

3.1 OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety Management System



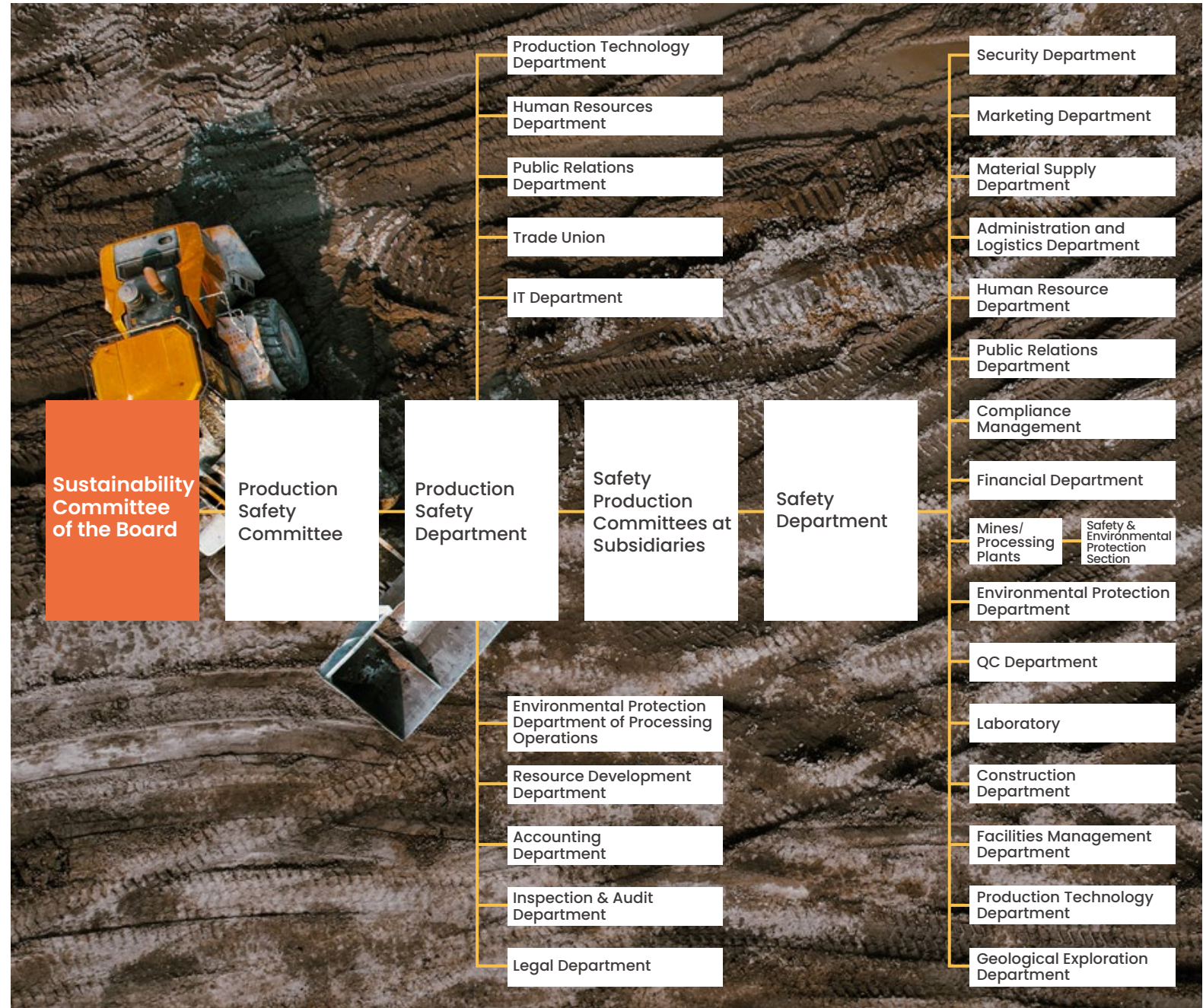
3.1.1

Ensuring the safety and health of employees is a top priority for Silvercorp. The Company has specified its long-term goal of "zero work-related fatalities and occupational diseases" for employees and contractors and established a sound occupational health and safety management system to achieve this goal. We actively engage both our employees and contractors in formulating safety management strategies to address potential safety risks and hazards and strive to jointly create a healthy and safe workplace for all.

