

Social Responsibility

Health and Safety
Our People

Strengthening Supply Chain Management
Our Community

At Silvercorp, we seek to build lasting relationships with all stakeholders, and are driven by our Company values: respect, equality, and responsibility. We recognize that building an inclusive workplace means providing equal opportunities and safe working environments, as well as cultivating and maintaining a company culture based on fairness and respect. We are committed to implementing such values and opportunities Company wide and within our communities, for doing so will not only make us a better company but will also help us retain and attract the best workforce possible and create lasting sustainable value where we work and live.

- **157,247** hours of safety training for employees and contractors
- Diversity and Inclusion statement adopted
- Human Rights statement adopted
- US **\$1,194,867** donated to social/ community initiatives
- **0** grievances received



Health and Safety

At Silvercorp, safety is a top priority. Through extensive training, strong management, and innovative technology, we have created a company culture centered around health and safety set on minimizing the potential risks associated with our business.

Our Approach

Our approach to health and safety is prevention-focused; we establish comprehensive rules and regulations, define responsibilities, and implement strict operating procedures to eliminate hazards in our facilities to mitigate potential accidents. Our Eblog App also plays an important role in our prevention-focused approach as it assists in the identification, detection, and elimination of hazards, the on-site management of production safety, and the supervision and evaluation of safety personnel.



Production safety strategies

- Safety-first
- Prevention-focused
- Integrated management
- Company-wide involvement



Production Safety Management System

- Government safety requirements
- Dual prevention mechanism
- Tripartite safety confirmation system

Risk Management

Dual Prevention Mechanism

The dual prevention mechanism serves as a firewall against safety accidents by assisting in the classification of potential risks and hazards and the simplification of risk management. Risk classification is the foundation for the investigation and management of hazards. By identifying risks early, it allows us to eliminate, reduce, and or control risks at the source and even decrease the probability of them occurring, and the severity of their consequences. Hazard investigation and management takes our risk assessment even further by detecting the failures, defects, or deficiencies in our control measures, and allows for timely corrective measures. The mechanism sets up a working group to plan and coordinate its operation and enables automatic early warning by linking the facility operations database, the work activities database, and the corporate risk database with the results of routine hazard inspections using the Eblog App. The processes of risk classification and hazard investigation and management are thus recorded in their entirety.

We are, and have always been, committed to standardizing production safety management in our operations. As a result, our subsidiary, Henan Found, which operates the Ying Mining District has been named a Model Enterprise for its Dual Prevention Mechanism in Henan Province

Risk classification

We systematically identify and classify risks at the source to keep all risks within an acceptable range and prevent and reduce safety hazards.

Hazard investigation and management

Through investigation and management, we detect the deficiencies, defects, and failures in the process of risk control to eliminate hazards before they occur.

Tripartite Safety Confirmation System

The tripartite safety confirmation system is a comprehensive safety supervision and inspection system created by Henan Found. Prior to any mine work commencing, the safety of the operation is confirmed by three individuals, (1) a Henan Found representative such as a mining engineer, (2) the Contractor Manager, and (3) a mining crew team leader. Once all three parties have conducted their inspection, the safety of the facilities is then confirmed in the presence of all three parties whereafter work can commence. If any safety risks or deficiencies are identified, they are dealt with immediately and the safety of the operations must be confirmed by the three parties once again. By implementing this system, the safety of our operations can be guaranteed, and we can reduce the risks associated with mining activities.

Health and Safety Management

As a responsible miner, we believe that it is our duty to provide a safe environment for all workers, contractors, and stakeholders. One of the best ways to create a safe working environment for our people is by implementing extensive health and safety training across all levels of our company. To do this, we developed the Production Safety Training System to improve overall safety knowledge and provide education surrounding hazard identification and general best practices. We also incorporate regular safety drills into our operations to better prepare our workers for potential emergencies and accidents. To strengthen overall site safety knowledge and practices, the Company also includes all contractors in its occupational health and safety management system, where all parties are subject to the same management, requirements, and improvements as Silvercorp employees.

Our safety system includes training on:

- Relevant laws, regulations, and standards: the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Production Safety Law of the People's Republic of China, the Interim Measures for the Safety Management of Non-coal Mine Outsourced Projects, Production Safety Guidebook, the Production Safety Regulations, and the Safety Procedures for Metal and Non-metal Mines;
- Occupational hazards and preventive measures: Emergency Plan for Smoke Poisoning, Situation and Countermeasures of Occupational Health, First-aid Training, CPR Training; and
- Management experience and case study of production safety of the industry: Special Training on Mining Safety, Study of the Investigation Report of the "1.10" Major Explosion at Hushan Gold Mine.

Safety Training	Fiscal 2021	Fiscal 2020	Fiscal 2019
Number of safety training sessions	2,033	1,977	1,642
Average safety training hours per worker (h)	34.90	40.29	36.13
Average safety training hours per employee(h)	20.49	22.44	23.30
Average safety training hours per contractor(h)	41.50	43.06	41.21
Safety training coverage for employees(%)	100	100	100
Safety training coverage for contractor(%)	100	100	100

Protective equipment



We equip all the workers (employees, contractors, etc.) with overalls, safety helmets, dust masks, rain boots, safety jackets, locators, oxygen self-rescuers, and detectors, and provide training on the importance and correct use of all protective wear.

Safety education



Workers take a safety pledge every day before the mining operations begin and receive safety training twice a month to maintain awareness.

Regulatory requirements



Operators participate in the tripartite safety inspection and confirmation on-site. We formulate the Provisions for Safety Violation, which applies to both employees and contractors, and conduct regular on-site inspections.

Ying Mining District

Conducting 15 emergency drills and 23 on-site rescue drills; increasing the number of rescuers to 129; supplementing and upgrading the emergency supplies for newly-formed rescue teams and construction units.



Emergency rescue competition

GC Mine

Conducting 7 emergency drills and a joint full-scale emergency drill with the Yun'an District Government, comprehensively improving the company's emergency response capacity.



