

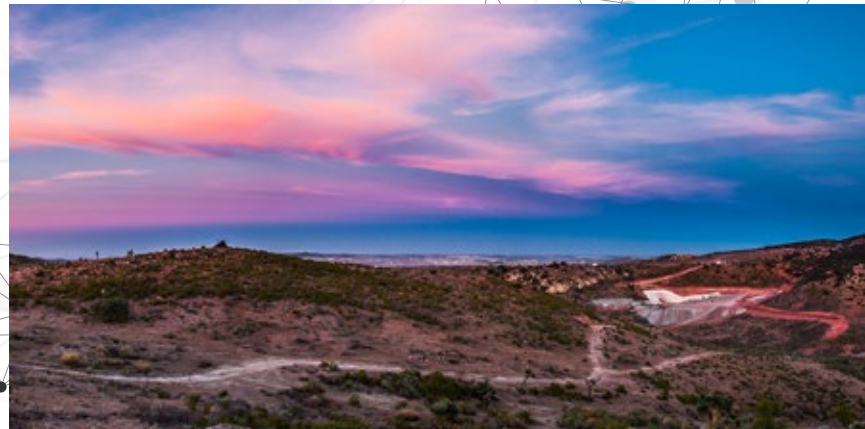


MAG SILVER



# 2022 SUSTAINABILITY REPORT

CONNECTED  
TO OUR FUTURE





MAG SILVER

## Connected to Our Future

We chose 'Connected to our Future' as the theme of our 2022 Sustainability Report because it resonates strongly with how MAG Silver envisions its connections—specifically relationships—that we cultivate and nurture with our employees, partners, governments and communities over time. These connections are consistent with our core values, support our sustainability goals and achievements, keep our projects moving forward and enable our businesses to thrive.

Connecting individuals and industry empowers diverse networks and opens new areas of opportunity: generating business and prospect leads and enabling us to recruit the best possible talent. Our people are connected through our values of creativity, care and culture, which extend to the futures of young mining professionals and the protection and preservation of our environment for generations to come.

Connections extend beyond time: The successes and challenges of our past inform our present and power our future.



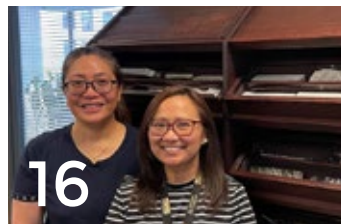


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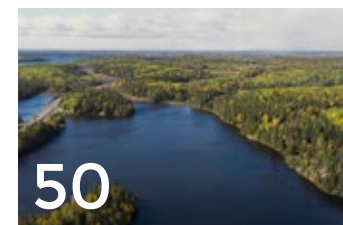
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This report uses interactive features to link to various parts of the report or additional content online

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# About our Report

[GRI 2-2, 2-3, 2-5, 2-14]

This is the second annual sustainability report (Sustainability Report) of MAG Silver Corp. (referred to herein as MAG Silver or the Company), produced to demonstrate our fundamental commitment to transparent disclosure of our material Environment, Social and Governance (ESG) topics, practices and performance for the calendar year January 1 to December 31, 2022. Our goal is to communicate to our stakeholders how we understand and meet these commitments and to continuously monitor and improve our performance through our Sustainability Strategy.

The scope of the performance data contained within this report primarily includes MAG Silver's 44%-owned Juanicipio Project (Juanicipio), which is operated by Fresnillo plc (Fresnillo) (56%) and is presented on a 100% basis. Certain labour practice disclosures and performance data regarding employees, health, safety, training and security are also included for our corporate office in Vancouver, as well as for our 100%-owned exploration projects, the Deer Trail Project (Deer Trail) and the Larder Project (Larder).

Our ESG Data Table (page 58) depicts where our environmental, social and governance performance aligns with various sustainability frameworks. This report is aligned to the Sustainability Accounting Standards Board (SASB) metrics for the Mining & Metals industry, as well as the principles contained within the United Nations (UN) Global Compact. Our contributions to, and progress on, the UN Sustainable Development Goals (SDGs) are described on page 19 and are also integrated graphically into the report narrative. Where applicable, we have noted relevant Global Reporting Initiative (GRI) indicators.