Both of our subsidiaries (Henan Found and Guangdong Found), which generate 100% of our operating revenue, have passed the ISO45001 Occupational Health and Safety Management System certification, and undergo annual reviews to ensure continued effectiveness. In Fiscal 2024, both mining areas passed the relevant annual reviews.

Silvercorp has established a robust management structure to ensure the systematic management of occupational health and safety related issues. At the Board level, the Sustainability Committee of the Board oversees production safety and occupational health of the Company and provides guidance and support for the overall management structure. At the management level, we have established the Production Safety Committee, chaired by President of Silvercorp China, Mr. Lichang Peng, with the Safety Management Department of the head office as its implementation unit, and supported by relevant departments at the Beijing Management Center. At the implementation level, all of our subsidiaries have set up production Safety Committees, with the Safety Department or Safety Management Department as the administration unit, and the Safety and Environmental Protection Division of each mine and processing plant are responsible for the implementation of specific management measures.

In addition, Silvercorp has formulated an ESG performance appraisal system, incorporating occupational health and safety performance indicators, such as the lost time injury rate (LTIR), into the appraisal criteria. The performance of these safety indicators is directly linked to management staff appraisals to ensure robust management of safety responsibilities at all levels.



Safety Management Policies and Systems



3.1.2

Safety Management Policies and Systems

Silvercorp strictly abides by national and local laws, regulations, and management protocols regarding safety management, such as the *Work Safety Law of the People's Republic of China*, *Mine Safety Law of the People's Republic of China*, and *Safety Production License Regulations*, and has established a sound safety management system with the formulation of over a hundred internal specific safety management policies. Externally, we publicly released the *Occupational Health and Safety Policy* to demonstrate our commitment to safety and our management philosophy and targets regarding occupational health and safety.

The Company has compiled the *Metal Mine Safety Production Refinement Management and Digital Transformation Handbook*, thoroughly identifying and evaluating possible safety risks in its operations and formulating targeted risk prevention and control measures accordingly. These measures are integrated into our digital management initiative, enabling digitalized dynamic monitoring of safety management system implementation. This approach has significantly improved safety management efficiency and accuracy, providing strong technical support to our safety management.

In Fiscal 2024, Henan Found revised the *Safety Production Responsibility System*, the *Roof Grading Management Policy*, and two other safety management policies, while Guangdong Found revised the *Policy on the Timely Reporting on Major Activities of Disasters*, *Safety Hazard Screening and Control System*, and four other relevant safety policies. These policies and systems were revised to align with changes in relevant laws, regulations and regulatory policies, address newly identified risk vulnerabilities, and enhance our safety management efficiency.

Policy Disclosure

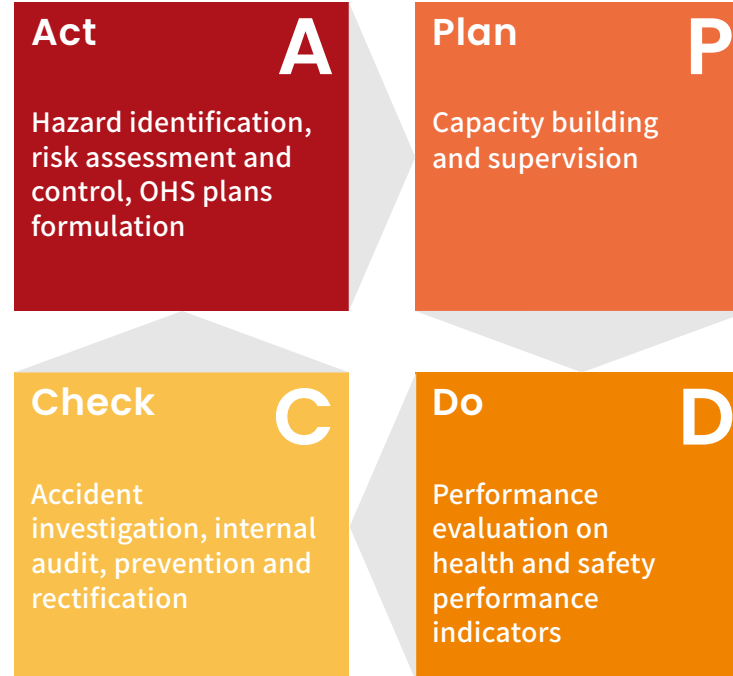
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[Occupational Health and Safety Policy](#)



