

2023 RESPONSIBLE GOLD MINING PRINCIPLES REPORT



PAN AMERICAN
— SILVER —



ABOUT PAN AMERICAN SILVER

Pan American Silver Corp. (“Pan American” or the “Company”) is a leading producer of silver and gold in the Americas, operating mines in Canada, Mexico, Peru, Brazil, Bolivia, Chile, and Argentina. We also own the Escobal mine in Guatemala that is currently not operating, and we hold interests in exploration and development projects. We have been operating in the Americas for three decades, earning an industry-leading reputation for sustainability performance, operational excellence, and prudent financial management.



ABOUT THE RESPONSIBLE GOLD MINING PRINCIPLES

The World Gold Council (“WGC”) launched the Responsible Gold Mining Principles (“RGMPs” or “Principles”) in 2019 as a framework that sets out clear expectations for consumers, investors and the downstream gold supply chain as to what constitutes responsible gold mining.

Developed in collaboration with the WGC’s member companies and key industry stakeholders, the RGMPs are composed of 10 Principles and 51 sub-principles to address environmental, social and governance (ESG) topics.



RESPONSIBLE GOLD MINING PRINCIPLES



1. ETHICAL CONDUCT

We will conduct our businesses with integrity, including absolute opposition to corruption.



2. UNDERSTANDING OUR IMPACTS

We will engage with our stakeholders and implement management systems to ensure that we assess, understand and manage our impacts, realize opportunities and provide remedies where needed.



3. SUPPLY CHAIN

We will require that our suppliers conduct their businesses ethically and responsibly as a condition of doing business with us.



4. SAFETY AND HEALTH

We will protect and promote the safety and occupational health of our workforce (employees and contractors) above all other priorities and will empower them to speak up if they encounter unsafe working conditions.



5. HUMAN RIGHTS AND CONFLICT

We will respect the human rights of our workforce, affected communities and all those people with whom we interact.



6. LABOUR RIGHTS

We will ensure that our operations are places where employees and contractors are treated with respect and are free from discrimination and abusive labour practices.



7. WORKING WITH COMMUNITIES

We will contribute to the socio-economic advancement of communities associated with our operations and treat them with dignity and respect.



8. ENVIRONMENT STEWARDSHIP

We will ensure that environmental responsibility is at the core of how we work.



9. BIODIVERSITY, LAND USE AND MINE CLOSURE

We will work to ensure that fragile ecosystems, critical habitats and endangered species are protected from damage, and will plan for responsible mine closure.



10. WATER, ENERGY AND CLIMATE CHANGE

We will improve the efficiency of our use of water and energy, recognizing that the impacts of climate change and water constraints may increasingly become a threat to the locations where we work and a risk to our license to operate.

REQUIREMENTS

The RGMPs require implementing companies to:

1. Make a **public commitment** to align with the RGMPs;
2. Develop internal systems, processes and performance that **conform with the Principles**;
3. **Report publicly** on the status of conformance with the Principles; and
4. Obtain **independent assurance** on their conformance with the Principles at both mine site and corporate levels.

COMMITMENT TO THE RESPONSIBLE GOLD MINING PRINCIPLES

Pan American Silver is committed to operating ethically and in line with sustainable business practices throughout the mining lifecycle. We take seriously our responsibility to produce gold in a responsible manner. To emphasize this commitment and as a member of the WGC since March 2023, the Company has endorsed the implementation of the RGMPs.

The RGMPs are to be implemented over a three-year timeline:

YEAR 1

(April 1, 2023 – March 31, 2024) – a description of the process of self-assessment or “readiness review” that has been undertaken, or is underway, to determine conformance with the RGMPs for all operations within the reporting boundary.

YEAR 2

(April 1, 2024 – March 31, 2025) – as per Year 1, plus, based on a self-assessment, a statement of progress on developing internal systems and processes to conform with the RGMPs.

YEAR 3

(April 1, 2025 – March 31, 2026) – demonstrate full conformance with the RGMPs at the corporate and site levels.



In conforming to the RGMPs, by the end of Year 3 Pan American Silver will have:

- Developed and implemented policies, systems, processes and controls to ensure that the Company conforms with the RGMPs.
- Disclosed information that helps external stakeholders understand how conformance with the RGMPs is achieved.
- Obtained independent assurance over the process to ensure stakeholder confidence and credibility in the process and conclusions; and,
- Disclosed instances or events that have given rise to a situation of non-conformance and the steps that will be taken to remedy the situation.



REPORTING BOUNDARY FOR **RGMP** IMPLEMENTATION

The boundary for implementing the RGMPs includes all gold mining operations over which the company has direct control. This is consistent with the reporting boundaries that we publicly disclose in our Sustainability Report.

As of the date of this report, Pan American Silver has 11 mining operations.

