

3.2 HUMAN RIGHTS

In January 2024, the *Modern Slavery Act (Bill S-211)* officially came into effect in Canada, reflecting increased government awareness of risks associated with migration and poverty. This Act requires transparency and public disclosure of the labor and human rights conditions in organizations' supply chains to address forced labor and child labor problems. As a Canadian listed company, Silvercorp complies with this Act and filed its report in May 2024 accordingly. In 2023, the International Council on Mining and Metals (ICMM) released its revised *Human Rights Due Diligence Guidance based on the UN Guiding Principles on Business and Human Rights (UNGPs)*, aiming to urge more mining companies to better integrate human rights into their existing risk management efforts. Even though Silvercorp is not a member of ICMM, the Company adheres to this Guideline for managing our human rights risks.

Commitment to Human Rights Protection



3.2.1

Silvercorp, with global operations, acknowledges the significance of human rights protection and is committed to complying with relevant human rights laws and regulations in all jurisdictions where it operates. The Company also refers to international human rights conventions in optimizing our own human rights management. We have formulated and publicly released the *Silvercorp Human Rights, Diversity, and Inclusion Policy*, committing to acting in compliance with the *International Bill of Human Rights*, the *Universal Declaration on Human Rights*, and other international conventions on human rights. The Company strictly forbids the use of forced labor or child labor of any kind, and strongly opposes human trafficking and harassment. We are dedicated to eliminating workplace discrimination, protecting diversity, and ensuring fair treatment and equity for all and committed to fair treatment in recruiting and promotion evaluations, and prohibiting any forms of discrimination based on gender, race, ethnicity, nationality, religion, disability, age, culture, or sexual orientation. The above commitments apply to Silvercorp's operations, while our *Supplier and Contractor Code of Conduct* encourages our suppliers and contractors to comply with similar requirements. For details on topics such as equal pay for equal work and freedom of association, please refer to section: Employee Communication **3.3.2**.

Policy Disclosure

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

Silvercorp Human Rights, Diversity, and Inclusion Policy



Human Rights Risk Assessment

3.2.2

Silvercorp's mining areas currently in production are located in Luoyang City, Henan Province and Yunfu City, Guangdong Province respectively, both of which are politically stable and conflict-free. The Company actively prepares for initiating human rights risk management in accordance with international standards such as the *Human Rights Impact Assessment Guidelines* of the Danish Institute for Human Rights, the *Guiding Principles on Business and Human Rights* of the United Nations Office of the High Commissioner for Human Rights.

Silvercorp Human Rights Risk Management Process



Ethnic Minorities and Indigenous Peoples

3.2.3

China's population comprises 91% Han Chinese, but the country is ethnically diverse due to its large population base. According to population data from the Ethnic and Religious Affairs Bureau of Luoyang City and the research results of the Yunfu City Local Chronicles Office, there are diverse ethnic groups living in Luoyang City and Yunfu City - 45 in Luoyang, accounting for 1.2% of the local population, and 30 in Yunfu, accounting 0.5% of the local population. Although neither of our mining areas is in local ethnic minority villages, we cannot completely avoid potential cultural conflicts where we operate. Therefore, we are committed to protecting the rights and cultures of local ethnic minorities and indigenous peoples in our operations and future expansions, and applying the principles of "Free, Prior and Informed Consent (FPIC)" in community communications. During the reporting period, the Company had no incidents of rights violations or infringement against local ethnic minorities or indigenous peoples.

Forced Labor and Child Labor

3.2.4

Silvercorp strongly opposes the use of all forms of forced labor and child labor to combat human trafficking and modern slavery. The Company mainly operates in China, where the minimum working age is 16 years old. We respect our employees' job preferences by aligning recruitment with both their abilities and aspirations. The Company implements statutory holidays and vacation mechanisms in accordance with the government requirements. In consideration of inconvenient commutes, we have also implemented a flexible leave mechanism that allows employees to work on weekends to accumulate vacation days and intensive leave, while ensuring compliance with eight-hour workday and 21.75 days per month. At the same time, the Company has set up a reporting channel to encourage employees and external stakeholders to report illegal or inappropriate behavior regarding forced labor and child labor. In Fiscal 2024, the minimum age of our employees was 18 years old, and the Company had no incidents of human rights violations, such as child labor, harassment, and forced labor. Both our *Human Rights Protection Policy* and *Supplier and Contractor Code of Conduct* contain similar prohibitions on child labor and forced labor. In Fiscal 2024, we examined the salary records and ID requirements for contractor workers with no incidents of hiring child labor found.

Human Rights and Security

3.2.5

The Company ensures respect for human rights in its security practices. Both our mining areas have set up dedicated security teams instead of hiring third-party security services. We have also established a comprehensive emergency handling process with proper protection of human rights and privacy of relevant parties across the full process. For our security staff, we provide them with regular training on security skills and necessary training on protecting human rights while handling security emergencies. For emergencies involving public security challenges externally, we consider the opinions of relevant parties and collaborate with local communities and the PR agencies to resolve issues peacefully. In Fiscal 2024, Silvercorp conducted 31 training sessions for security personnel, including 4 trainings on human rights related topics, covering 100% of our security personnel. During the reporting period, the industrial parks where our facilities are located received no complaints of human rights violations.

Artisanal and Small-scale Mining (ASM)

3.2.6

The Ying Mining District in Henan Province is difficult to explore and mine, making small-scale manual mining unfeasible. Both of our mining areas and their surrounding areas have no small-scale manual mining. Silvercorp understands the potential impacts of artisanal and small-scale mining on the environment, safety, labor rights, social stability, and economic inequality, and strives to mitigate these negative influences if ASM becomes a real challenge for the Company.



Security staffs