A professional mine rescue team is invited to provide training on rescue breathing and CPR

Safety Performance

In Fiscal 2021, Silvercorp initiated an enhancement process at the Ying Mining District and GC Mine following the ISO 9001:2015 - Quality management systems, the ISO 45001:2018 - Occupational health and safety management systems, and the ISO 14001:2015 - Environmental management systems, and invited a professional third party to conduct the QEO (Quality, Environmental Management, Occupational Health and Safety) system certification.

Production Safety Investment	Fiscal 2021		
	Ying	GC	Total ^{Note1}
Total investment in production safety (US \$)	2,605,462	881,818	3,487,280
Investment in protective equipment (US \$)	179,528	9,099	188,626
Inspection fee for protective equipment (US \$)	75,258	20,013	95,270
Hazard rectification cost (US \$)	7,157	45,077	52,234
Investment in production safety training (US \$)	118,449	9,136	127,585

Note 1: Besides the Henan Ying Mining District and the Guangdong GC Mining District, the "total" data also includes data of the administration in Beijing and Vancouver, which is not shown separately for it accounts for a very small percentage.



Tripartite Safety confirmation before work

Safety Performance	Fiscal 2021	Fiscal 2020	Fiscal 2019
Number of lost time injuries (LTI) ^{Note1 Note2}	6	7	7
Lost work time (h) ^{Note1 Note3}	3,008	7,820	3,052
Number of work-related injuries ^{Note1 Note4}	6	7	7
Lost time incident rate (LTIR) ^{Note1 Note5}	0.65	0.84	0.87
Number of work-related fatalities ^{Note1}	0	0	0

Note 1: Includes contractors.

Note 2: Number of lost time injuries are the number of incidents of employees leaving their jobs due to occupational health and safety accidents during work hours.

Note 3: Lost work time (h) refers to the number of lost work hours corresponding to each lost time injury.

Note 4: Number of work-related injuries refers to the number of lost work hours and casualties defined as work injuries by the Work Injury Insurance Regulations.

Note 5: Calculation of lost time incident rate (LTIR): (Number of lost time injuries/Work hours)*1 million hours.



Safety training for contractors at the Ying Mining District

Management of Hazardous Materials

Management of civil explosives

In compliance with applicable laws and regulations, such as the Regulations on Civil Explosives Safety Management and the Ten Provisions for Strictly Controlling Civil Explosives, the Company requires all the mining areas to strengthen management of flammables and explosives.

- Supervising the use of civil explosives: We allocate explosives according to the volume of operations; we examine the civil explosives storage facilities in the mining areas at irregular intervals every week while undertaking a comprehensive annual risk assessment and a monthly inspection to ensure their safety.
- Qualification management of blast personnel: The blasters must be trained by the Public Security Department and obtain a blast certificate.
- Imposing safety accountability: Unlicensed personnel are forbidden to operate; offenders will be faced with the appropriate consequences.



Explosives storage warehouse in the Haopinggou Mines

Management of hazardous chemicals

The hazardous chemicals involved in the Company's mining operations mainly include nitric acid, hydrochloric acid, sulfuric acid, sodium peroxide, and potassium nitrate.

- Protective treatment: We protect the nitric acid storage tank area against the sun, seepage, and corrosion with special treatments and set up a cofferdam so that in case of a tank leakage, it will be confined within the cofferdam and accident pool.
- Special storage: Laboratory chemicals are specially stored, with double-lock doors, alarms, protective nets, and protective equipment such as fire extinguishers and acid-proof clothing.
- Strict management and control: The storage and use of hazardous chemicals are accurately recorded, and a surveillance camera system is installed in hazardous materials storage facilities.



Nitric acid storage area

Fire Safety

The Company adopts a prevention centred approach, bolstered by firefighting. We continue to increase the intensity and frequency of fire drills, increase investment in firefighting, and improve the firefighting infrastructure to bring fire incidents to a minimum and better protect our people.

Case Conducting Fire Drills to Enhance Emergency Response

On December 29, 2020, the GC Mine and Yun'an District Government of Yunfu City had a joint evacuation drill for fire accidents in underground mines. We simulated a fire in an underground mine, trapping three workers. The rescue personnel handled all the scenarios, including accident reporting, evacuation, rescue, and medical aid, in accordance with the emergency plan. We learned how the emergency plan could be simplified and ways the rescue team could improve their response and coordination in the event of a fire accident.



Emergency Prevention and Response

At each of our operations, comprehensive emergency planning systems, focused on prevention, rapid response times, and general safety, have been implemented in an effort to further our commitment to risk identification and mitigation. In fiscal 2021, our Ying Mining district held 15 emergency drills, conducted 23 on-site rescue drills, grew our rescue team to 129 members, and upgraded/enhanced the emergency supplies for the newly-formed rescue teams and construction units. In fiscal 2021, our GC mine conducted 7 emergency drills and a joint full-scale emergency drill with the Yun'an District Government.

Occupational Health, Safety, and Well-being

In addition to our comprehensive safety plans, we also integrate occupational health and wellness examinations, reviews, and services into our approach. We have developed a Work Plan and Implementation Scheme for Occupational Disease Prevention and Control in order to build a sound occupational disease prevention system. In strict accordance with the Workers' Occupational Health Monitoring and File Management System, we also provide regular physical/health examinations for employees and focus on maintaining sanitary and clean work conditions for employees and contractors, in hopes of minimizing the occurrence of occupational hazards and diseases. Our system focuses on three steps; screening, record management, and communication.



Screening for and eliminating occupational hazards

- Entrust a qualified third party to conduct tests for occupational hazards in office and mining areas every year and publicly display the results
- Set up protective facilities at every mining site, with regular inspections and maintenance.
- Provide employees with personal protective equipment that meets national or industry standards and provide regular training on proper use.
- Report and file all of the Company's current information in the Occupational Disease and Hazard Report System.



Record management

- Arrange for a pre-job physical examinations for new employees and inform them of occupational hazards during the on-boarding process.
- Employ an occupational health service institution to conduct pre-job, on-job, and post-job occupational health examinations for employees who are exposed to occupational hazards.
- Set up an occupational health monitoring files and conducting an annual occupational health examinations for all employees.
- The occupational health monitoring file contains employees' occupational history, results and handling of occupational health examinations, occupational disease diagnoses and treatments, etc.