Data and information presented in this report have been aggregated and prepared by MAG Silver's sustainability team, supported by external consultants. The report has been reviewed internally by MAG Silver's executive team – including the Chief Sustainability Officer (CSO) and the Chief Executive Officer (CEO) – as well as the Health, Safety, Environment and Community (HSEC) Committee and Board of Directors (Board).

The contents of this report have not been externally assured, however, some data have been independently audited through regular financial accountability or risk management processes. Juanicipio conducts internal audits and maintains a rigid system of internal controls, which also provide a level of verification. Independent assurance of certain sustainability performance indicators and data collection processes will be considered in future reporting periods.

## Acknowledgment

MAG Silver would like to acknowledge the assistance of Fresnillo and the Juanicipio Project team in providing the data and information contained within this report for the Juanicipio Project, and for the ongoing collaboration through our technical and joint health and safety committees, senior management and department heads. We would also like to acknowledge the assistance of the Deer Trail and Larder Project teams in providing the data and information contained within this report. This report is a reflection of the tremendous efforts that the Juanicipio, Deer Trail and Larder Projects made in 2022 in the areas of Environment, Social and Governance.

In this report, references to "we", "us" and "our" refer to MAG Silver and its subsidiaries. Disclosure relating to the Juanicipio Project will refer to MAG Silver with Fresnillo as operator.

## Determining Our Material Topics

[GRI 2-13, 2-14, 2-29, 3-1, 3-3]

MAG Silver conducted its first materiality assessment in late 2020. This involved a comprehensive review of key ESG performance areas, including governance and management practices, health and safety performance, risk assessment, community engagement and social license activities, regulatory compliance and environmental stewardship.

Assessment data were collected by survey, which asked internal stakeholders to consider sustainability issues for their significance and relevance with respect to MAG Silver’s business and potential ESG impacts. Our assessment took industry trends, regulatory developments, and global industry standards into consideration. We assessed our progress against ESG rating agency criteria of material topics, as well as our strategic plans and priorities and in relation to our peers.

MAG Silver’s Enterprise Risk Advisory Committee (ERAC) reviewed the key topics to confirm that there were no significant gaps in the topics identified through the risk management process. This process involved senior management, Board members and external consultants.

The ESG topics identified with the highest rankings included, but were not limited to, health and safety (including COVID-19), climate change, water stress, environmental stewardship, tailings management, biodiversity, human rights, local communities, gender issues, security, business ethics and transparency.

Throughout 2021 and 2022, material topics were revisited and validated on an ongoing basis with information provided by consultants and the sustainability team at Juanicipio, which was further validated by MAG Silver executive management, including the CEO, CSO, ERAC as well as the HSEC Committee of the Board.

For the 2022 reporting period, executive management and the Board reviewed the material topics and made the following minor weighting changes based on emerging topics or evolving circumstances:

- Security and the safety of our people is a topic of high ongoing importance at Juanicipio and our exploration projects and has thus received increased coverage.
- In light of emerging skilled labour risk and to foster good labour relations, new policy documents including the topics of Human Rights and Diversity, Equity and Inclusion have expanded Company disclosures.
- COVID-19, while still important, has reduced in critical operational intensity and is being well managed at each site. It will thus receive less detail in its coverage. Summary details are available in our [Health & Safety Section](#).

As our sustainability reporting practices grow and evolve, we plan to continue our internal engagement and expand our external stakeholder engagement to Juanicipio and our exploration projects to identify and validate material topics on an ongoing basis.

In 2023, our material topics will be revisited and discussed with both internal and external stakeholders at each project.

## 2022 Material Topics

[GRI 3-2]

GOVERNANCE	SOCIAL			ENVIRONMENTAL STEWARDSHIP
	HEALTH & SAFETY	OUR PEOPLE	LOCAL COMMUNITIES	
Business Ethics	Occupational Health & Safety	Diversity, Equity & Inclusion	Community & Stakeholder Engagement	Climate Action
Transparency	Hazard Identification & Risk Assessment	Local Employment	Contributions to Community	Energy Use & GHG Emissions
Human Rights	Health & Safety Training	Training	Community Development	Biodiversity
Security	Emergency Preparedness	Labour Relations		Water Stewardship
				Tailings & Waste Management
				Progressive Reclamation

# About MAG Silver

[GRI 2-1, 2-6]

MAG Silver Corp. is a growth-oriented Canadian exploration company focused on advancing high-grade, district scale precious metals projects in the Americas.