PDCA

Silvercorp applies the PDCA (Plan, Do, Check, Act) management cycle to its safety management to ensure a logical and efficient management process.



The Company comprehensively deepens process safety management through measures such as the dual prevention mechanism, safety risk classification control, safety hazard investigation and rectification, to accurately identify and control safety risks, significantly reducing the possibility and severity of potential safety accidents and ensuring operational stability. We also strictly implement the Tripartite Safety Confirmation System, requiring personnel at all levels to participate in safety inspections together to ensure thorough reviews. Supervisory inspectors strictly monitor high-risk work areas following the principle of "no confirmation, no work" to prevent safety accidents. We strictly implement the "three simultaneous" principle, safeguarding personnel and property safety by ensuring that all new, renovation, and expansion projects have the appropriate occupational safety and health facilities designed, constructed, and in operation simultaneously with the main projects.



Objectives and Annual Targets

Silvercorp formulates an annual *Safety Work Plan* and group-level safety management targets at the beginning of each fiscal year.

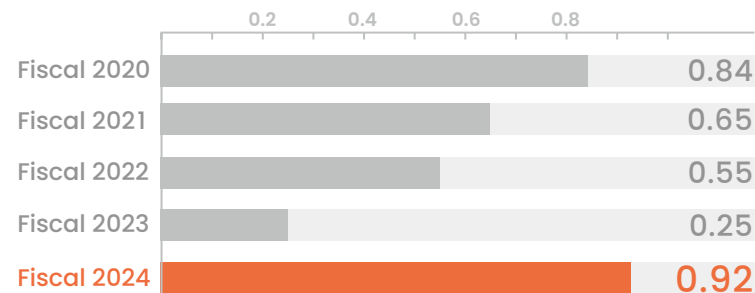
Annual Safety Management Targets

- 0 incidents of work-related fatality or serious injury (including contractors)
- 0 incidents of major equipment-related accidents
- 0 incidents of major fire, explosion or poisoning accidents
- 0 incidents of injury from occupational accidents
- 0 incidents of traffic accidents in mining areas
- 3‰ or lower in minor injury accident rate
- 100% safety hazard rectification rate
- 100% certification rate for special operation personnel
- 100% pass rate of safety training
- 100% pass rate of special equipment inspections
- 100% safety confirmation implementation rate
- Maintain the title of "Safety Enterprise"

The Company realized most of its safety targets for Fiscal 2024 but failed to meet the target of zero safety accidents due to an unfortunate falling accident at Guangdong Found that resulted in the death of a contractor. We have conducted a thorough analysis of the causes of the accident, formulated relevant risk assessment, identification and rectification plans, strengthened technical management, and implemented relevant control measures to improve safety management implementation and performance. During the reporting period, the LTIR (Lost Time Injury Rate) and TRIR (Total Recordable Incident Rate) of employees and contractors were 0.92 and 1.64 per million working hours respectively.

The TRIR of employees and contractors is a new safety indicator introduced in the Fiscal 2024 report. The Company is committed to continuously improving the management of safety performance data.

LTIR (Lost Time Injury Rate) of Employees and Contractors



Safety Risk Management and Control

Based on the improvement of employee awareness, optimization of management methods, and increase in safety investment, the Company has comprehensively identified the causes and relevant risk classification and management approaches for occupational health and safety risks. We have established risk assessment and control checklists, carried out systematic safety hazard factor screening, and conducted safety risk classification using the LEC (Likelihood, Exposure, Consequence) method. Safety risks are managed according to their risk classification, with relevant measures implemented in engineering, management, personnel protection equipment, and emergency response.

