



SOCIAL RESPONSIBILITY



- 1 NO POVERTY
- 3 GOOD HEALTH AND WELL-BEING
- 5 GENDER EQUALITY
- 6 CLEAN WATER AND SANITATION
- 8 DECENT WORK AND ECONOMIC GROWTH
- 10 REDUCED INEQUALITIES
- 11 SUSTAINABLE CITIES AND COMMUNITIES



73 SOCIAL RESPONSIBILITY

Occupational Health and Safety 74

Human Rights 80

Employees 82

Community 88

Value Chain Management 92

SOCIAL RESPONSIBILITY

\$4.53 million in total investment in safety production

18% of the total workforce is female

\$3.24 million in charitable donations, 199.28% year-on-year increase

74.34% of employees are from local provinces

Formulated the *Human Resources Policy and the Supplier and Contractor Code of Conduct*



3.1 OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety Management System



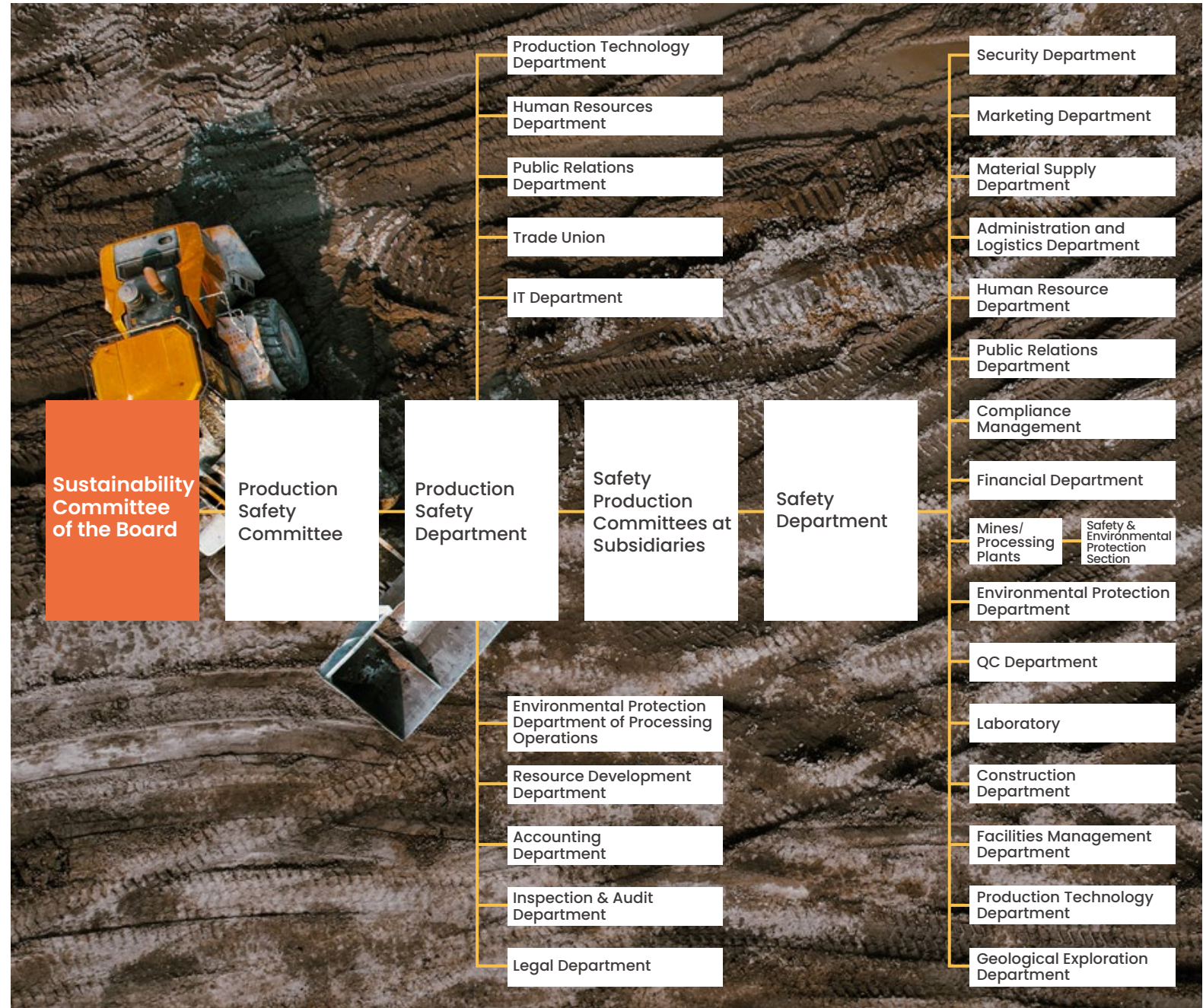
3.1.1

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

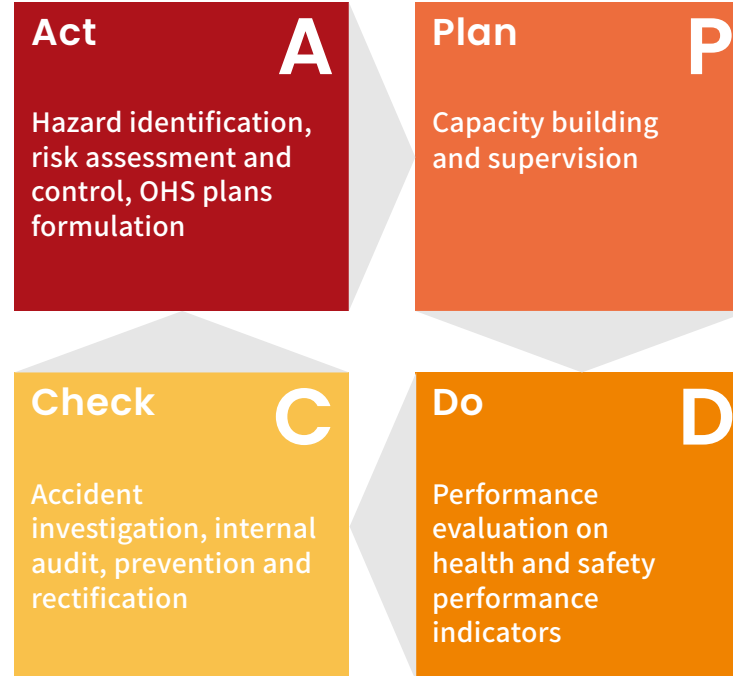
Please click the link or scan the QR code to view the document

