

3.4 COMMUNITY

Community Relations



3.4.1

Mining activities inevitably have negative impacts on the local ecological environment and resources, but can also bring opportunities for local development by transforming local resources into economic advantages, creating job opportunities for the local community, and increasing local income levels. Adhering to the concept of "resource sharing, complementary advantages, and win-win cooperation", Silvercorp is committed to balancing economic benefits with local communities' development as a responsible developer of mineral resources. We collaborate closely with local communities and stakeholders, strive to achieve a balance between economic growth and ecological protection, promote the sustainable development of communities, and ensure that our operations have long-term positive impacts on the economy, society, and environment where we operate.

To maintain harmonious and smooth community relations, we have established a community development action management system with relevant mechanisms. Both the Ying Mining District and the GC Mine have set up a Community Relations Working Group, chaired by a dedicated vice president, handling community affairs in collaboration with environmental protection, human resources, and other departments.



Guangdong Found volunteers to provide barber services

Community Communication

The Company conducts community visits regularly to collect opinions and feedback from local residents and stakeholders, which are considered during our decision-making process. In the event of disputes between the Company and local communities or stakeholders, we will address and coordinate resolutions in a timely manner, in collaboration with local government agencies, the community's self-governing bodies, and other relevant parties. We are committed to transparency by openly disclosing the progress and outcomes of these resolutions.

Policy Disclosure

Please click the link or scan the QR code to view the document

[Community Relations Policy](#)



Community Grievance Mechanism

The Company values the needs of local communities and has established a community complaint channel to handle opinions and suggestions from local community representatives, helping to identify and resolve potential issues promptly and avoid possible negative impacts.

Community Grievance Hotlines

If Silvercorp has negatively impacted your community, please notify us via the following hotline numbers.

Ying Mining District, Henan Province, China: 0379-66061189

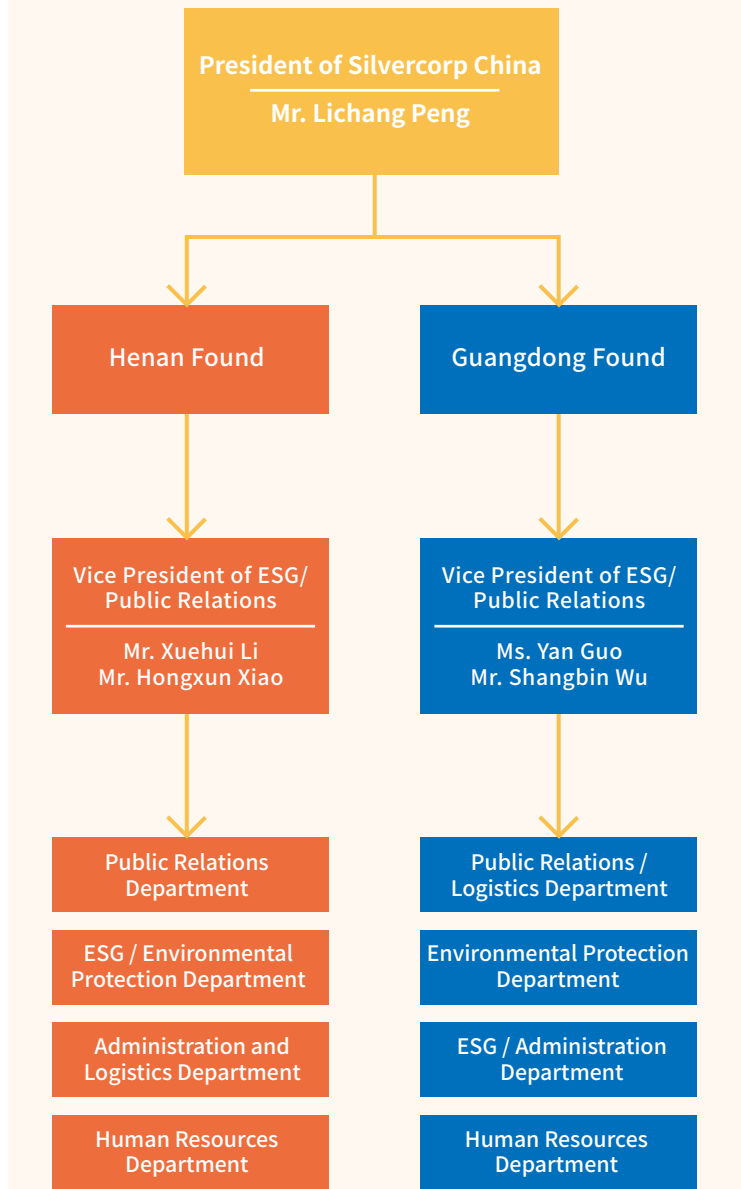
GC Mine, Guangdong Province, China: 0766-6602656



Community Engagement

The Company has formulated a community engagement plan based on the actual situation of the local communities, providing guidance for close communication with stakeholders, such as local government agencies, NGOs, and local residents, on key issues such as land use, recruitment, infrastructure construction, and public welfare activities. The plan helps reduce the impact of mining operations on local communities, while creating employment opportunities and improving local infrastructure.