Regular communication

- Set up training and increase awareness of relevant laws and regulations, including the Law on Prevention and Control of Occupational Diseases, through activities such as the Publicity Week for Law on Prevention and Control of Occupational Diseases and the Occupational Disease Quiz.
- Set up bulletin boards in high visibility positions within mining areas to display occupational hazard-related rules and regulations, operating procedures, and test results.
- Display warning signs and Chinese warnings and instructions in high visibility locations for jobs that can cause serious occupational diseases or hazards.



Labor protection for workers



Carry out regular physical examinations for employees



Occupational health posters

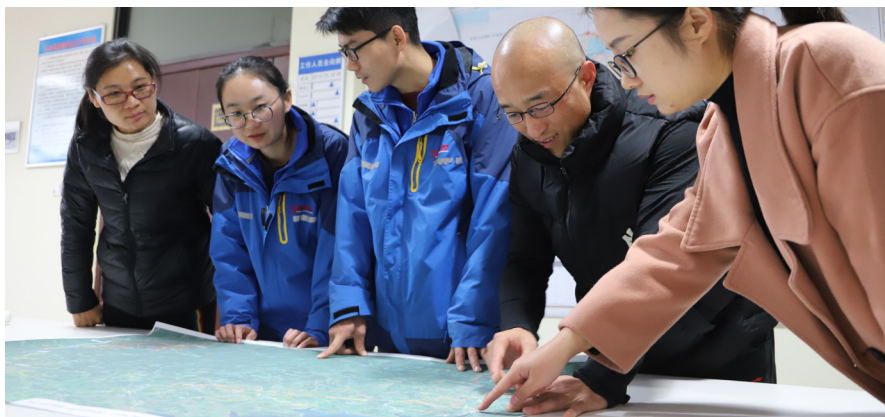
Our People

At Silvercorp, we believe our people are our greatest asset. We strive to create a safe, diverse, and inclusive space for our entire workforce and aim to be an employer that attracts and retains the best talent possible. To do this, we are committed to investing in our people and respecting human rights across our operations. We believe having a large variety of cultures, backgrounds, and knowledge can lead to innovation and stronger relationships with the communities we operate in and increase success across all areas of our business.

Human Rights, Diversity, and Inclusion

Silvercorp's hiring practices are compliant with all applicable laws and regulations in the countries in which we live and operate. We are an equal opportunity employer and strive to eliminate the use of personal characteristics or circumstances, such as but not limited to, gender, age, nationality, ethnicity, or religious belief in our hiring practices and business as they impede equal employment opportunities. Our employment decisions are based on suitability and skillset, and do not take into account any personal characteristics or circumstances as we believe they are unrelated to the performance of one's duties within our company.

In 2021, our board of directors adopted the Human Rights and Diversity and Inclusion statements to further affirm our commitment to creating a safe, inclusive, and equal workplace free of discrimination.



Our geologist

Human Rights Statement

Silvercorp is committed to supporting the human rights of our employees, local community members and all other stakeholders affected by our operations. We do not tolerate human rights abuses throughout any of our business activities, including child labour or forced labour of any kind. We strive to comply with all applicable regulations and laws and endeavor to act in accordance with the International Bill of Human Rights, the Universal Declaration on Human Rights, and the UN Voluntary Principles on Security and Human Rights. All Silvercorp employees are expected to uphold and respect the human rights of others, including but not limited to complying with the Company's Code of Business Conduct & Ethics, Anti-Corruption Policy and other Company policies and procedures.

Diversity & Inclusion Statement

At Silvercorp, we strive to integrate diversity and inclusion into all aspects of the Company and are committed to building a safe and inclusive space for all. Our core values of, Respect, Equality, and Responsibility, guide our efforts and are at the forefront of our decision making across all levels. We value diversity and are dedicated to the equitable treatment of all persons regardless of gender, race, ethnicity, nationality, religion, disability, age, culture, or sexual orientation. We recognize that building an inclusive workplace means providing equal opportunities and safe working environments, as well as cultivating and maintaining a Company culture based on fairness and respect. We are committed to implementing such values and opportunities Company wide and aspire to eliminate the barriers that interfere with such opportunities. Ultimately, we believe our people are our greatest asset, and our commitment to integrating diversity and inclusion will not only make us a better Company but will also help us retain and attract the best workforce possible.

Employment and Labour

The Company complies with all applicable labor laws and regulations. The Silvercorp Employee Manual stipulates provisions regarding human rights protection to eliminate discrimination and the use of child labor and forced labor. We respect our employees' freedom and collective bargaining rights to safeguard their legitimate rights and interests.

Training and Development

In Fiscal 2021, there were zero incidents of forced labor or child labor (under the age of 17) at Silvercorp. Silvercorp follows relevant requirements in the Law of the People's Republic of China on the Protection of Disabled Persons and the Regulation on the Employment of the Disabled, and currently employs 16 disabled employees in total.



Young geologists in Henan Found



Compliance with labor laws and regulations

We abide by applicable laws and regulations in order to improve employees' work environment, including the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Rights and Interests of Women, the Law of the People's Republic of China on the Protection of Minors, and the Trade Union Law of the People's Republic of China.

Optimizing employee management systems

We formulate a number of management systems and regulations to protect employees' legitimate rights and interests while enhancing the Company's management performance, including the Personnel Management System, the Employee Attendance and Leave System, the Management Measures for Seniority Bonuses, the Management Measures for Internal Candidate Referrals, and the Management Measures for Employee Recreational Activities.

Workforce Structure and Diversity			Fiscal 2021	Fiscal 2020	Fiscal 2019
Total workforce (number of workers)			4,428	4,089	4,427
Employment type	Number of employees		1,262	1,189	1,187
	Number of contractors		3,166	2,900	3,240
Gender	Number of male employees		1,035	971	974
	Percentage of male employees (%)		82	82	82
	Number of female employees		227	218	217
	Percentage of female employees (%)		18	18	18
Age	≤30	Number of male employees	159	141	134
		Percentage of male employees (%)	13	12	11
		Number of female employees	41	36	30
		Percentage of female employees (%)	3	3	3
	31-35	Number of male employees	660	635	640
		Percentage of male employees (%)	52	53	54
		Number of female employees	163	152	150
		Percentage of female employees (%)	13	13	13
	≥51	Number of male employees	216	195	204
		Percentage of male employees (%)	17	16	17
		Number of female employees	23	30	33
		Percentage of female employees (%)	2	3	3

Protecting Female Employees' Rights and Interests

Silvercorp protects female employees' rights and interests in strict accordance with applicable national and international laws and regulations such as the Special Provisions for Labor Protection of Female Employees. The Company's employee representative meetings develop and enforce the Collective Contract for the Protection of Special Rights and Interests of Female Employees and sets up the Labor Union Female Workers Committee to partake in the formulation and revision of regulations involving the rights and interests of female employees, such as employment and compensation policies. The Company protects female employees' rights and interests, and ensures equality of pay, opportunities, and rights for all employees.