[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.

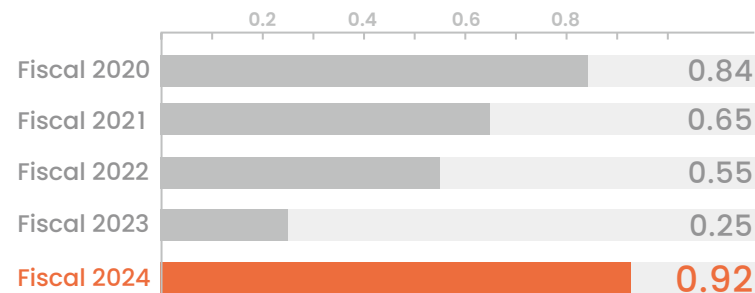
Annual Safety Management Targets

- 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

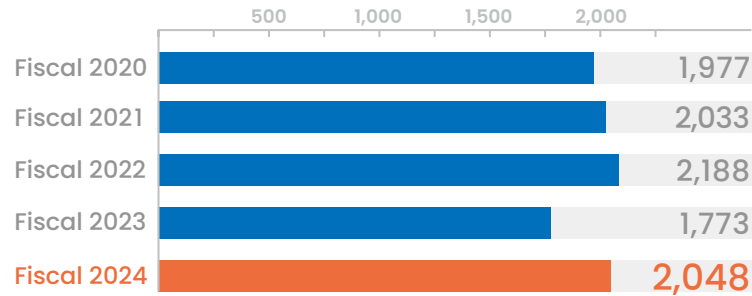
Require new employees to have 72 hours of tier 1, 2 and 3 safety education during orientation; provide on-the-job safety training at the beginning of each month with minimum participation requirements of 20 hours per year; require mining crews to have pre-shift safety meetings and take safety oath.

Hire external lecturers to provide safety training.

Safety Assessment

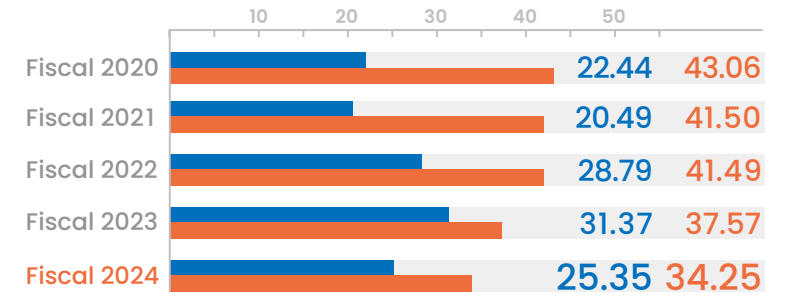
Urge employees who violate safety regulations or with poor safety awareness to improve through assessments.

Number of Safety Training Sessions



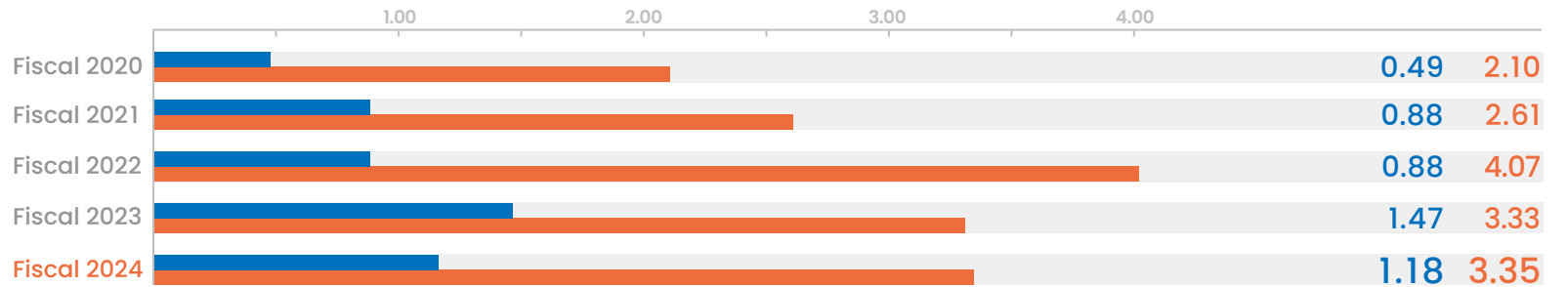
Average Safety Training Hours Per Worker