MAG Silver is emerging as a top-tier primary silver mining company through its (44%) joint venture interest in the 4,000 tonnes per day (tpd) Juanicipio mine, operated by Fresnillo plc (56%). The mine is located in the Fresnillo Silver Trend in Mexico, the world's premier silver mining camp, where in addition to underground mine production and processing of high-grade mineralized material, an expanded exploration program is in place targeting multiple highly prospective targets.

MAG Silver is also executing multi-phase exploration programs at the Deer Trail 100% earn-in Project in Utah and the 100% owned Larder project, located in the historically prolific Abitibi region of Canada.



## JUANICIPIO PROJECT

SILVER/GOLD/LEAD/ZINC

**LOCATION:** Zacatecas, Mexico  
**INTEREST:** 44%  
**STATUS:** Commissioning  
**WORKFORCE:** 1,878  
**MINE LIFE:** 19+ years  
**PRODUCTION:** 8,697,372 oz in 2022



## DEER TRAIL PROJECT

SILVER/GOLD/LEAD/ZINC/COPPER

**LOCATION:** Utah, USA  
**INTEREST:** 100% (earn in)  
**STATUS:** Exploration  
**WORKFORCE:** 19



## LARDER PROJECT

GOLD

**LOCATION:** Ontario, Canada  
**INTEREST:** 100%  
**STATUS:** Exploration  
**WORKFORCE:** 15

Workforce numbers are as of December 31, 2022

Production for Juanicipio is payable silver ounces for the year ended December 31, 2022



# Our Vision, Mission & Values

[GRI 2-23]

## VISION

To be the premier, top-tier precious metals company in the Americas.

## MISSION

Advance our portfolio of Tier One quality precious metals assets through responsible discovery and development that benefits our stakeholders.

## VALUES

MAG Silver's core value clusters of Creativity, Care and Culture reflect our strengths, define our collective priorities, and represent how we approach our work and relationships with people.

**Creativity:** We are focused on the long-term; delivering our best through technical excellence, discipline, science-based exploration, discovery, innovation and advancement.

**Care:** Caring is integral to our DNA; the health and safety of our people, the collective responsibility to our communities, stakeholders and our planet, and how we manage our impact to society is who we are.

**Culture:** We are tenacious. We act with respect and integrity in everything we do; we build honest relationships and promote transparency, communication and collaboration.



