Materiality Assessment

In Fiscal 2025, Silvercorp conducted a materiality assessment in accordance with the GRI Standard. The Company utilized an online survey method, distributing Chinese questionnaires to stakeholders in China and English and Spanish questionnaires to stakeholders in Vancouver and Ecuador. A total of 428 valid responses were collected from the Chinese questionnaires, while 74 valid responses were received from the English and Spanish versions — including 22 from the Vancouver office and 52 from the Ecuador projects. Silvercorp gathered feedback from 12 categories of internal and external stakeholders, including government and regulators, shareholders and investors, employees, customers, partners, communities, industry organizations, and the media. This allowed the Company to identify key environmental, social, and governance-related issues that have a significant or material impact on stakeholders. To evaluate and prioritize these issues, Silvercorp formulated a materiality matrix from two perspectives: the "impact on Silvercorp's sustainable development" and the "impact on stakeholders." Based on this analysis, the Company identified 22 key issues ❶, among which, eight core issues were identified, including production safety, occupational health and safety, climate change response and energy conservation and carbon reduction, disaster prevention and emergency management, TMF management, waste management, water resource management, and environmental compliance management.
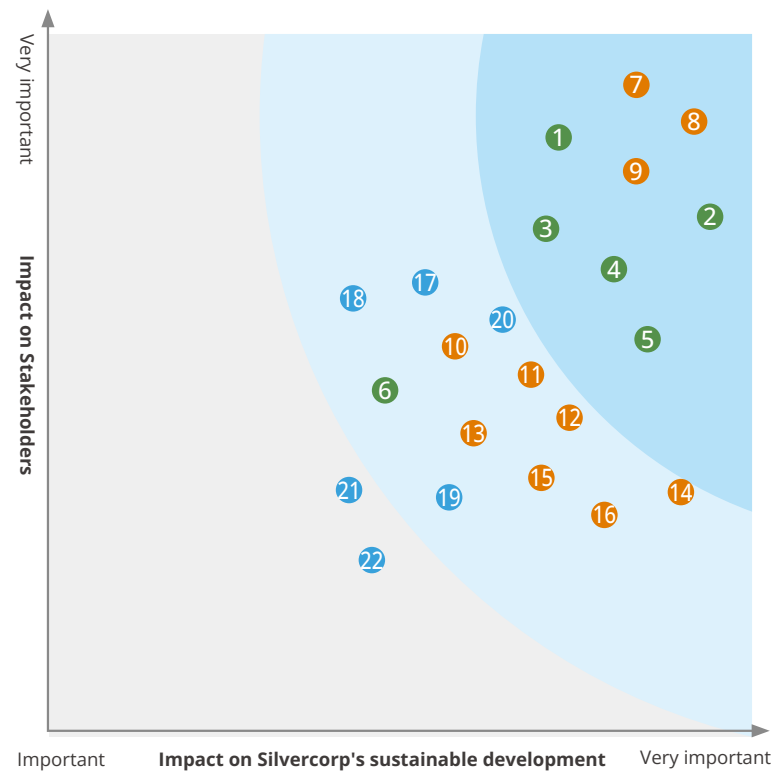
While no major changes occurred in identified material issues for Fiscal 2025, Silvercorp continues to prioritize occupational health and safety, and in order to enhance its sustainable development capabilities and reduce operational risks, the Company has included production safety and environmental compliance management as core issues. These core topics have been incorporated into the Company's risk assessment and management system, enabling comprehensive management in all respects and enhancing Silvercorp's ability to respond to risks.

Suppliers: 15.65%
Industry associations/organizations: 1.17%
General public: 1.17%
Media: 1.64%
Silvercorp's board members, supervisors, and senior management: 4.21%
Silvercorp's mid-level management: 11.92%
Contractors: 14.95%
Others: 2.57%
Government/regulators: 4.21%
Shareholders: 0.23%
Silvercorp's general employees: 41.12%
Customers: 3.97%

Stakeholders Covered in the Questionnaire Survey ❷

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❶ Since Silvercorp ceased the use of coal in 2018 and no longer generates sulfur oxide emissions, the topic of "Air Pollutant Management" was removed for Fiscal 2025.

❷ In the stakeholder survey questionnaire, the identity selection was set as a multiple-choice question.

Identification
- The identification process considers macroeconomic policies, international standards and guidelines, industry trends, and the sustainability focus of industry peers. It aims to clarify the policy direction, development opportunities, and risks in the metals and metal mining industry. By aligning with Silvercorp's strategic development and relevant planning documents, key issues of significant importance to both Silvercorp and its stakeholders are identified

Assessment
- The Company conducts an annual identification of its key stakeholders
- Stakeholder questionnaires are distributed in Chinese, English and Spanish versions, targeting stakeholders in different countries where the Company operates. After collecting the responses, the data is compiled and analyzed

Prioritization
- Aligning with two dimensions of the materiality matrix, the Company comprehensively evaluates stakeholder expectations, industry development trends, and its own business strategy to prioritize various issues
- Internal expert discussions and external expert consultations are conducted to form assessment conclusions on impact materiality

Review
- The results of the materiality assessment are presented alongside the sustainability report for review by the ESG management center for deliberation and approval, and are subsequently approved by the Board of Directors

Materiality matrix

Very important — **Important** (Y-axis: Impact on Stakeholders)

X-axis: **Impact on Silvercorp's sustainable development** — Important / Very important

Plotted issues: 7, 8, 1, 9, 2, 3, 18, 17, 4, 20, 5, 10, 6, 11, 13, 12, 21, 19, 15, 16, 14, 22