Work-related Accident Investigation

Silvercorp has established a work-related accident investigation procedure to better protect employee safety. In Fiscal 2024, we conducted two investigations with a 100% accident handling rate.



Safety Emergency Management

Silvercorp prioritizes comprehensive and targeted emergency plans and emergency on-site disposal procedures and has established various emergency plans with regular emergency drills in accordance with these plans. These regular emergency drills cover scenarios such as poisoning and suffocation, falling, fire, explosions in dynamite depots, explosions of pressure vessels, TMF flood control, as well as other typical occupational health and safety accidents.

In Fiscal 2024, Henan Found conducted 20 targeted emergency drills, 21 on-site emergency response drills, and organized 12 emergency response training sessions. Guangdong Found carried out 2 targeted emergency drills, 2 on-site emergency response drills, 2 comprehensive emergency drills, and organized 3 emergency response training sessions.



Management of Hazardous Chemicals and Civil Explosives

Silvercorp has formulated the *Hazardous Chemical Management Policy* and *Management Measures for Civil Explosives* complying with the laws, regulations and international conventions where it operates to ensure the proper management of hazardous chemicals and civil explosives. The Company has established specific requirements regarding the storage, use, loading and unloading, transportation, warehouse check-in and check-out, and packaging containers of hazardous chemicals and civil explosives, strictly implementing the requirements for their filing, registration, and approval. Additionally, annual certificate reviews, skill training for blasting engineers and safety condition evaluations of dynamite depots in mining areas are conducted to ensure safety and compliance. In Fiscal 2024, the Company had no incidents of leakage, pollution, or health hazards caused by the mismanagement of hazardous chemicals or civil explosives.

Safety Training and Safety Investment

Safety Awareness Raising

Organize various safety awareness raising activities, such as Safety Production Month, safety knowledge competitions, Safety Promotion Day and 100 Accident-Free Day campaigns.

Post safety awareness bulletins, posters, banners, slogans, warning signs, and safety hazard reminders prominently in mining areas to foster a safety culture.

Safety Training

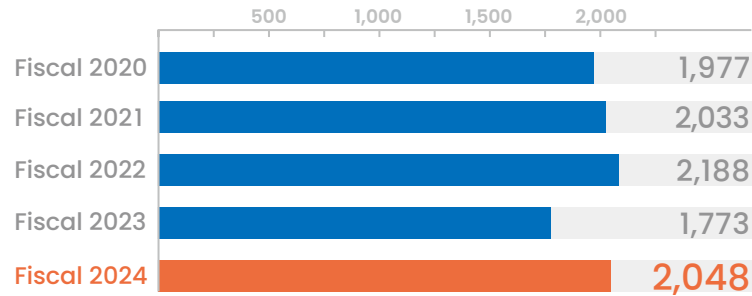
Require new employees to have 72 hours of tier 1, 2 and 3 safety education during orientation; provide on-the-job safety training at the beginning of each month with minimum participation requirements of 20 hours per year; require mining crews to have pre-shift safety meetings and take safety oath.

Hire external lecturers to provide safety training.

Safety Assessment

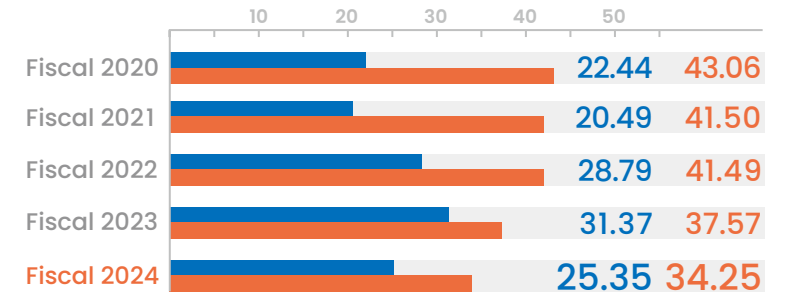
Urge employees who violate safety regulations or with poor safety awareness to improve through assessments.