The boundary for this Report is focused on Pan American Silver's operating sites producing gold:

- Timmins (Canada)
- Dolores (Mexico)
- Shahuindo (Peru)
- La Arena⁽¹⁾ (Peru)
- Jacobina (Brazil)
- El Peñon (Chile)
- Minera Florida (Chile)
- Cerro Moro (Argentina)

⁽¹⁾ Pan American has entered into an agreement to sell its interest in La Arena S.A., which owns the La Arena gold mine and the La Arena II copper-gold project; see the news release dated May 1, 2024 for further details.

RGMP IMPLEMENTATION PROGRESS

Pan American Silver's ESG Management Committee, consisting of cross-departmental senior and executive management representatives, is responsible for guiding the Company's ESG strategy to improve performance. The ESG Management Committee reports to the CEO, and its central functions include assisting executive management to develop and implement programs and initiatives (such as the RGMPs), and to monitor their effectiveness.

During Year 1, Pan American Silver conducted the following activities:

ONE

Made **public commitment to implement the RGMPs** as stated in the Company's 2023 Sustainability Report.

TWO

RGMP socialization at corporate level including presentations to the ESG Management Committee to discuss the Company's commitment to implement the RGMPs at its gold operating mines, and more specifically, the approach to achieve full compliance by the end of Year 3 (March 31, 2026).

THREE

Developed a self-assessment tool to evaluate Pan American Silver's status of conformance with the RGMPs.

FOUR

Completed an initial self-assessment to identify preliminary gaps. The self-assessment consisted of the following:

- Self-assessment in accordance with the Equivalency Guidance between the WGC's RGMPs and the Mining Association of Canada (MAC) Towards Sustainable Mining (TSM) protocols.
- Preliminary self-assessment against Pan American Silver corporate policies.

YEAR 1 SELF-ASSESSMENT RESULTS

In 2023, our operating sites (including our gold mines) conducted self-assessments against the TSM protocols. In addition, external verification of TSM performance was completed at three sites: La Arena and Shahuindo in Peru, and Dolores in Mexico.

According to the Equivalency Guidance between the WGC's RGMPs and MAC's TSM protocols, 25 of the 51 sub-principles of the RGMPs are deemed equivalent if the corresponding TSM protocols are implemented.

Based on Pan American's 2023 TSM results, we achieved 68% conformance with the 25 sub-principles that are deemed equivalent to TSM across the 8 gold producing mines.

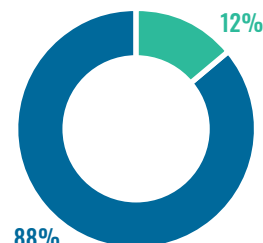
During Year 1, we also conducted a preliminary self-assessment of the RGMPs requirement against Pan American Silver's corporate policies and guidelines, namely our Global Code of Ethical Conduct, Global Human Rights Policy, Supplier Code of Conduct, Global Tax Guidelines, Inclusion and Diversity Policy, Social Sustainability Policy and Environmental Policy. Further analysis to be completed in Year 2 is required to determine conformance.

SUMMARY OF CONFORMANCE BY RGMP⁽²⁾ BASED ON TSM EQUIVALENCY

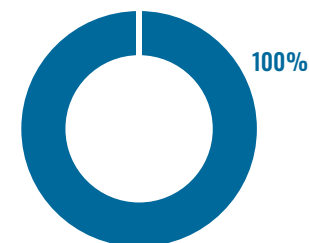
PRINCIPLE 2:
UNDERSTANDING OUR IMPACTS



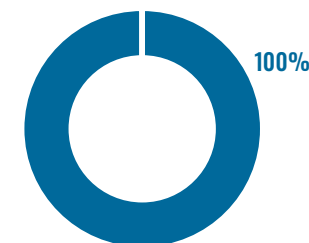
PRINCIPLE 3:
SUPPLY CHAIN



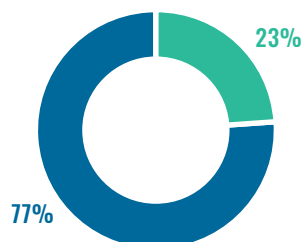
PRINCIPLE 4:
SAFETY AND HEALTH



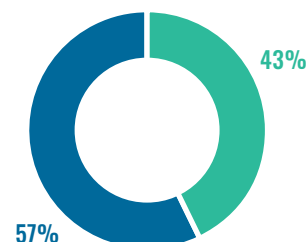
PRINCIPLE 6:
LABOUR RIGHTS



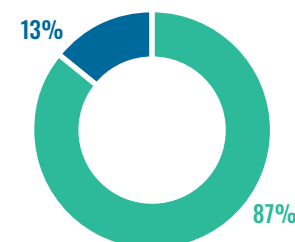
PRINCIPLE 7:
WORKING WITH COMMUNITIES



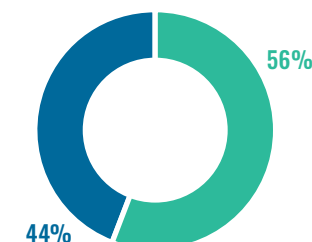
PRINCIPLE 8:
ENVIRONMENTAL STEWARDSHIP



PRINCIPLE 9:
BIODIVERSITY, LAND USE
AND MINE CLOSURE



PRINCIPLE 10:
WATER, ENERGY AND
CLIMATE CHANGE



- Conformance
- Non-Conformance

⁽²⁾ Principles 1 (Focusing on Ethical Conduct) and Principle 5 (Human Rights and Conflict) are omitted from the results as they both are not equivalent with the TSM Protocols.