- 🟢 Environmental Issue
- 🟠 Social Issue
- 🔵 Governance Issue

Materiality Issues	Description
Environmental	
1 Climate Change Response, Energy Conservation and Carbon Reduction	Promote the adoption of low-carbon technologies and the transformation of the energy mix to reduce carbon emissions, lower energy consumption, and mitigate climate-related risks
2 TMF Management	Implement TMF risk management to ensure safe operations, strengthen pollution prevention and control, and enhance resource efficiency
3 Waste Management	Enforce strict waste management protocols, including classification, treatment, and disposal, to ensure waste discharge compliance and recycling
4 Water resource management	To implement water conservation measures, strengthen wastewater treatment facilities, and protect water sources and aquatic ecosystems
5 Environmental Compliance Management	Manage and control environmental risks in production and operations in accordance with applicable environmental laws, regulations, and regulatory standards, ensuring all environmental activities are legal and compliant to mitigate the risk of violations
6 Biodiversity and Land Restoration	Conduct biodiversity monitoring and conservation programs, protect endangered species and ecosystems, and restore land affected by mining activities to protect and regenerate local biodiversity
Social	
7 Production Safety	Establish a robust safety management system, increase safety investments, conduct safety education and training, and perform emergency drills to prevent injuries and property damage
8 Occupational Health and Safety	Strengthen occupational health and safety management, prevent and control work-related injuries, and ensure the safety and well-being of employees
9 Disaster Prevention and Emergency Management	Develop and improve disaster early warning systems, strengthen disaster risk assessment and prevention, formulate emergency plans, and enhance preparedness and efficiency to emergency response
10 Employee Rights Protection	Strictly comply with labor laws and regulations, ensure labor protection and social security, and fully respect and safeguard employees' legal rights and interests
11 Employee Development	Focus on the development and improvement of employees in areas such as professional skills and ethics, providing a positive environment and opportunities for career advancement
12 Responsible Supply Chain	Establish a robust supply chain management mechanism to address environmental and social issues, promoting sustainable supply chain development
13 Community Development and Support	Emphasize communication and engagement with communities and the public, actively participate in charitable activities, support the economic development and improvement of livelihoods in local communities, and foster harmonious relationships between the Company and local communities
14 Product and Service Quality	Enhance product quality management, continuously advance technological innovations in products and services, and enhance customer satisfaction
15 Customer Privacy Protection	Safeguard the security and privacy of customer personal information, preventing unauthorized access, use, or disclosure
16 Respecting Human Rights	Abide by international human rights principles and frameworks, safeguard the rights of employees and suppliers, forbid forced labor and discrimination, and ensure equal employment and fair treatment
Governance	
17 Compliance and Internal Control	Improve internal compliance mechanisms and development, enhance the compliance training system, ensure that the Company's activities are conducted in accordance with regulations, and reduce compliance risks
18 Risk Management	Formulate risk control mechanisms and response measures to enhance risk resistance capabilities towards various kinds of risks
19 Research and Innovation	Increase R&D investment, advance production and environmental protection technologies development and application to enhance the Company's technological competitiveness and sustainable development capabilities
20 Business Ethics	Establish a robust business ethics system, strengthen employee integrity education and anti-corruption, and ensure equitable and fair business environment
21 Board Governance	Optimize Board governance to enhance its decision-making capabilities, strengthen oversight of decision-making processes, and maintain effective and scientific corporate governance structure
22 Sustainability Due Diligence	Identify, assess, and manage the potential economic, environmental, and social impacts of the Company's and its supply chain's operations

Stakeholder Engagement

Stakeholder	Key Issues	Communication Channels	Results and Feedback
Government and Regulators	Climate change response, energy conservation and carbon reduction Production safety Disaster prevention and emergency management TMF management Waste management Environmental compliance management Water resource management Air pollution management and control	Regular communication and reporting Project review and approval Government oversight Submission of statistical reports and visits	Annual tax payments and other government contributions totaling **$41** million Participated in **14** government research studies **100%** certification rate for ISO 14001 Environmental Management System **100%** certification rate for ISO 45001 Occupational Health and Safety Management System
Shareholders and Investors	Compliance and internal control Risk management Board governance Climate change response, energy conservation and carbon reduction Water resource management Waste management Research and innovation	Annual reports and other statutory information disclosures Performance Presentations Investor hotline and email	Hosted **165** institutional investor communication meetings Held **3** quarterly earnings presentations Held **1** annual performance presentation Held **1** corporate development press conference
Employees	Occupational health and safety Employee rights protection Employee development Production safety	Trade union Regular employee representative meetings Employee complaints and appeals channels Staff recognition events and regular training Corporate culture activities and events Quarterly team-building activities and events	Held **2** employee representative meetings Carried out **66** team-building and corporate culture activities and events Invested USD **75,070** in occupational health and safety training

Stakeholder	Key Issues	Communication Channels	Results and Feedback
Customers	Product and service quality Customer privacy protection Business ethics Research and innovation	Regular service communication Customer visits Questionnaire surveys Website information disclosures Hotlines	Carried out **8** customer visits Distributed **22** customer satisfaction survey questionnaires, with an overall "relatively high" customer satisfaction rating
Partners	Compliance and internal control Responsible supply chain Business ethics	Strategic cooperation negotiations Routine business communication Regular visits Compliant hotlines	Carried out qualification reviews for **448** suppliers
Communities	Community relations and community development Biodiversity Land reclamation and ecological restoration	Charitable activities Regular community engagement activities Environmental assessments of projects Response to external investigations Compliant hotlines	Donated **$1.32** million in community development support, including education aid and funding for community infrastructure improvement
Industry Organizations and the Media	Respecting human rights Ecosystem and biodiversity protection Community Development and Support	Press releases Regular media communications ESG information disclosures on the corporate website	Had **127** pieces of media reports about Silvercorp Won **1** ESG-related award