Number of Safety Training Sessions



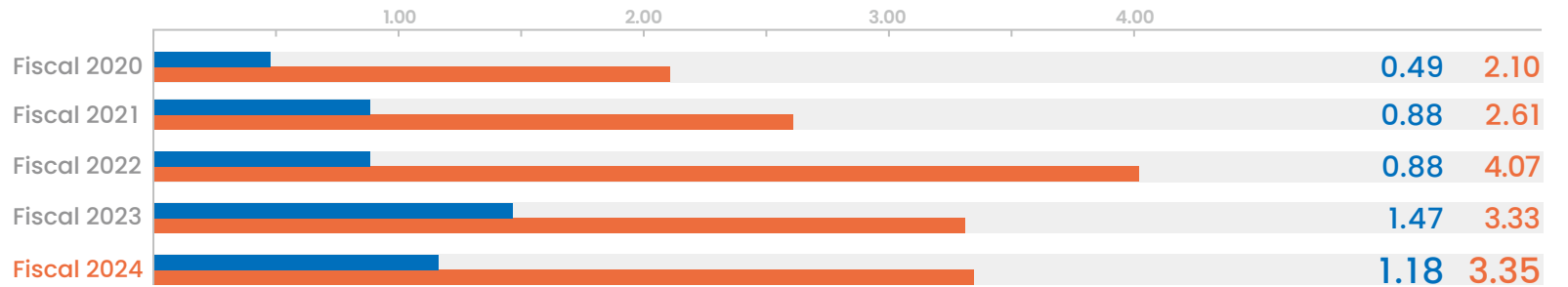
Average Safety Training Hours Per Worker

Unit: hour

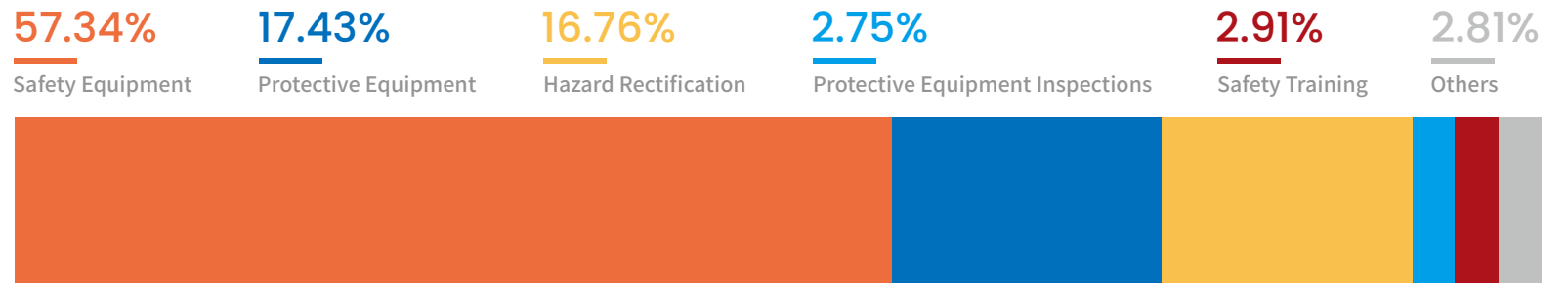


Total Safety Investment

Unit: millions of \$



Work Safety Investment Categories



Occupational Health and Well-being



3.1.3

Silvercorp attaches great importance to ensuring the physical and mental well-being of its workforce, acknowledging the potential health impacts of mining operations. The Company has established a robust occupational disease prevention and control system, adhering to relevant state and local laws and regulations, such as the *Occupational Disease Prevention and Control Law of the People's Republic of China*. We have formulated and implemented the *Work Plan and Implementation Plan for the Prevention and Control of Occupational Diseases*, and continuously optimize our occupational disease management. In Fiscal 2024, Henan Found was awarded the title of a 2023 Municipal-level Health Enterprise in Luoyang City, and the title of an Outstanding Unit in Occupational Health in Luoyang for consecutive years.

Henan Found was awarded the title of a 2023 Municipal-level Health Enterprise in Luoyang City



System and Management

The Company continues to optimize its management system, hazard prevention responsibilities management, and relevant procedures regarding occupational health protection. Employees are duly notified of their job-related occupational hazards upon signing labor contracts. We provide our employees with proper personal protective equipment (PPE) that meets national or industry standards and relevant training to ensure proper usage and safety.