Carry out out-door activities for female workers

Parental Leave	Fiscal 2021			
	Ying	GC	Administration	Total
Number of female employees taking maternity leave	3	1	1	5
Number of male employees taking paternity leave	20	7	2	29



Compensation and Benefits

Silvercorp offers an equitable and motivating compensation packages and ensures "equal pay for equal work." The company uses this as a grounding principle in employee performance appraisal. We also provide a wide range of benefits for our employees and see that they and their families are properly cared for throughout their lives

Salary policies	<ul style="list-style-type: none"> • We offer regionally competitive compensation packages and apply the same standards to all employees. • We evaluate employees only for their responsibilities, work experience, professional competencies, etc. . in the determination of salaries. • We evaluate employees only for their performance, job responsibilities, in the adjustment of salaries, prohibiting discriminatory practices of any kind.
Compensation structure	<ul style="list-style-type: none"> • Employee compensation consists of base salary, job subsidies, monthly performance bonus, annual performance bonus, fixed bonus, and other benefits.
Employee benefits	<ul style="list-style-type: none"> • We pay into the "5 insurances and 1 fund" for all our employees, namely pension insurance, medical insurance, unemployment insurance, industrial injury insurance, maternity insurance, and the housing fund. • We provide all employees with the group accident insurance protection and purchase work safety liability insurance for applicable employees. • We offer an annual bonus to all employees according to the Company's financial performance. • We provide free accommodation and meals for employees working in the mining area; we reimburse the expenses of four round-trips home every year for migrant employees and provide subsidies for their telephone bills, etc.
Employee leave and vacation	<ul style="list-style-type: none"> • We implement the seniority-based paid annual leave pursuant to the Company's Attendance and Leave System and national leave regulations. • We implement the eight-hour workday and the congregated vacation system, giving employees six days (statutory holidays not included) of congregated vacation time per month that they can use at their discretion. • The miners have half extra days off on-site per week.

Training and Development

A skilled and engaged workforce is critical to Silvercorp's continued success. The Company is committed to attracting and retaining the best talent available and investing in development and training to remain abreast of the latest trends and technological advancements, in order to meet the ever-changing demands of our business. We offer a competitive compensation and benefits plan while providing an inclusive and diverse environment that harnesses the rich backgrounds of our employees and fosters equal and free communication.

Top-performing talent is the cornerstone of a company's development. Taking into full account the challenges associated with recruiting suitable human resources, Silvercorp formulates and continues to update human resource strategies suited to its own development. It attracts, retains, employs, and fosters talent through diversified recruitment channels and a systematic cultivation mechanism. Silvercorp is building a team of qualified people, where they continue to learn and grow.

Talent Pipeline

Silvercorp has a sound recruitment management system. The Company stays future-oriented by continuously bringing in talent, optimizing the talent structure, and building a solid and systematic pipeline of talent.



Recruitment management

- The Company implements staffing and job assignments in accordance with the needs of each department and prioritizes intradepartmental or company-wide internal adjustments. When desirable adjustments cannot be achieved, the employment department devises a plan and works with the Human Resources Department to execute it.
- The Company maintains a very simple hiring process, where a candidate is hired on demand and on merit.



Talent attraction

- The Company plans before recruiting and executes the annual human resources plan.
- All recruitment activities must follow established procedures, including job announcement, resume review and screening, interviews or written exams, callbacks, background checks, and entry approvals.
- The Company relies mainly on open recruitment, supplemented by internal referrals. Positions are posted in effective media with a view to attracting enough applicants so that the best candidates can be spotted.
- The Company forms partnerships with schools and fosters industry-university-research collaboration and seeks to attract students with internship opportunities and subsidies.
- The Company carries out online recruitment, on-site recruitment, campus recruitment, etc. to bring in more talent.



Facilitating Career Development

Silvercorp implements the Sequence and Rank Evaluation Program to define the core duties and authority of each department and position which ultimately helps in creating career development paths. Supported by dual channels, the Professional Channel and the Management Channel, employees can fully fulfill their abilities and talents at Silvercorp.

Henan Found

Adopting the competition-based employment approach and optimizing the selection of internal top performers for higher-level positions. In Fiscal 2021, 15 employees were promoted.

Guangdong Found

In Fiscal 2021, three engineers were promoted to middle-level managers and 12 general workers became technicians.

Performance Appraisal

Silvercorp has developed a performance appraisal system. The Company's Performance Appraisal Management Manual highlights a focus on the outcome of employees' work and attention to their work processes. The Eblog App tracks the entire business process so that it is clear what each employee accomplished. It also automatically generates a summary and an analysis of the staffing, work intensity, and work quality to enable more fair and just performance appraisals backed up by data.