# Operations & Exploration

## Juanicipio – Operations

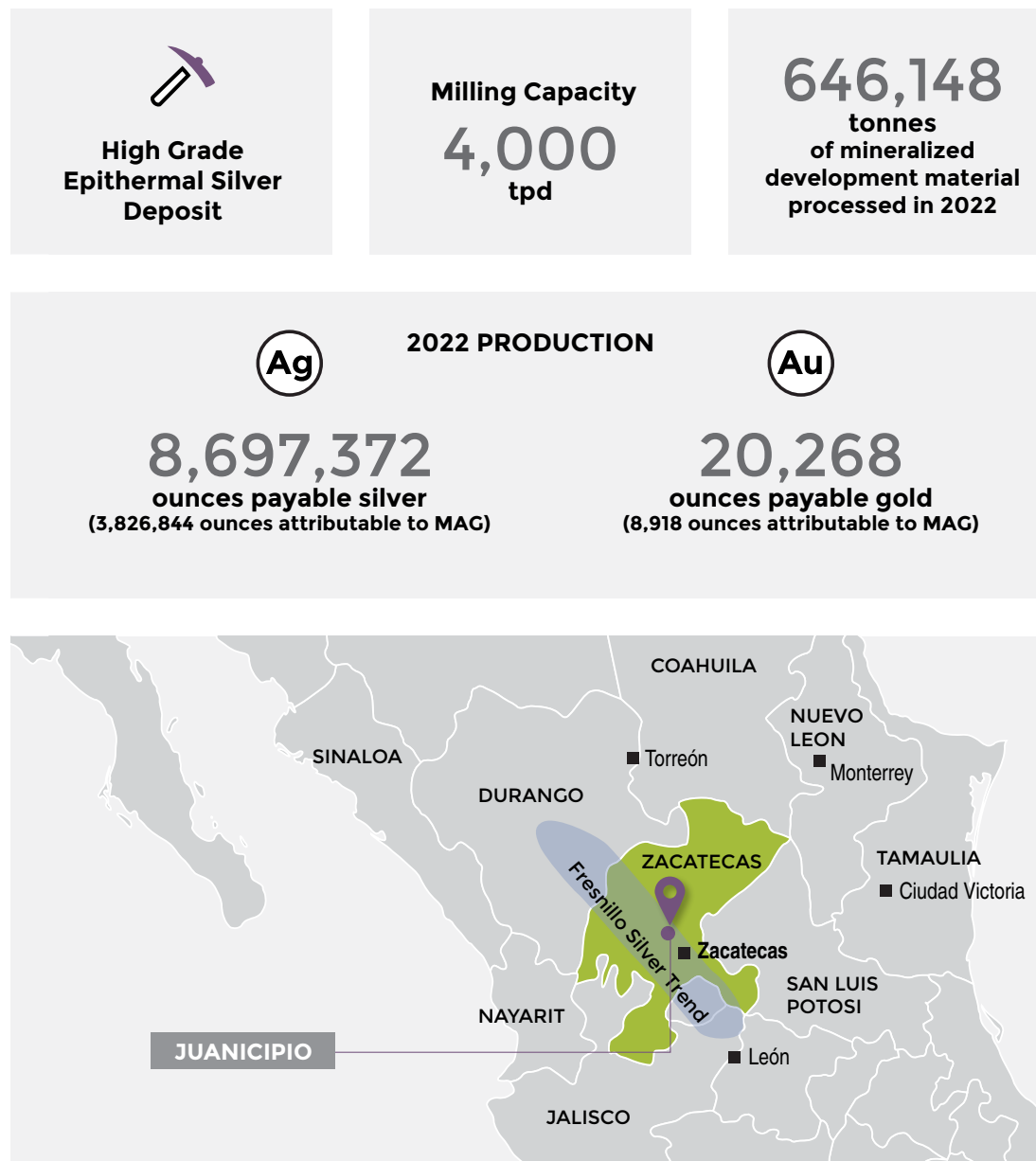
The Juanicipio Project (Juanicipio) is located in the Fresnillo Silver Trend in Mexico. The two veins of the Juanicipio deposit—the Valdecañas vein and the Juanicipio vein—are significant silver-gold epithermal deposits, making Juanicipio one of the highest grade and largest primary silver assets in the world.

Development and exploration of, and production from, Juanicipio are all being carried out by Fresnillo, with MAG Silver being represented in all Juanicipio Board, Technical Committee, Joint Health & Safety Committee (Joint H&S Committee) and ad-hoc meetings as required.

Underground development and construction of surface infrastructure and facilities progressed largely in 2022. The Juanicipio processing plant was energized following connection to the national power grid in December 2022. With the achievement of this milestone—and Juanicipio graduating to a Tier-1 silver producer—MAG is now focused on working with Fresnillo to maximize value generation from Juanicipio as the plant begins commissioning and full-scale ramp-up of milling activities.

In the first quarter of 2023, Juanicipio commenced concentrate production and shipped its first commercial lead and zinc concentrates\*. The operation remains on track to reach nameplate 4,000 tonnes per day (tpd) production by Q3 2023.

\* Juanicipio produces silver-rich lead concentrate and zinc concentrate, both of which are transported from site via trucks to Torreón, Mexico to be treated.





## Juanicipio – Exploration

In addition to underground mine production and processing of mineralized material, Fresnillo has an expanded exploration program in place at Juanicipio to delineate the Valdecañas vein and advance the evaluation of nearby veins.