Unit: hour

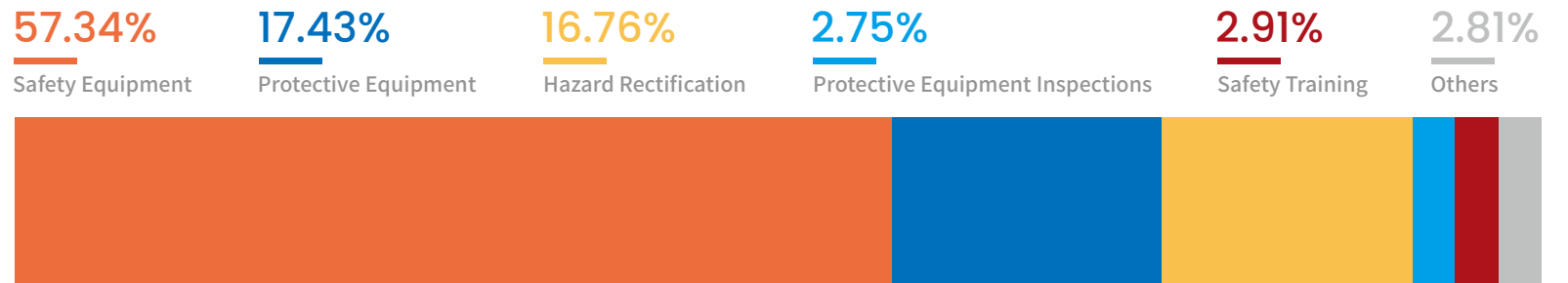


Total Safety Investment

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



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



3.3 EMPLOYEES

Recent global economy fluctuations and severe population aging in East Asia have made employee stability and skills shortages persisting challenges for companies. Greater cultural and human rights awareness globally encourages employees to seek more inclusive workplaces with better well-being conditions, fairness and equity. Furthermore, the lack of professional talent remains a chronic challenge for mining companies.

Silvercorp is committed to providing a fair, diverse, and inclusive workplace with ample training and career development opportunities. We fully ensure employees' rights to freedom of association, collective bargaining, and fair and competitive salary and benefits.

Employee Composition

3.3.1

As of the end of Fiscal 2024, Silvercorp employed a total of 4,745 employees, including 3,338 contractor workers and 1,407 of its own employees. Female employees accounted for 17.98% of the Company's total workforce, and 9.92% of its management.



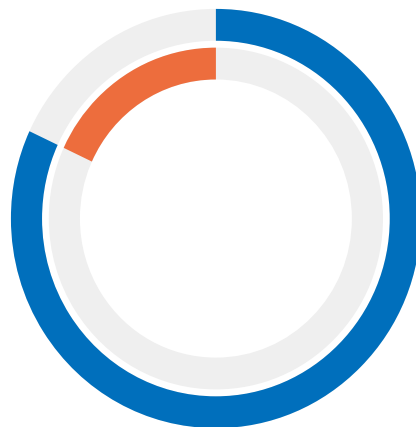
Number of Employees by Gender

18%

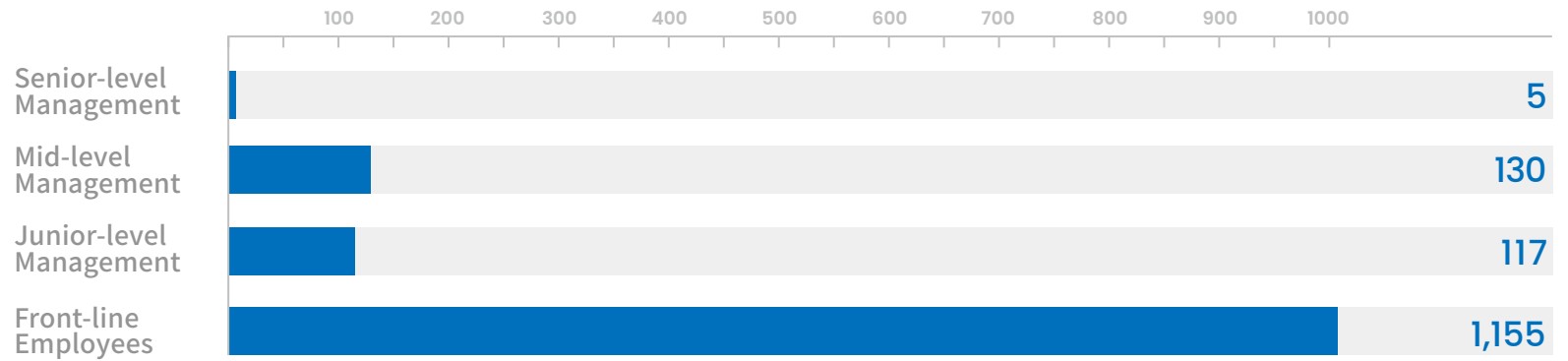
Female
253

82%

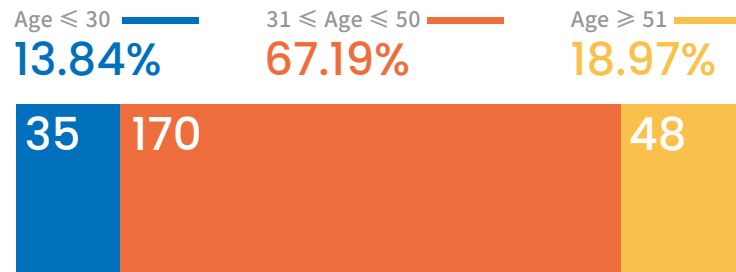
Male
1,154



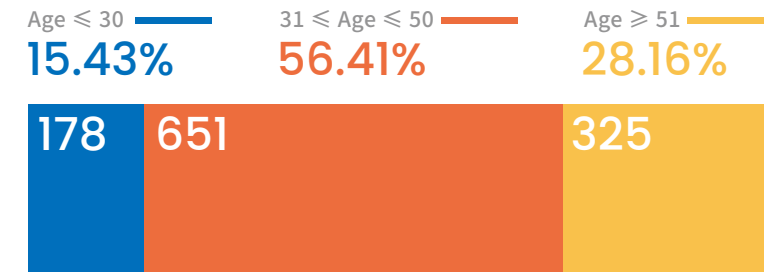
Number of Employees by Position



Female - Number of Employees by Age



Male - Number of Employees by Age



Employee Composition & Diversity

	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total number of employees	1,407	1,399	1,340
Total number of male employees	1,154	1,155	1,099
Percentage of male employees	82%	83%	82%
Total number of female employees	253	244	241
Percentage of female employees	18%	17%	18%