We strictly implement the *Workers' Occupational Health Monitoring and Record Management System*, maintaining employee health records and providing all employees with exposure to occupational health hazards with pre-job, on-the-job, and post-job occupational health examinations conducted by qualified examination institutions annually. In Fiscal 2024, the Company provided a total of 1,549 person-times occupational disease examinations for employees, covering 100% of its workforce, with all health records updated accordingly.

Provided occupational disease examinations

1,549
person-times

Targets and Annual Results

The Company has established ambitious occupational health targets and relevant long-term management plans, integrating specific occupational health responsibilities with various positions to ensure a safe and healthy environment for all employees and contractors.

100% Employee occupational health examination coverage rate

0% Occupational disease incidence rate

In Fiscal 2024, the Company successfully achieved our occupational health targets through our continuous attention and efforts. We will keep focusing on optimizing our investment and management efforts on occupational health management to continuously protect the health and safety of all workers.

Key Occupational Health Initiatives

Identification of occupational health risks: The Company commissions qualified occupational health institutions to conduct workplace occupational hazard identification and assessment annually, and post evaluation results on the bulletin boards in mining areas. We also set up warning signs and instructions beside job posts identified with significant occupational disease hazards.

Protecting the mental health of employees: We provide recreational facilities to ensure better work-life balance for workers and offer an Employee Assistance Program (EAP) to provide no-cost mental health support services to employees, including crisis counseling, and stress management support. Our subsidiaries also periodically organize psychological counseling sessions to help workers alleviate the psychological pressure caused by the monotonous working life in mining areas. In Fiscal 2024, a total of 74 employees participated in the EAP program, and 585 person-times of employees used our psychological counseling services.

Raising employees' awareness of occupational health: We regularly organize occupational health education and training activities to promote employee awareness and prevention of occupational hazards. These activities include the Occupational Health Promotion Week campaign, distribution of occupational health knowledge brochures, displaying banners and posters on occupational diseases, and organizing knowledge competitions.



Contractor Safety Management

3.1.4

Silvercorp rigorously supervises contractor safety management procedures, complying with the requirements of the *Interim Measures for Safety Management of Non-Coal Mine Outsourcing Projects* and other laws and regulations. The Company applies the same safety management standards for both its own employees and contracted workers, incorporating the contractors' safety training and performance indicators into the performance evaluation of safety management departments.

Full-process Safety Management of Contractors

The Company prioritizes the safety management of contractors and operational safety of contractor workers with robust management procedures on contractor qualification, workplace safety, and contractor evaluation.

Contractor qualification: We rigorously review the contractors' non-coal mine safety license and other qualifications before signing safety management agreements. Qualified contractors are fully integrated into our centralized safety management system and participate in all safety management activities, such as production meetings, monthly safety meetings, comprehensive safety inspections, tripartite safety confirmations, emergency drills, and Eblog application.

Workplace safety: We strictly enforce proper implementation of contractor safety management procedures, such as the management shift in mining operations and pre- and post-shift counting of mining crews. The onsite operations of contractors are completed and monitored by dedicated personnel. Only contractor workers who have passed a three-tier safety training series are allowed to work. We also organize monthly safety training for contractors to improve their workers' safety awareness and skills.

Contractor evaluation: We have established a contractor safety evaluation mechanism, evaluating the safety performance of contractors annually while the safety performance of contractor workers is reviewed monthly. Contractor worker crews with outstanding safety performance will be rewarded. In Fiscal 2024, Henan Found conducted 836 safety training sessions for contractors with a total participation of 26,201 person-times and a cumulative training time of 89,513.1 hours. Guangdong Found conducted 44 safety training sessions for contractors with a total participation of 4,823 person-times and a cumulative training time of 7,469 hours. Silvercorp conducted 880 safety training sessions for contractors with a total participation of 31,024 person-times and a cumulative training time of 96,982.1 hours.

Cumulative training time for contractors

96,982.1
hours