Nonetheless, most of the Juanicipio concession remains unexplored with many high-potential untested targets still to be pursued. Results of the Juanicipio 2021 exploration program (23 surface-based drill holes totaling 29,421 metres) were reported in MAG Silver's Q1 2022 Management's Discussion and Analysis. Drilling in 2022 utilized six rigs (five surface rigs and one underground rig) and was focused on infilling the Valdecañas Vein System including Anticipada, Pre-Anticipada and the Venadas structures.

The main goal for 2022 was to expand and convert the Inferred Mineral Resources included in the Deep Zone into Indicated Mineral Resources. Initial drilling of an outlying target at "Los Tajos" in the northwest corner of the Juanicipio concession was also undertaken with a single highly portable rig to minimize surface disturbance.

All assays from the 2022 exploration program were pending at year end.

**95%**  
of property untested

**Multiple high  
potential targets  
identified**

**Expansive  
deep infill drilling**

Exploration activity on  
Juanicipio properties



## Deer Trail Project – Exploration

The Deer Trail Project is located in Piute County, Utah, USA. MAG Silver's exploration focus on Deer Trail is to seek the source of the historically mined, high-grade silver-lead-zinc-copper-gold Deer Trail carbonate replacement deposit (CRD) mantos.

Deer Trail has potential for large high-grade deposits as it lies at the top of the regional carbonate section and has long-suspected Porphyry center(s) nearby. The 2021 Phase I drill program saw the completion of three holes totaling 3,927 m drilled from surface and successfully fulfilled all three of its planned objectives, as noted in our 2021 Sustainability Report.

A follow up program consisting of nine holes (12,157 m total) began in 2022 and was completed in early 2023. Following this, MAG Silver reported results from the first six completed holes (10,972 m total) on January 17<sup>th</sup> 2023. Results from final three holes are pending. The highlight of these Phase II holes was the discovery of the Carissa Zone, found in an aggressive step-out drilled one kilometer (km) to the southwest of the Deer Trail Mine Corridor. The Carissa Zone is showing by far the most widespread mineralization and strongest alteration seen to date in Deer Trail drilling.

MAG Silver Phase III plans consist of drilling up to three porphyry targets, thought to be the ultimate source of the manto and skarn mineralization at Deer Trail, followed by offsets of the Carissa discovery and at least two regional targets. Geophysical surveys have been completed on various areas of Deer Trail Mountain, and environmental baseline studies and permitting in these prospective areas are complete.

**Carissa**  
**discovery**  
resulting from  
Phase II drilling  
program

**Significant**  
CRD target  
potential

**Positive**  
community relations  
and strong social  
license



Exploration drilling at the  
Deer Trail Project



## Larder Project – Exploration

In March 2022 MAG Silver entered into an agreement with Gatling Exploration Inc. (Gatling) pursuant to which Gatling became a wholly owned subsidiary of the Company and thereby acquired a 100% interest in the Larder project. The Larder Project is located in the historically prolific Abitibi greenstone belt in Northern Ontario, Canada and hosts three known gold deposits along the Cadillac-Larder Break, 35 km east of Kirkland Lake.

The Larder Project lies in a mining-friendly jurisdiction with a very long history of mining. There are First Nation agreements in place, with positive ongoing dialogue. No significant environmental legacies are known; infrastructure (electrical, gas, highway, water) and access are excellent; exploration costs are relatively low; experienced labour is readily available in the area; and permitting is streamlined, predictable and timely. Importantly, many initial targets can be drilled from existing permitted pads.

In 2022, MAG Silver initiated a comprehensive data review and initial drilling campaign at the Larder Project. The drilling program is focused below and lateral to previously identified mineralization. In total, ten holes were drilled (10,413 m) for which assays are pending.

MAG Silver is applying an integrated district-scale exploration model and modern technology to search for large-volume, high-grade gold mineralization of the style known to occur throughout the Abitibi region and along neighboring segments of the Cadillac-Larder Break. MAG Silver's technical team believes that a combination of systematic surface-based exploration combined with geophysics should uncover numerous targets in this highly gold mineralized region.