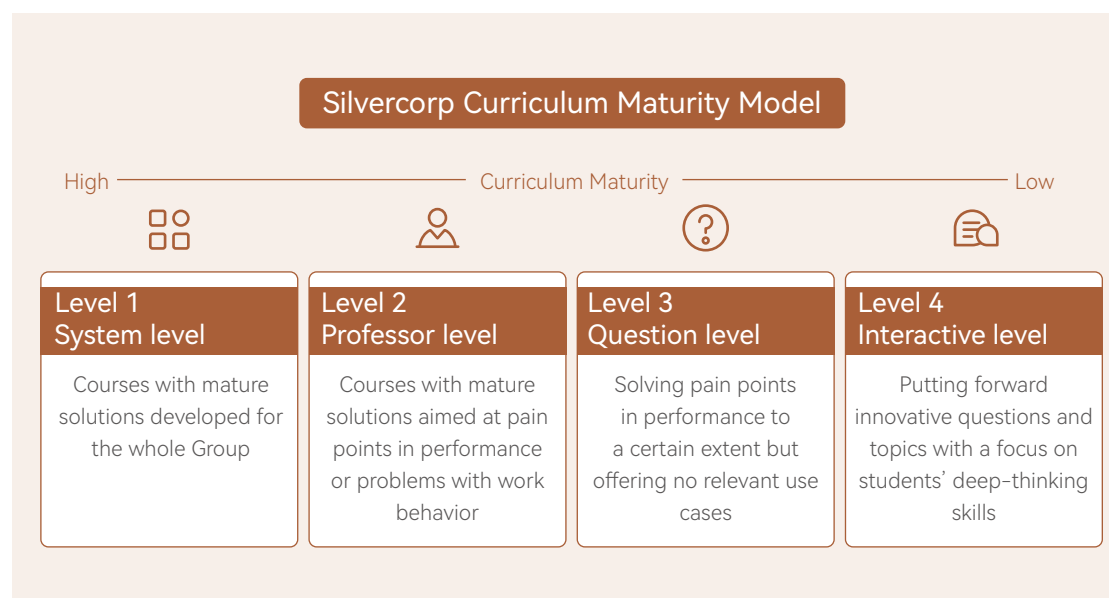
Improving Employee Training

In its Talent Training System, Silvercorp stipulates the Company's basic principles, responsibilities, and internal training systems for carrying out employee training. Revisions and updates were made to the Training Management System, the Mentoring Management System, and related documents in Fiscal 2021 to make employee training more professional, standardized, and institutionalized. Employee training has thus become a more forceful driver of the Company's business development and of a better-qualified workforce.

Developing Internal Training Courses

The Company has an internal training team. While taking care of their own jobs, they are also put in charge of optimizing the content of the training courses, collecting information, summarizing the management and hands-on experience in their own professional fields, and compiling teaching materials, and continuously improving their lecturing skills. The internal training courses are developed independently or jointly based on our Curriculum Maturity Model.

Silvercorp pays the trainers for the training materials, course development, and lecturing to keep them.



Mentoring System

To grow talent and facilitate successful new employee orientation, we implement the Mentoring Management System, selecting outstanding and experienced employees to form the mentor team. Based on a two-way selection, new employees are matched up with their respective mentors. The mentoring is conducted in line with the KSA (Knowledge, Skills and Abilities) qualification criteria laid out in the Silvercorp Talent Development System. The mentors guide and instruct the new employees in their day-to-day work based on their own experience to help them achieve the established goals and qualify for relevant posts as soon as possible.

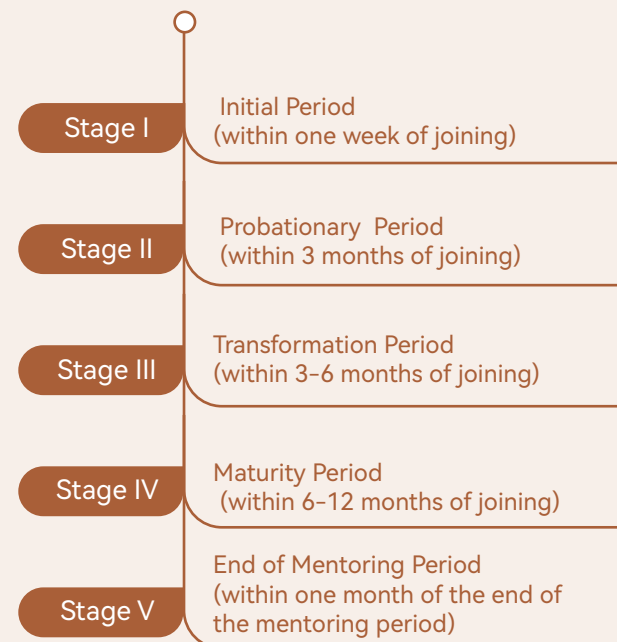


Mentoring new employees

New Employee Orientation

We do our best to help new employees quickly adapt to their new work environment and reach their full potential. Our orientation is designed for employees who have been with the Company for less than a year and are still lacking in experience and skills and is divided into five stages.

New Employee Orientation Cycle



Employee Training

Silvercorp's employee training programs are provided on both a regular and ad-hoc basis and are offered in various formats, including theory-oriented training, hands-on training, and online training, and are designed to increase problem solving skills in theory and in real-world scenarios.

Occupational Training	Fiscal 2021			
	Ying	GC	Administration	Total
Investment in occupational training (\$)	64,822	12,023	1,195	78,040
Coverage of occupational training (%)	100	100	100	100
Number of training sessions	604	261	24	889
Participations in occupational training	3,883	3,832	285	8,000
Total training hours (h)	12,420.8	6,244.0	401.5	19,066.3
Average training hours per employee (h)	13.01	23.31	15.44	15.27
Average training hours per male employee (h)	13.01	23.31	15.02	15.27
Average training hours per female employee (h)	13.01	23.31	16.02	15.27
Average training hours per senior manager (h)	14.81	25.93	16.06	19.45
Average training hours per middle-level manager (h)	17.16	27.27	15.68	18.48
Average training hours per non-management employee (h)	12.7	20.44	15.25	14.41

Labour Relations

Silvercorp believes listening to and acting on employee input to be the most direct and effective way to enhance labour relations and management. We strive to create an environment where employees are well informed, deeply engaged, and free to speak their mind. Silvercorp has a robust employee grievance mechanism that regularly investigates and reports relevant matters to ensure sound, two-way communication between employees and management to achieve further growth of the company.

Establishing Industry Affiliations

With the protection of workers' rights and interests a top priority, the Company continues to invest in trade unions*. The subsidiaries have all set up a trade union, with a union membership rate of 100%. The trade union has a chair, a deputy-chair, a Female Employee Committee, and a Cost Review Committee. It regularly convenes employee representative meetings with participation from corporate management. It provides for inclusive oversight and creates platforms for employee communication and engagement.