Labor Rights and Relations

3.3.2

Salary and Benefits

Silvercorp provides employees with competitive compensation, consisting of fixed and variable components. Fixed compensation consists of base salary, position subsidies, and benefits (meal allowance, holiday fees, etc.), while variable compensation consists of monthly performance pay, annual performance pay, quota fixed bonus, and other bonuses. Employees' performance pay is linked to their monthly and annual assessment results, while the fixed bonus is linked to the operating profit of the Company.

Compensation Structure

Fixed Pay	Variable Pay
1 Base salary	1 Monthly performance bonus
2 Position subsidies	2 Annual performance bonus
3 Benefits (meal allowance, holiday fees, etc.)	3 Fixed bonus
	4 Other bonuses

We are committed to using the living wage concept for evaluations to ensure the well-being of our employees. In Fiscal 2024, we conducted a thorough study on employee salaries and the results showed that the minimum wages for all our mining areas are significantly higher than the local statutory minimum wages.

Living Wage	Henan Found ¹	Guangdong Found ²
The ratio of minimum employee wage to provincial statutory minimum wage standard	1.70:1	2.35:1

¹ Ratio for Henan Found is calculated based on the minimum wage standard of Luoning County, Henan Province, which is classified as a Tier-2 standard.

² Ratio for Guangdong Found is calculated based on the minimum wage standard of Yunfu City, Guangdong Province, which is classified as a Tier-4 standard.

In terms of employee welfare, the Company strictly complies with applicable laws and regulations in the jurisdictions where it operates. In China, we provide both statutory and supplementary insurance for employees. This includes "five insurances and one fund", which are pension insurance, medical insurance, unemployment insurance, work injury insurance, maternity insurance, and housing provident fund. We also provide group accident insurance and supplementary medical insurance for employees, as well as safety liability insurance for front-line employees. The Company implements an eight-hour working day system. Employees not working in mining areas follow a regular schedule with two-day weekend breaks. Employees working in mining areas follow a flexible leave system, allowing them to choose between regular weekly breaks or saving them for longer breaks at their time of choice. The Company covers the travel expenses for four round-trip home visits each year for employees working in mining areas. Statutory holidays are celebrated in accordance with government regulations.

In addition, we provide employees with communication subsidies, holiday fees and other benefits, and organize diverse activities and other events for employees.

Labor Rights

Silvercorp fully respects employees' freedom of association and rights to collective bargaining. We sign collective contracts with employees in accordance with relevant laws and regulations in the jurisdictions where we operate, as well as a series of contracts to safeguard the rights of employees, such as the *Salary Collective Bargaining Agreement*, *Special Collective Contract on Safety and Health*, and *Special Collective Contract on Protecting the Rights of Female Workers*. In Fiscal 2024, the Company had no incidents of work stoppages or strikes due to labor disputes. As of the end of Fiscal 2024, 100% of our employees are trade union members and have signed collective contracts with the Company.

Freedom of Association and Collective Bargaining	Henan Found	Guangdong Found
Union Membership	100%	100%
Expiry Date of Collective Labor Contract	July 10, 2024	May 27, 2024

The Company opposes the use of any form of forced labor or child labor, as well as human trafficking. For our standing on modern slavery, please refer to section: Forced Labor and Child Labor [3.2.4](#).

Employee Engagement

The Company has established a two-way feedback mechanism for employee engagement. For information disclosure, we promote transparency and publicly disclose key decisions and management measures on bulletin boards to ensure employees' right to information, participation, and supervision. For engagement and feedback, we use the employee representative meeting mechanism as a main channel to listen to employees, have discussions, and reach resolutions through employee representatives, ensuring the effective representation of employees' rights.

The Company also attaches great importance to listening to the voice of employees, actively collecting and responding to employee suggestions with regular employee satisfaction surveys, engagement surveys, and employee suggestion boxes.

In Fiscal 2024, Henan Found handled 25 proposals from employee representatives from the previous year, covering various aspects such as management process optimization, production management, employee living conditions, salary and benefits, and labor protection, etc. We ensured that all employee proposals were 100% properly responded to, protecting their rights to suggestions and participation, and supporting our growth with valuable opinions and suggestions from employees.

CASE

Ensuring Smooth Employee Communications to Create a Harmonious Workplace

In May 2023, Henan Found organized a seminar for college graduates newly joined the Company. Employees with college degrees were invited to share their experience of working, living, and growing at Silvercorp with the new employees face-to-face.

In July 2023, Henan Found and Guangdong Found convened their employee representative meetings respectively, focusing on initiatives to improve employee welfare and well-being, providing an open and direct communication platform for employees and creating a harmonious workplace for all.

Talent Attraction, Training, and Retention

3.3.3

Our mines in China benefit from being situated in populous provinces with excellent transportation connections. Coupled with our competitive salaries, Silvercorp experiences relatively less recruitment pressure compared to industry peers facing labor shortages. Nevertheless, we are diversifying our recruitment channels to mitigate potential challenges. Concurrently, the Company is committed to exploring advanced mining and processing technologies and has established a long-term talent development plan to build a high-quality, highly skilled workforce.

