

### Energy Consumption and Greenhouse Gas Emission Management

Silvercorp continuously strives to optimize its energy structure through a focus on energy efficiency and the circular utilization of resources, seeking to lower energy consumption and emissions and reduce production and operation costs. In addition to phasing out the use of coal, the Company actively explores and carries out pilot projects on new energy utilization, adopts new energy equipment in lighting, transportation, heating, cooling and other fields, and gradually moves away from outdated processes and equipment to improve energy efficiency. In Fiscal 2022, both Henan Found and Guangdong Found passed the Energy Management System Certification and optimized their production energy consumption management systems while preparing for the certification.

In Fiscal year 2022, Silvercorp's energy consumption intensity is 2,108 GJ/million dollar revenue, 11.39% lower than in 2021, and GHG emissions intensity is 300 tonnes CO<sub>2</sub>-eq/million dollar revenue, 11.21% lower than in 2021.



Energy Management System  
Certifications of Henan Found



Energy Management System  
Certifications of Guangdong Found

#### Actions in Fiscal 2022

- Purchased new electric heavy-load trucks for ore transportation; started phasing out fossil fuel vehicles and replacing them with new electric vehicles.
- Adopted frequency conversion mine water pumps and frequency conversion energy-saving air conditioners to reduce energy consumption.
- Carried out regular and timely inspections and maintenance of mechanical and electrical equipment to improve performance and efficiency shut off equipment and turned off lights when they were not in use, and adopted energy-saving LED lights.
- Adopted the principle of "more crushing and less grinding" in ore processing plants, optimized ball mill operations by choosing larger equipment based on the production scale to reduce operation cycles.
- Adopted 28 frequency conversion twin-screw air compressors, which could reduce energy consumption by 400,000 kWhs a year.
- Henan found invested more than \$0.3 million in the technical transformation of the "gravity+flotation" separation process, adopting the imported Nielsen centrifugal concentrator for the gravity separation of gold ore, which not only raised processing efficiency and lowered energy consumption but also reduced chemical usage during the process, lowering our environmental impact.

#### CASE New Electric Trucks Reducing Transportation Emissions

In order to reduce energy consumption and vehicle exhaust emissions, Henan Found purchased four new energy heavy-duty trucks in Fiscal 2021 as ore transportation vehicles. Currently, the vehicles are still in the tuning up stage before

being put into use. They are expected to help reduce diesel consumption by 147,000 litres per year, which is equivalent to reducing greenhouse gas emissions by 380 tonnes of carbon dioxide equivalent by ore transportation contractors.

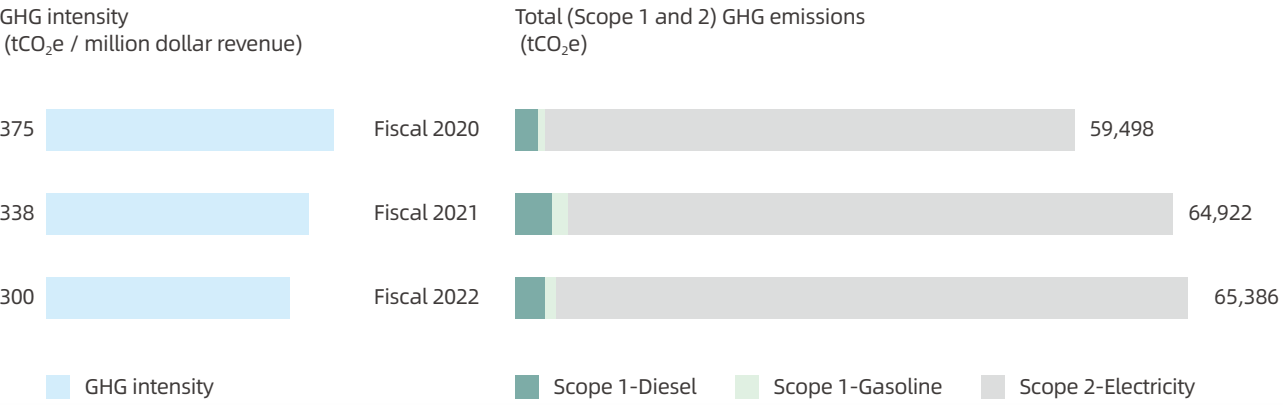


New Energy Heavy-duty Truck of Henan Found

Energy Consumption	Fiscal 2022	Fiscal 2021	Fiscal 2020
Diesel (m³)	561	592	507
Gasoline (m³)	90	107	88
Coal (tonnes)	0	0	0
LPG (m³)	0	0	0
Electricity (MWh)	121,099	119,988	110,185
Total energy consumption (tonnes of standard coal equivalent)	15,682	15,603	14,271
Total energy consumption (GJ)	459,359	457,019	418,011
Energy intensity (GJ/million dollar revenue)	2,108	2,379	2,632

Note1: Electricity used by the mining operations of the Company is purchased from the State Grid and the Southern Grid.





## Tailings Facilities Management

Tailings are waste produced by mining and mineral processing. Tailings management facilities (TMF) are a major source of safety and environmental hazards for mining enterprises. In accordance with the 15 principles of the *Global Industry Standard on Tailings Management* set by the International Council on Mining and Metals (ICMM), the Company takes responsibility at all stages of the life cycle of its tailings management facilities, making the safety of tailings management facilities

a top priority. As of the end of Fiscal 2022, Henan Found and Guangdong Found operated three TMFs, two wet TMFs located at the Ying Mining District in Henan Province, and one dry stack TMF at the GC Mine in Guangdong Province. Henan Found plans to build a new 3,000 t/d processing plant along with a relevant supporting TMF, which is expected to be put into operation in 2025. In Fiscal 2022, the Company had zero significant safety accidents at its TMFs.

### Design

1

- Feasibility study
- Strictly follow relevant standards for TMFs survey and design
- Design safety facilities alongside the design of TMFs

### Construction

2

- Quality control and assurance
- Build safety facilities alongside the construction of TMFs
- Strictly follow relevant laws and regulations on construction

### Operation

3

- Set up sound management system, accountability mechanism, and TMFs safety responsibility system
- Regular emergency drills
- Conduct safety evaluation at least every three years

### Closing

4

- Strictly implement the TMFs closing inspection of the safety facilities
- Regular inspection and monitoring