** The All-China Federation of Trade Unions and all of its trade union organizations are nationwide organizations formed by workers and represent the interests of the employees and safeguards their legal rights.*

Case Establishing an Efficient Primary-level Trade Union

In accordance with the primary-level labor union construction standards, the Ying Mining District works to build an efficient primary-level labor union with clear roles and responsibilities. It is underpinned by a sound organizational structure, qualified personnel, solid institutions, and competent funds management. Through collective bargaining, the trade union protects employees' interests and rights and continues to deepen inclusive management and improve the efficiency in serving people at the primary level.

By the end of Fiscal 2021, the Ying Mining District trade union had set up six trade union groups, with a membership rate of 100%. In the past three years, it held the employee representative meetings on three occasions, where employee representatives considered and voted on the annual trade union work reports. The Collective Wage Contract, the Collective Labor Contract, the Collective Contract on Labor Safety and Health, and the Collective Contract for Female Employees, passed through collective bargaining, have been signed by both the employer and the employees and put into effect.

Improving Management Operations

The Company continues to advocate for open communication channels to protect employees' rights to information, participation, and supervision. The Company's trade union collects proposals from employee representatives a way to help give voice to employee concerns, help the Company grow, and cultivate strong labour relations. Because of it, employees feel motivated to take initiative at work, put forward incentive suggestions, and contribute their thoughts and ideas.



Open Communication

- The trade union works with the Company's administrative department to publish comprehensive information on factory affairs through internal publications, the WeChat Subscription Account, the office system, the publication board for factory affairs, etc.
- Management frequently convenes staff discussions in the mining area. It keeps workers in the loop about company developments while giving voice to their concerns.



Inclusive Management

- With the "Solving Problems Openly and Promoting Development Through Input" campaign, we encourage employees to contribute opinions and suggestions to enhance their awareness and capability of participating in inclusive management.
- We collect employee proposals on an extensive scale, refer them to the management and relevant departments, and communicate the feedback to all employee representatives.

Listening to Employee Concerns

We understand that timely feedback to employee concerns is critical for a company's continuous progress and Silvercorp values employee input. The Company conducts employee satisfaction surveys and engagement surveys on a regular basis and readily responds to employees' opinions and suggestions.



Engagement survey

In August 2020, we conducted an individual assessment and an engagement survey for management personnel at the second level and above, and used the results to inform improvement in the organizational structure and staffing to further align it with the needs of organizational development.

Satisfaction survey

Ying Mining District conducts a monthly online survey among the employees on the company's food, housing, and transportation and makes improvements accordingly. In Fiscal 2021, it focused on improving the quality of food and housing.

GC Mine conducted an employee satisfaction survey in December 2020; of the 62 employees who participated, 60 gave a rating of "Excellent" in corporate contributions and clean governance, and 2 gave a rating of "Good".

Employee Grievance Mechanism

The Company has a systematic and comprehensive grievance resolution mechanism. Management measures for complaints and arbitration are laid out in the Employee Reward and Punishment Regulations and the Employee Manual, protecting employees' right to safeguard their own interests through complaints. An employee can file a complaint or report a matter through channels that they deem appropriate in the event their rights or someone else's are unduly infringed upon, or if they have different opinions about the operational and management measures of the unit (department) they work in, or that a violation of the Company's provisions has come to their attention.

Recipients of complaints

- We recommend that employees make a report through the successive levels of managers, but they can appeal directly to the higher office or company management as they deem necessary.
- Appeals and suggestions can be made verbally, in writing, or through the online information management system, the suggestion box, or the employee representative meetings.
- In the event of a significant loss of interest or violation, employees can appeal directly to the General Manager or Chairman of the Company through letters, emails, or other methods.

Handling of complaints

- The Supervision and Audit Department is dedicated to handling employee complaints and reports of violations, as well as appeals against non-compliance with administrative sanctions.
- Managers at all levels and the Human Resources Department can all handle employee complaints and reports. They should carry out an investigation on involved parties promptly and fairly and make decisions based on the results of the investigation.
- We work out solutions through the employee representative meetings, monthly meetings, or special meetings, and deliver feedback through the information management system and public announcements.
- The decisions are reported to the appellant either face-to-face or in writing (including emails). If the appellant is not satisfied with it, they can bring the case to a higher-level manager or department.

Whistleblower protection

- The Company protects every complainant and whistleblower and ensures that relevant employees are protected from threats, suspensions, transfers, dismissals, or other discriminatory penalties through the Whistleblower Policy.

Employee Wellness

At Silvercorp, we put our people first and strive to be highly responsive to our employees' needs and concerns. We continue to improve living conditions and organize a wealth of cultural and sports activities in hopes of creating a comfortable, healthy, and vibrant environment.



Hold long-distance running events

Improving Employees' Living Conditions

Due to the remote nature of our business, many of our employees live in relatively secluded mining areas. As part of our commitment to our people, we strive to improve the living facilities in the mining areas and take care of our employees through practical and concrete actions.

Housing

- We replaced the steel houses with standard concrete block dormitories.
- We reduced the number of occupants in single-room apartments to give employees more personal space.
- We implement frequent reviews of employee apartments and conduct regular full-scale inspections.
- We equip the living areas with facilities like a courtyard, a gymnasium, and a reading room.

Food

- We raised the standards for employees' daily meals. In Fiscal 2021, there was a 17% and 15% increase in the staff meal budget of Ying Mining District and GC Mine respectively.
- We set up the Employee Catering Committee, responsible for checking the ingredients, renewing and customizing recipes, overseeing the food quality, etc., and hold monthly meetings to collect employee input for improving the meals.

Transportation

- We provide commuter shuttles in the main mining areas to meet the growing commuting needs of the miners, delivering greater safety and convenience.

Enriching Employees' Lives

Silvercorp organizes a wide variety of cultural activities to build cohesion and teamwork.



Sports in the mining district

Ying Mining District

- Participated in the literary activity organized by the All-China Federation of Trade Unions in July 2020.
- Participated in both the autumn and spring networking events for young people organized by the Luoning County Federation of Trade Unions in Henan Province.
- Organizes a monthly birthday party, with gifts, for employees whose birthdays fall into the same month starting from September 2020.
- Held the New Year's Gala on December 26, 2020, attended by over 100 employees and contractors.