Talent Recruitment

In Fiscal 2024, Silvercorp successfully recruited 204 new employees, comprising 174 males and 30 females.

Number of Newly Added Male Employees	Fiscal 2024
age ≤ 30	86
31 ≤ age ≤ 50	82
age ≥ 51	6
Number of Newly Added Female Employees	Fiscal 2024
age ≤ 30	13
31 ≤ age ≤ 50	17
age ≥ 51	0

Silvercorp has formulated a well-functioning recruitment management system. To ensure talent sourcing for further growth, the Company continuously attracts talent, optimizes talent structure, and strives to build a stable and systematic pipeline of talent. The Company implements an annual human resources development plan, recruiting talent mainly through campus recruitment, open recruitment, and internal referrals. Our *Internal Referral Management Approach* rewards employees who make successful referrals. In Fiscal 2024, the Company recruited 30 new employees from campus recruitment across China, including China University of Geosciences, Central South University, Chang'an University, Jiangxi University of Science and Technology, Henan Polytechnic University, Xi'an University of Architecture and Technology, Henan Institute of Engineering, North China University of Science and Technology - College of Disaster Prevention Science and Technology, Changchun Institute of Technology, Hebei University of Geosciences, Xi'an University of Science and Technology, and Guangxi University.

Employee Training

The Company has formulated the *Training Management System and Talent Training System*, which comprehensively stipulates the principles, organizational responsibilities, and internal training system regarding employee training. We strive to continuously optimize our employee training management. The *Mentor Management System* helps new employees quickly get on board. We update our annual training plan yearly and break down annual training targets to relevant departments and individuals. We have established an employee training system that covers safety, business, professionalism, and workplace essentials. We have also an in-training and post-training evaluation system to form a closed-loop training management system. In Fiscal 2024, we optimized our training management by adding new training requirements for on-site oral training and improving training quality for contractor construction crews regarding job safety, skills, and workflow.

Employees can learn work-related knowledge and skills from both internal and external mentors. In Fiscal 2024, the Company organized 2,047 occupational training sessions totaling 31,959 hours, with an overall participation of 31,466 person-times. Each employee participated in 22.7 hours of training on average. The Company spent \$0.16 million on employee training, averaging \$113 per person.

In Fiscal 2024

2,047 occupational training sessions organized, an increase of 28.74% year-on-year.

31,466 person-times total occupational training participation, an increase of 99.37% year-on-year.

\$0.16 million total occupational training investment, an increase of 101.18% 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.

The Company also encourages and supports employees' self-improvement through annual professional skills competitions, professional title application assistance, and education enhancement training. In Fiscal 2024, we organized professional skills competitions on laboratory testing, mechanical and electrical skills, welding, forklift operation, and other daily operation skills. Both our mining areas have obtained qualifications for conducting occupational skill level certification, allowing employees to conveniently apply for and get certified locally if their skills are included in the list of registered occupational skills.



Henan Found skills competition for the electrotechnical engineer

Talent Retention

The Company has an effective performance evaluation mechanism to ensure merit-based motivation for individuals and teams with outstanding performance. Our performance evaluation values individual, team performance, and several key performance indicators. Continuous evaluation applies to target-based performance management, such as sales targets, while regular performance review applies to team-based performance management, such as the annual performance review of functional departments, which we evaluate at least every six months. Silvercorp implemented the Sequence and Rank Evaluation Program, providing two career development channels for qualified workers, the Professional Channel and the Management Channel. At Silvercorp, we respect the right of employees to make their own career choices and encourage them to make full use of their capabilities and talent on Silvercorp's career platform.

Beyond offering competitive salaries, we foster a supportive work environment and a culture of care. We are committed to enhancing the quality of life in mining areas and prioritizing strong interpersonal relationships, all aimed at improving talent retention. In Fiscal 2024, the Company invested in infrastructure upgrades in mining areas to create better living and working conditions for employees. Henan Found invested \$0.76 million in infrastructure construction, building a new research center complex building with Research and Development laboratories, employee accommodation, leisure and fitness facilities, as well as three new employee canteens and a gym to further improve the quality of life and work-life balance of employees. A water purification system was installed to provide direct drinking water in office and dormitory areas. Guangdong Found prioritizes employee meals, providing quality fruits, dairy products, and specialty dishes to enhance employee well-being and happiness.

Both our mining areas organize holiday celebrations, cultural and sports events, alongside various employee welfare initiatives to enrich the quality of life for our staff.

Henan Found's investment in infrastructure construction

\$0.76
million



Henan Found visiting families of employees in need with holiday gifts during the Chinese New Year



Henan Found's Spring Jogging Competition



Henan Found's Fall Games



Guangdong Found's Fall Games



Guangdong Found employees celebrating the Dragon Boat Festival with traditional food



Guangdong Found organizing a flower arrangement lecture for employees

Diversity, Equity, and Inclusion (DEI)

3.3.4

Equal Employment Opportunities

Silvercorp is dedicated to fair employee recruitment, promotion and compensation, prohibiting discrimination based on race, nationality, religion, gender, age, marital status, and other factors. The Company aims to eliminate systemic inequalities and improve diversity at all levels. We follow the requirements such as *Special Provisions on Labor Protection for Female Employees* to protect the rights and interests of female employees, formulating the *Special Collective Contract for the Protection of the Rights of Female Employees*, and establishing a Female Employee Committee under the trade union. The Committee fully participates in formulating and revising policies on labor employment, compensation, and benefits, as well as regulations and systems related to female employees' rights, aiming to protect their legitimate rights, ensure equal pay for equal work, and provide equal opportunities and rights.