SUMMARY AND NEXT STEPS

Pan American Silver's implementation progress in Year 1 affirms the Company's commitment to conform with the RGMPs. Year 2 of the three-year implementation timeline will include training sessions with subject matter experts at site level and will expand the self-assessment to operating sites to finalize the identification of gaps and the development of the action plans required to achieve full conformance with the RGMPs.

Pan American Silver intends to publish its next RGMP Progress Report in May 2025. This next report will detail the Company's progress towards meeting Year 2 RGMP requirements.

INDEPENDENT LIMITED ASSURANCE REPORT TO PAN AMERICAN SILVER CORP.

ERM Certification and Verification Services Limited (“ERM CVS”) was engaged by Pan American Silver Corp. (“Pan American”) to provide limited assurance in relation to the selected information set out below and presented in Pan American’s 2023 Responsible Gold Mining Principles Report (the “Report”).

Engagement summary	
Scope of our assurance engagement	<p>Whether Pan American’s assertions on pages 5-6 relating to the following World Gold Council Responsible Gold Mining Principles Year 1 requirements are fairly presented in the Report, in all material respects, in accordance with the reporting criteria:</p> <ul style="list-style-type: none"> Pan American’s description of the process of self-assessment or “readiness review” that has been undertaken, or is under way, to determine conformance with the RGMPs for all operations within the reporting boundary. <p>Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.</p>
Reporting period	Year 1 (1 April 2023 to 31 March 2024)
Reporting criteria	<p>The Year 1 requirements of the World Gold Council’s Assurance Framework for the Responsible Gold Mining Principles (September 2019); and</p> <p>The Equivalency Statement between the Mining Association of Canada’s Towards Sustainable Mining protocols and the World Gold Council’s Responsible Gold Mining Principles, published by the World Gold Council.</p>
Assurance standard and level of assurance	<p>We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board.</p> <p>The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.</p>
Respective responsibilities	<p>Pan American is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Report.</p> <p>ERM CVS’ responsibility is to provide a conclusion to Pan American on the agreed scope based on our engagement terms with Pan American, the assurance activities performed and exercising our professional judgement.</p>

Our conclusion

Based on our activities, as described overleaf, nothing has come to our attention to indicate that the assertions listed under ‘Scope’ above are not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the Report a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Evaluating that the boundaries of the Report are consistent with the reporting boundaries disclosed in Pan American’s 2023 Sustainability Report and include all gold mining and processing operations over which Pan American has direct control;

- Evaluating the appropriateness of the assertions and the selected information presented in the Report against the reporting criteria;
- Interviewing a selection of corporate-level management, including senior executives, responsible for:
 - Pan American’s commitments to conformance with the RGMPs;
 - The approach taken for the self-assessment to determine the current status of conformance with the RGMPs for all operations within the reporting boundary;
 - Preparing the Report to gain an understanding of the relevant management systems and processes (including internal review and control processes) used for collecting and reporting the selected disclosures;
- Reviewing a sample of qualitative and quantitative evidence supporting the reported information at a corporate level;
- Assessing of the status of selected corporate policies and guidelines and selected site-level self-assessments undertaken by Pan American to identify gaps in RGMP conformance, based on the Equivalency Statement between the Mining Association of Canada’s Towards Sustainable Mining protocols and the World Gold Council’s Responsible Gold Mining Principles; and
- Reviewing the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining the underlying information. It is important to understand our assurance conclusions in this context. Our desk-based review activities were undertaken at Pan American’s head office in Vancouver, Canada. As per the World Gold Council’s Assurance Framework for the Responsible Gold Mining Principles (September 2019), information was gathered from corporate and operational levels, and as a result of the risk assessment process undertaken in relation to Pan American’s Year 1 assertions, we did not undertake source information verification at any operated facilities. The site-level self-assessments undertaken by Pan American to identify gaps in RGMP conformance covered the following operations that were subject to external verification of TSM performance during the reporting period: La Arena (Peru), Shahuindo (Peru) and Dolores (Mexico). The following operations completed self-assessments of TSM performance, although were not subject to external verification during the reporting period: Timmins (Canada), Jacobina (Brazil), El Peñon (Chile), Minera Florida (Chile) and Cerro Moro (Argentina).

Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Pan American Silver Corp. in any respect.



19 August 2024 | London, United Kingdom
ERM Certification and Verification Services Limited | www.ermcvs.com | post@ermcvs.com



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REPORT FEEDBACK

Any feedback regarding this report is welcome. Please direct your comments or questions to: esg@panamericansilver.com