GC Mine

- Organized the "Green Environment, Beautiful GC" Original Literature and Photography Contest from August to September 2020 in conjunction with the construction of national green mines
- Held the National Day/Mid-Autumn Festival Gala on October 1, 2020.
- Organized the New Year's Day Sports Meet, including 5 competitions, namely the 5KM trail run, tug-of-war, basketball, badminton, and table tennis, and participated by over 100 employees.
- Held six-employee group birthday parties.



Team building



Conduct external investigation and research in Anyang, Henan

Contractor Management

The Company has signed contracts with several mining contractor companies, whereby outsourcing part of the underground operations. Pursuant to relevant requirements in the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and the Labor Law of the People's Republic of China, we treat contractors and employees equally, pushing for strengthened safety management and occupational health management on the part of the contractor companies. We require that they pay their employees in full and on time. We also provide contractors with safety training, personal protective equipment, accommodations, and meals of the same standard as Silvercorp employees. Those are some measures in place to protect the rights and interests of contractors. They also help improve the stability of the construction team.

Employment of Contractors	Fiscal 2021		
	Ying	GC	Total
Number of contractors	2,715	451	3,166
Year-on-year increase of contractors (%)	8.34	14.47	9.17

Strengthening Supply Chain Management

We believe, sincerity, trust, mutual benefit, and growth, are the keys for long-term cooperation. We understand the importance of strong supply chain management and coordinate and integrate ESG considerations throughout the sourcing process. We implement the Supplier Evaluation Management Regulations to help suppliers improve their ESG performance in compliance, environmental protection, labor rights, honest practice, etc.

Responsible Sourcing Practices

The Company continues to improve the supplier management mechanism, bolstered by systems such as the Supplier Evaluation Management Regulations, the New Supplier Approval Process, and the Qualified Supplier Directory. Its full-life-cycle management mechanism encompasses supplier admittance, certification, evaluation, and exit with unified management and classified duties. The suppliers' profiles can be accessed and shared online in real-time within the Company, and suppliers in the system are subject to an annual evaluation and documentation.

Henan Found

Total number of suppliers: 258

Location of top five suppliers: 139 in Henan; 28 in Shandong; 19 in Hebei; 11 in Jiangsu; 8 in Hunan

Guangdong Found

Total number of suppliers: 152

Location of top five suppliers: 68 in Guangdong; 15 in Shandong; 12 in Jiangsu; 9 in Hebei; 9 in Hunan

 **100**%
Supplier evaluation rate

 **100**%
Contract legal compliance review rate

 **100**%
Contract fulfillment rate

 **0**%
Contract complaint rate:

Preliminary research

We find quality suppliers online, through market surveys, and in the outstanding supplier directory of the industry. We visit the production sites to find out in person whether the products meet our demands and ensure compliance with management specifications.

Credit review

The bidding documentation clearly stipulates that bidders have to provide relevant qualification documents such as the quality system (QS) certification, the environmental management system (EMS) certification, and the occupational health and safety management system (OHSMS) certification. During the year-end supplier evaluation, we review and investigate the suppliers' credit.

Performance evaluation

We evaluate the supplies against six criteria, namely product qualification rate, timeliness rate, accuracy rate, return rate, breach of contract, and product defect, based on which we implement differentiated management.

The Company is committed to creating a transparent and fair supply chain management system and continuously pushes for "transparent procurement." We advocate for personal and professional ethics, foster employee dedication, and ensure that procurement is made in a fair, open, and just manner. All bidders are required to follow the Anti-corruption Policy incorporated in the bidding documentation and procurement contract. We have mechanisms, procedures, and systems in place to ensure that commercial bribery and corruption are entirely eliminated.

Green Procurement

Silvercorp endeavors to build a green supply chain by embedding environmental considerations into supply chain management, we reduce the environmental risks involved while mobilizing both upstream and downstream partners to demonstrate environmental stewardship and make improvement in energy efficiency and reduce GHG emissions. We have initiated Green Procurement practices and implement the Opinions on the Implementation of Government Procurement of Energy-efficient Products and the Opinions on the Implementation of Government Procurement of Products with Environmental Labeling to increase our procurement of energy efficient and environmentally labelled products.

The Company expressly stipulates that in case of equal efficiency, precedence should be given to products with the mining product safety (KA/MA) certifications, the ISO 9001 management quality system (QMS) certification, and the ISO 14001 environmental management system (EMS) certification.



Our Community

Throughout their lifecycles, mining operations have the potential to impact local/surrounding communities in both positive and negative ways. As a responsible mining company, we believe that through the implementation of strong community relations programs with an emphasis on communication, we can limit our impact on the surrounding communities and contribute positively to the sustainable development of the places in which we live and operate. Through collaboration with local and national governments, organizations, and stakeholders, we strive to create impactful and sustainable change and persisting relationships that will last beyond the life of our mines. Our company values, respect, equality, and responsibility, guide our efforts and are engrained in our approach to community relations.

Our Approach

In order to maintain strong relationships with our communities, we have established an ESG Management Center to oversee all ESG related initiatives and programs, and to ensure that our financial contributions are used in a sustainable, responsible, and ethical manner. Our board of directors are directly in charge of managing our ESG commitments and initiatives, and oversee all commitments, projects, progress, and funding as well as the ESG Management Centre itself.

The ESG Management Center is responsible for formulating the ESG Work Management Measures, ESG Annual Reports, ESG Substantive Discussing Topics and Management Objectives, ESG Annual Work Plan, and Mid-Term and Long-Term Work Plan, which are approved by the Board. In addition, the management centre is also in charge of developing a Community Development Action Management System, and within this system, operation specific community engagement plans. At each of our operations, a Vice President of ESG/Public Relations has been appointed and is responsible for overseeing activities involving each community engagement plan at the subsidiary level- reporting back to the Vice President of Sustainability located at the Beijing head office- and are supported by the following departments: public relations, ESG, administration and logistics, and human resources. Each team frequently engages with local government, NGOs (non-governmental organizations), and community members on matters such as land use, recruitment, infrastructure construction, and charitable activities, and ensures that each respective engagement plan is being properly integrated.