With a strong commitment to gender pay equity, we conducted our first gender pay equity survey in Fiscal 2024. Our human resources team conducted this survey, and we plan to involve a professional third party to enhance its effectiveness and use the findings and suggestions obtained to optimize our pay equity practices.

Gender Pay Equity	Fiscal 2024
Male-Female ¹ average annual pay ratio, Management, Fixed salary	0.82:1
Male-Female average annual pay ratio, Management, Fixed salary & variable salary	0.80:1
Male-Female average annual pay ratio, Front-line employees, Fixed salary	1.44:1
Male-Female average annual pay ratio, Front-line employees, Fixed salary & variable salary	1.37:1

¹ Management includes junior management and middle management. Pay of senior management is not included.

The employee complaint channel for harassment, discrimination, forced labor, or other violations of employee human rights, allows employees to directly report their grievances through a dedicated phone hotline or via email. Please refer to section: Whistleblowing Management for details [1.2.5](#).



Employee Protection Measures in Special Circumstances

Both mining areas employ people with disabilities, assigning them positions that accommodate their physical capabilities. As our buildings lack elevators, all employees with disabilities are arranged to work on the first floor for easy access and safety.

Parental Leave	Fiscal 2024
Number of female employees on maternity leave during the year	3
Number of male employees on paternity leave during the year	22

Employee Diversity

As of the end of Fiscal 2024, Silvercorp employed 1,403 employees, with 18.03% being female, which is relatively high in the mining industry but still below our target of increasing our female employee ratio to 20% by 2030.

Silvercorp mainly operates in China, with only 25 employees working at our Vancouver head office, accounting for a very small proportion, about 1.78%, of our total workforce. Therefore, we deem that nationality diversity is not significant for us to report.

China is a multi-ethnic country, and we support the development of diverse ethnic cultures. As of the end of Fiscal 2024, the majority of our employees are Han Chinese, while the rest are from minority ethnic groups such as Manchu, Zhuang, Yao, Yi, and Tujia. Detailed ethnic diversity data is listed below.

Ethnic Diversity	Manchu	Zhuang	Hui	Yao	Yi	Tujia
Number of employees	4	3	1	1	1	1
Number of management staffs	1	1	1	1	0	0
Number of front-line employees	3	2	0	0	1	1

Eliminate Discrimination and Harassment

In our *Human Resources Policy* and *Employee Handbook*, we explicitly oppose all forms of harassment and discrimination, adopting a zero-tolerance attitude. In addition, we regularly conduct training on workplace discrimination or harassment to make employees aware of behavioral boundaries and prevent inappropriate behavior. Employees may report such violations to the Human Resources Department or their immediate supervisor. For details on the reporting channels, please refer to a section: Whistleblowing Management [1.2.5](#).

Policy Disclosure

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

[Human Resources Policy](#)



Female employees in Henan Found

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

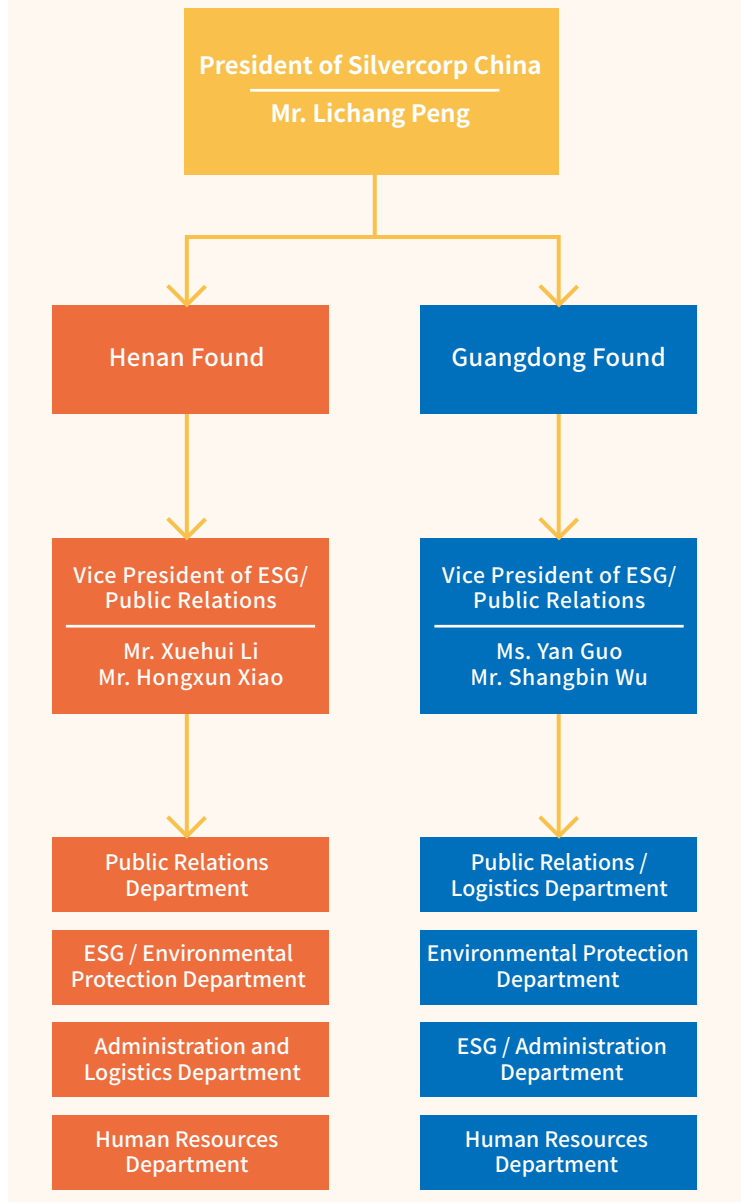
GC Mine, Guangdong Province, China: 0766-6602656



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



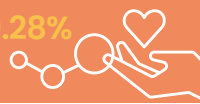
Support for NGOs **2.35%**
\$76,051



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



3.5 VALUE CHAIN MANAGEMENT



Supplier Management

3.5.1

Silvercorp is committed to building a responsible supply chain adhering to the concept of "responsible production and operation". In addition to strictly controlling the quality of the suppliers, we actively promote green and transparent procurement strategies, aiming at optimizing industry ecosystems with our leadership in developing a green supply chain. We also prioritize localized procurement to support local economic development.