Community Development Management System



Land Use, Resettlement and Reclamation

Throughout their lifecycles, mining operations can impact the land in surrounding communities. Silvercorp conducts all land acquisitions in strict accordance with applicable laws, regulations, and industry best practices. We actively consult and negotiate with local residents, community representatives, and other stakeholders on the terms of land acquisition and the provision of fair financial compensation, ensuring that land use agreements are signed by both parties prior to the use of the land and proper compensation is provided to the affected residents.

We also arrange job opportunities for the affected residents, such as hiring them as logistic service providers for ore transportation, to ensure that the affected residents are treated and compensated fairly and have proper income-making skills to sustain their families' livelihood.

Closure Planning and Preparation

Silvercorp currently has no plans for mine closures but implements a forward-looking and rigorous review process for closure planning and preparation. Henan Found is developing its closure plan in accordance with relevant laws and regulations, while Guangdong Found is preparing for future closure. The Company plans to create closure plans for each stage of the mines' lifecycle.

To mitigate environmental impacts, we conduct land reclamation, vegetation restoration, and ecological restoration activities, and set aside dedicated funding annually for these activities of decommissioned land or closed mine sites to effectively restore environmental quality. We also focus on the mitigation of economic and social impacts on local communities by actively consulting community and government representatives, engaging in multi-party dialogues, and providing continuous economic transition support.



Guangdong Found employees volunteer helping local villagers with rice harvesting

Giving Back to Communities

3.4.2

Silvercorp continuously gives back to communities with various activities and programs, including charitable giving, volunteer activities, supporting people in need, and participating in charitable campaigns, aiming to build warm and caring community relations with love and care. The Company also actively sponsors charitable organizations and programs and donates to support charitable funds and social welfare organizations, making contributions to support charitable causes. These efforts strengthen community connections, supporting local, social, and cultural development.

In Fiscal 2024, the Company donated to charitable causes **\$3,238,613** increased by 199.28% year-on-year ¹

¹ Since our programs are operating in China, the change rate is calculated by CNY, for objectively reflecting the investment trends in terms to exclude the impact of FX change.

Rural Revitalization **90.01%**
\$2,915,033



Education Support **6.41%**
\$207,499



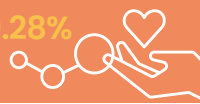
Support for NGOs **2.35%**
\$76,051



Community Development **0.50%**
\$16,327



Assistance for Disadvantaged Group ² **0.28%**
\$9,140



Others **0.45%**
\$14,563



² People who lack the ability to earn a living to some extent.



Guangdong Found union volunteers visiting an elderly home



Guangdong Found employee volunteer helping local villagers with rice harvesting



Guangdong Found volunteer giving children environmental awareness lectures at a local school

CASE

Henan Found Sponsoring Local Cultural Heritage Activities

In 2023, Henan Found donated \$27,908 to sponsor the Luoning Steamed Meatloaf Competition. Steamed meatloaf is a traditional local delicacy in Luoning. The big "cook-out" involved Silvercorp employees and many residents who were interested in this cultural heritage. Fun activities and tasting of the meatloaf further enhanced our connections, allowing our employees to have a deeper understanding of local culture while contributing to the prosperity and development of this traditional cultural heritage.



Henan Found sponsoring a cooking contest

Henan Found - The average volunteer service hours per employee was

0.82
hours

Guangdong Found - The average volunteer service hours per employee was

1.68
hours

Preserving Local Cultural Heritage

The Company values the preservation and support of local culture. We regularly support education equity through donations to local education programs and helping underprivileged students complete their studies. We also sponsor local community activities and events that feature local cultural heritages, customs, and festivals.

In our project development process, we ensure no impact or damage to local cultural heritage sites during site selection and project implementation. In the future, we will continue our support to the preservation of local cultural heritage, collaborating with local communities to create harmonious and prosperous environments with vibrant culture. In Fiscal 2024, Henan Found sponsored the traditional Chinese New Year Festival celebration with a local drama performance, making our contribution to preserve the local cultural heritage.

Local Hiring and Economic Development

The Company is committed to fostering prosperity and economic growth in our operational areas. We prioritize creating local job opportunities in our operations by requiring local hiring in construction projects and selecting local logistic service providers.

In Fiscal 2024, Henan Found and Guangdong Found contracted infrastructure construction projects to local businesses, with a total contract value of \$1.78 million and \$0.39 million. Henan Found created nearly 3,000 local jobs and recruited 29 college graduates and veterans. We also prioritize localized procurement of agricultural products and services, with Guangdong Found purchasing \$0.25 million and Henan Found purchasing \$0.11 million worth of food ingredients from local suppliers in Fiscal 2024. These efforts aim to boost local employment rate and economic development.

Payment of Henan Found contracting infrastructure construction projects to local businesses

\$1.78
million

Payment of Guangdong Found contracting infrastructure construction projects to local businesses

\$0.39
million



Henan Found employees volunteer helping local villagers with wheat harvesting