In 2018, our Ying Mining District furthered their commitment to sustainable community development by entering into an agreement with the local government of Xiayu Town, Luoning County, Henan Province, to develop a long-term community development agreement. The agreement was based on four pillars; collaboration, communication, opportunity, and innovation, and included the following commitments:

1. Collaborate effectively with local governments on collective and municipal driven initiatives;
2. Communicate efficiently and frequently with local community members regarding our impact and community initiatives;
3. Focus recruitment efforts on Xiayu township, offer employment opportunities to appropriate residents, and provide free technical training; and
4. Minimize impacts on surrounding biodiversity and protect native farmland through innovative reclamation efforts and strong communication and planning with local community members

Community Development Action Management System



Stakeholder Engagement

Our community stakeholders are identified regionally at each operation to fit each specific community's independent needs. Our subsidiaries, Henan Found and Guangdong Found, engage frequently with our community stakeholders through regularly-scheduled visits, conference meetings, engagement activities, and townhall meetings, to better understand each regions priorities and concerns. The townhall meetings, which are attended by government officials, community members, and relevant parties (individuals and companies), are held to discuss questions regarding projects, operations, and compensation issues. The conference meetings are held after other engagement activities to ensure all parties involved are up to date on any and all changes/new initiatives. At each operation, the Deputy Manager, Public Relations, is responsible for overseeing all stakeholder engagement.

Grievance Mechanisms and Management

At both operations, we have implemented feedback/grievance hotlines in order to help us better understand our impact on our communities as well as to provide a way for our community members to express their concerns and ideas. In case of any dispute that involves both parties, immediate actions are taken to facilitate prompt resolution under the supervision of the local government and villagers' autonomous organizations. At both of our operations, the Public Relations team are responsible for managing the grievance lines; in fiscal 2021, no grievances were received.

Hotline Numbers

Ying Mining District in Henan Province, China	0379-66061189
GC Mine in Guangdong Province, China	0766-6662636

Local Economic Development

Silvercorp strives to provide economic opportunities for local communities and suppliers. Our subsidiaries have established long-term partnerships with multiple local suppliers, giving priority to local and regional suppliers for consumables such as construction materials and production procurements, and our recruiting efforts are firmly focused on attracting local talent when possible. In 2021, around 70% of our workforce at our GC Mine and Ying Mining District consisted of local employees and around 80% of our procurement at our Ying Mining District was from local suppliers.

Percentage of spending on procurement from local suppliers (%)	Fiscal 2021	Fiscal 2020	Fiscal 2019
Ying	79	78	63
GC	22	20	21

Local Employment	Fiscal 2021			
	Ying	GC	Administration	Total
Number of employees from local province	737	130	8	875
Percentage of employees from local province (%)	77.17	51.00	16.00	69.33

Community Investment

Part of our duty as a responsible mining company is to serve as a catalyst for positive change. We are committed to working collaboratively with our local governments, organizations, and communities to identify opportunities for sustainable development and areas of need, and strive to align our community investments with our company values.

In 2021, Silvercorp contributed US \$1,194,867 towards community development initiatives that align with our support for the United Nation's SDG's. In addition to aligning our contributions with the SDG's, we also align our approach to community investment with the Chinese government's Rural Revitalization Strategy, to alleviate poverty and promote modernization through innovation.

Social Contributions	Fiscal 2021	Fiscal 2020	Fiscal 2019
Total social contributions (US \$)	1,194,867	305,145	731,380
Contributions to education assistance program (US \$)	88,361	155,516	15,507



SDG 4: Education

At Silvercorp, we believe that providing equal and quality education for local communities is a long-term investment. With access to a quality education, children and young adults in rural areas are able to improve upon their skillsets as well as learn new skills and training that can aid them in joining the workforce and in life. All of our initiatives in support of advancing education are a collaborative effort between our subsidiaries and their local governments and communities, and all stakeholders are involved in the implementation of projects and monitoring of donations. In fiscal 2021, the company made the following donations to further support equitable and quality education opportunities for all:

1. At the Ying Mining District, our subsidiary Henan Found, donated US \$85,853 to the education assistance program, with US \$12,096 allocated as grants to employees' children who had been admitted to colleges, and US \$73,757 used for social education aid;

a. Henan Found donated an additional \$5,900 towards special education schools and the Children's Welfare Institute; and

2. At the GC mine, our subsidiary, Guangdong Found, donated US \$2,508 as scholarship for employees' children and donated US \$14,751 to the Kunpeng Education Foundation of Yun'an District to support local education.



SDG 6: Clean Water

Over the years, climate change and large-scale municipal/provincial afforestation efforts around the GC Mine have led to the reduction of the water table and the depletion of certain water sources, making it very difficult for villagers from Shangdongchong Village, Xiadongchong Village, Datangmian Village, Gangshui village, and Gaocheng Village to access clean water for drinking and farming. As a result, villagers have been forced to travel long distances to access the wells from neighbouring townships, and local farmers have not had access to reliable sources of water for agriculture. In July 2019, in collaboration with the local government and community, our GC Mine committed to help. By September 2020, the GC Mine had donated a total of USD\$51,630, and in collaboration with the local government and villagers, were able to help all those affected access safe drinking water and pipelines for farming. The improvements benefitted over 1,000 villagers from 222 households in surrounding villages and helped further the local municipal environmental improvement campaigns.



SDG 9: Infrastructure

Over the past five years, poor infrastructure surrounding the Ying Mining district and local villages of Xiayu and Duijiuyu, had become quite troublesome for local community members as it had inhibited their ability to travel to and from the villages. Beginning in 2015, the Ying Mining District sought to improve the conditions, and collaborated with the local government to make improvements to the local infrastructure in support of their local community development plans. In January of 2021, the Ying Mining District had cumulatively donated over USD\$1M towards the project and completed the road expansion project, in which a 17KM-long road section was widened and hardened, and three tunnels (namely Moon Bay, Xizi Lake, and Xiangjun Mountain) of 5.5 km in total length were cut through the mountains, connecting villagers to surrounding townships. Throughout the life of the project, community members, local government, and Ying Mining District personnel from the construction department were in constant communication and regularly engaged in discussion regarding the status of the project and the progress made. By improving the infrastructure conditions, tens of thousands of villagers were able to be connected to more urban places and move freely throughout the province.