The Company has incorporated ESG performance indicators into the supplier/contractor qualification criteria, prioritizing those with outstanding ESG performance. In Fiscal 2024, Silvercorp formulated the *Supplier and Contractor Code of Conduct*, specifying requirements for suppliers and contractors in business ethics, health and safety, labor, and environment. We are also making continuous efforts to intensify their ESG training and standardize the ESG management across our value chain.

Policy Disclosure

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

[Supplier and Contractor Code of Conduct](#)



Transparent Procurement

Silvercorp emphasizes the integrity management of procurement and actively establishes a robust supply chain anti-corruption mechanism. We focused on integrity management from both sides of the transaction with ethics education, stringent management procedures, and clear accountabilities. Our procurement staff must strictly follow our *Bidding and Procurement Management Policy* and other relevant policies to ensure compliance with standardized procedures. All suppliers are required to sign and comply with the *Letter of Commitment to Integrity*, attached to all tender documents and procurement contracts.

We adopt differentiated procurement methods based on the maturity of different procurement items and the intensity of competition, building a healthy and transparent procurement system primarily through bidding procurement and supplemented by inquiry and comparison procurement.

Green Procurement

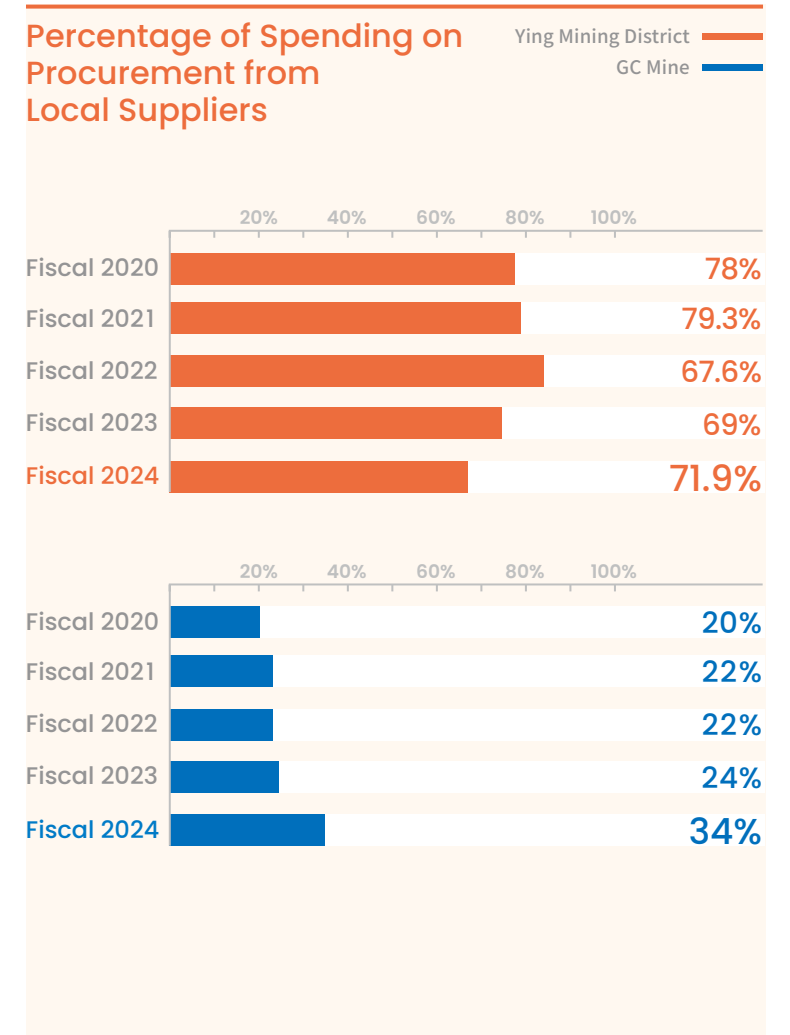
Silvercorp implemented the *Green Procurement Action Plan*, requiring the prioritized procurement for staple supplies with mining products safety standard (KA/MA), ISO9001, ISO14001 and other management system certifications. These staple supplies include mineral processing chemicals, iron balls, mining cables, steel cables, mining hoisting equipment, fans, electric locomotives, electrical materials, power equipment, light rail, and steel profiles.

The procurement contracts also require suppliers to use pollution-free or low-pollution production processes and strictly prohibits outdated production processes that are banned by the state. For product packaging, all goods must be packaged safely and neatly, with packaging labels fully complying with relevant laws, regulations, and administrative regulations to avoid excessive packaging. Regarding product transportation, delivery vehicles must meet the National V emission standards and the national cargo transportation load requirements. We actively encourage suppliers to enhance their environmental protection and low-carbon management efforts by encouraging them to sign the *Supplier and Contractor Code of Conduct*, promoting greener and more sustainable development.

Localized Procurement

We prioritize the procurement of locally sourced consumable materials, such as building materials and products used in the production process, to create both environmental and economic value with shorter transport distances and lower shipping costs. The Company has signed long-term cooperation agreements with some local suppliers to support local economic development.

