production capacity or causing environmental and safety incidents.	Short-term, Medium-term, Long-term	Establish a sound risk assessment and early warning mechanism, monitor meteorological data in real-time, and timely alert the occurrence of extreme weather events to ensure proper response.
<b>Chronic Physical Risks</b>	The temperature increase may accelerate rock weathering, intensify soil erosion, and affect the stability and mining prospects of mines; The increase in persistent rainfall or extreme climate patterns may lead to higher costs for infrastructure construction and maintenance.	Medium-term, Long-term	Enhance environmental management and ecological conservation efforts, reduce the environmental impact of mining activities by developing reasonable mining plans and implementing environmental protection initiatives. Optimize infrastructure design and construction based on local climate patterns and strengthen flooding control.
<b>TRANSITION RISKS</b>			
<b>Current Regulation Risks</b>	Our operational costs may increase due to restrictions on carbon emissions, environmental protection requirements, resource taxes and environmental taxes on mining, as well as land use and ecological restoration requirements.	Short-term	Comprehensively interpret and comply with current regulations on carbon emission limits, environmental protection standards, resource taxes, and environmental taxes, and closely follow regulatory trends to ensure a timely response.
<b>Emerging Regulation Risks</b>	More stringent carbon emission standards, renewable energy policies, green supply chain management, and the introduction of climate-related taxes may further increase the enterprises' operating costs.	Short-term, Medium-term, Long-term	Closely monitor global climate and policy trends, conduct forward-looking research to predict potential regulatory changes. Investment in technological innovation and R&D focusing on more environmentally friendly and efficient mining technologies and equipment. Adjust tax strategies regarding anticipated climate-related taxes, optimize tax structure, and reduce tax risks.
<b>Technology Risk</b>	Mining companies need to adopt more advanced and environmentally friendly mining technologies to meet higher environmental requirements globally. However, the development and application of new technologies often come with risks such as high costs, technological immaturity, and potential production interruptions.	Medium-term, Long-term	Improve resource utilization efficiency, reduce environmental impact, and enhance competitiveness with the development and application of new technologies. Invest in technological innovation and R&D, collaborate with research institutions and universities to jointly promote the upgrading of mining technologies. And establish a robust evaluation and risk control mechanism to ensure the safe, stable, and efficient application of new technologies.
<b>Legal Risk</b>	With the continuous improvement of climate-related regulations, enterprises may face stricter legal constraints. Environmental violations may lead to risks such as fines, production restrictions, or even business shutdowns.	Short-term, Medium-term, Long-term	Closely follow regulatory trends and strengthen awareness of legal risk prevention. Establish a sound legal compliance system to ensure compliance.
<b>Market Risk</b>	Climate change may change the supply and demand relationship of mineral resources, thereby affecting our market position and profitability. More stringent environmental requirements may increase production costs and impact our market competitiveness.	Medium-term, Long-term	The growing need for energy transition may boost the demand for critical minerals and bring new market opportunities. Enhance market competitiveness by optimizing product structure, improving product quality, and reducing production costs.
<b>Reputational Risk</b>	Improper behavior in addressing climate change or environmental issues may cause public outcry and negative publicity, thereby damaging our corporate reputation and image.	Short-term, Medium-term, Long-term	Cultivate a positive corporate image by enhancing communication and cooperation, ensuring transparent environmental and climate disclosures, and actively participating in environment-related public welfare activities.