Percentage of Spending on Procurement from Local Suppliers





Supplier Management

Silvercorp continuously optimizes its supplier management mechanism focusing on improving service quality and preventing safety risks. The Company has established a centralized and hierarchical supplier lifecycle management system, covering various aspects such as introduction, certification, performance evaluation, and exit. The Company has established several supplier management policies and procedures, including the *Supplier Evaluation Management Regulations*, *Supplier Evaluation Workflow*, *Approval Procedure for New Suppliers*, and *Qualified Supplier Directory*, aiming at building a reliable, safe, efficient, and collaborative supply chain.

Qualification Assessment



Desk assessment: Establish a screening system for supplier qualifications, social insurance complaints, and background information of suppliers as basic conditions for admission.

Assessment inspection: Evaluate suppliers through on-site inspections, data analysis, physical sampling, and other methods based on the Company's supplier management procedure.

Daily Management



Record the daily performance of suppliers and the use of goods, forming the basis for supplier evaluation; Conduct statistical analysis of the delivery situation of suppliers and notify them of the results, urging them to continuously improve and enhance.

Qualification Review



Monitor information sharing platforms such as "Credit China", "Mining Products Safety Approval and Certification Center" and "Tianyancha" continuously in daily procurement and cooperation. Suppliers listed as Dishonest Judgment Debtors or showing risk information will have their supplier qualifications restricted.

Annual Evaluation



Organize annual supplier evaluation meetings with at least 80% of suppliers. Implement tiered management based on supplier rating results, which are divided into five levels: A Excellent, B1 Good, B2 Qualified, C Provisionally Qualified, D Unqualified.

Send the "Supplier Evaluation Result Notification" and "Supplier Rectification Notification" to suppliers based on annual evaluation results, notifying them of needed improvements and requesting analysis of reasons and rectification measures.

Risk Management



Risk Identification: Establish a procurement risk management system and conduct training on procurement risk control to enhance risk response capabilities.

Risk assessment: Conduct new supplier investigations to assess the stability and reliability of suppliers based on the 'Supplier Selection Criteria and Workflow'.

Risk Response: Conduct risk monitoring and emergency response plans to promptly identify and address supplier performance risks.

Supplier Termination



Terminate suppliers who are deregistered or revoked, confirmed to be eliminated after annual evaluation, or engage in malicious behavior during cooperation that adversely affects the Company. Terminated suppliers are not allowed to participate in future quotations or bids.



Procurement	Henan Found	Guangdong Found
Fiscal 2024 Top five suppliers' procurement items	Explosives, low-smoke zero-halogen cables, steel profiles, high and low voltage electric cabinets, diesel.	Diesel, cement, steel balls, chemicals, large equipment and spare parts.

Significant supplier evaluation rate	100%	Contract legal compliance review rate	100%	Contract fulfillment rate	100%	Contract complaint rate	0%
--------------------------------------	------	---------------------------------------	------	---------------------------	------	-------------------------	----

In Fiscal 2024, Henan Found conducted supplier evaluations for 305 suppliers, with a pass rate of 93.44%; Guangdong Found conducted supplier evaluations for 165 suppliers, with a 100% pass rate. The overall supplier evaluation pass rate reached 95.74%.

Suppliers Management	Henan Found	Guangdong Found	Total
Total number of suppliers ¹	314	175	489
Of which: Significant suppliers	52	21	73
Percentage of expenditure on significant suppliers among Tier 1 suppliers' total expenditure	80.88%	60.34%	77.53%

Suppliers Assessed	Henan Found	Guangdong Found	Total
Number of suppliers assessed	305	165	470
Number of significant suppliers assessed	52	21	73
Number of suppliers with significant actual/potential negative impacts identified through assessment	52	41	93
Number of suppliers with significant actual/potential negative impacts that have agreed on rectification actions/improvement plans	32	41	73
Number of suppliers terminated due to significant actual/potential negative impacts	20	0	20

¹ All suppliers of the Company are Tier 1 suppliers.

Product Liability

3.5.2

Product Management

In Fiscal 2024, we implemented quality improvement work that significantly enhanced the quality of the SGS¹ samples. For fair product sales, we verify the weighbridge values to avoid more losses and reduce errors, ensuring fair sales of products. In product transportation management, we actively regulate transportation contractors to minimize environmental pollution and product leakage incidents caused by spillage, dumping, and railcar damage. In Fiscal 2024, Silvercorp had no customer complaint incidents or product recalls for product safety and health reasons.

Product qualification rate	100%	Number of product recalls	0	Number of customer complaints	0
----------------------------	-------------	---------------------------	----------	-------------------------------	----------

¹ SGS is an internationally recognized testing organization.

Customer Satisfaction and Customer Privacy

We conduct annual customer satisfaction surveys using WeChat online questionnaires and paper surveys to collect and organize customer feedback, which has been conveyed to departments such as production, laboratory, and finance for product improvement. In Fiscal 2024, Guangdong Found distributed a 'Service Satisfaction Survey' to customers in business relationships with the Company, covering aspects such as product quality, sales service quality, and sales process standardization. The overall satisfaction rate reached 99.28%, an excellent level.

For customer privacy management, the Company has established an internal information management system to protect customer privacy and business information. For archive management, we implement unified archiving and management of all customer data to reduce the risk of customer privacy or sensitive business information leakage. In daily office operations, key customer paper documents are shredded after use. For external inspection samples, we encrypt key information, create password labels, affix them to customer information, place them in transparent plastic bags, and seal them again. We also conduct privacy protection training for sales department employees to enhance their awareness of confidentiality and professional ethics. In Fiscal 2024, the Company did not experience any customer privacy breach incidents.