Exploration team at the Larder Project

**7.5km**  
of the Main  
Cadillac-Larder  
Break

**Positive**  
community  
relations

**Permits**  
in hand and  
drill program  
initiated

**Excellent**  
Year-round  
infrastructure

**>20km**  
of 2nd & 3rd Order Splays





## A Message from our President and Chief Executive Officer

### GEORGE PASPALAS

I am pleased to present MAG Silver's 2022 Sustainability Report. This is our second annual Sustainability Report, which continues to reflect our commitment to lasting and sustainable value to our people, stakeholders, communities and the planet. Our sustainability reports transparently disclose our policies, practices and continual progress on ESG matters of key importance to our stakeholders, including governance, human rights, health and safety, and social and environmental priorities.

### A Year in Review

The mining industry collectively faced a number of challenges during the year, including the continued effects of the COVID-19 pandemic, cost inflation and ongoing global and regional supply constraints. Despite these challenges, 2022 marked a breakthrough year for MAG Silver and JV partner and operator of Juanicipio, Fresnillo plc, with the long-anticipated connection of the Juanicipio plant to Mexico's national electrical grid and the commissioning of the Juanicipio mine in what is arguably one of the world's most promising silver assets.

“Our main 2022 objectives were to commission and stabilize the Juanicipio operation, optimize its capacity and capability and commence cash flow generation to enable exploration funding and capital allocation decisions to be implemented for the long term.”

### Our Connection to Sustainability

MAG Silver has spent a considerable amount of effort in 2022 continuing to develop and implement our ESG Roadmap. On this journey, we have become increasingly engaged with, and informed about, our stakeholder interests and expectations and our level of responsibility, accountability and transparency surrounding our commitments to sustainable development.

In addition to presenting material ESG metrics for our 44% interest in our flagship operating asset Juanicipio, we have also chosen to expand disclosure where possible for our 100%-owned exploration projects at Deer Trail and Larder. While this may not be common practice, we believe the earlier we begin integrating an ESG mindset, the more likely we are to enhance our understanding, more comprehensively manage performance and work towards continual improvement across the business. We are eager to advance all relevant aspects of sustainability, from exploration through to production and eventual mine closure.

Our governance structure supports our core values of creativity, care and culture. A top priority for MAG Silver is respect: fostering a respectful workplace for our people, engaging respectfully with local community members and respecting the natural environment in our operations. This is supported by our Code of Conduct and practice, as well as the provision of thorough training for our teams.

The MAG Silver Board of Directors continues to focus on providing effective oversight of our governance protocols, strategy, sustainability matters and enterprise-wide risk and how accountability is assigned throughout the Company.

*“The mining sector is not always easy; even when economic or operational times are tough, we remain focused on the wellbeing and prosperity of our people, the planet and the business.”*

Connecting individuals and industry empowers diverse networks and opens new areas of opportunity. This has enabled us to recruit the best possible talent who also align with our corporate Culture of Care, which actively encourages inclusivity, promotes diversity of thought and perspective, values work-life balance and ensures the importance of people is conveyed and modelled by leadership.

The ongoing health and safety of our workforce is a collective responsibility, is highly resourced and is always top-of-mind. With personnel and projects in three countries, we work diligently to support the cultural complexity around the education and awareness required to eliminate accidents and injuries and ensure every person goes home safe every day. Juanicipio has been fatality-free for more than 3 years, and the operation experienced a 4.7% reduction in Lost Time Injury Rate (LTIR) and an 8.7% reduction in Total Reportable Injury Frequency Rate (TRIFR).

We are passionate about giving back to the communities in which we work. Juanicipio has a long mine life, which allows us many opportunities to build capacity and support the development of transferable skills. As we grow our capacity and continue to see increased cash flow from an operating asset, we are confident we will see further opportunities to support engagement activities and sustainable development at our exploration projects. We are particularly proud of our growing relations with the communities of Deer Trail and Larder in 2022, including engagement with First Nations groups at the Larder Project.

Management of our water, energy and emissions remain three of our top environmental priorities. In late 2022, climate and other significant environmental risk considerations for Juanicipio were assessed through a process aligned with the recommendations of the Task Force on Climate Related Financial Disclosures. We are excited about the forthcoming development of our Climate Action Management Plan and remain committed to operating as a steward of the environment.

## Our Connection to the Future

Going forward, we intend to uphold our commitment to responsible resource development for the benefit of our stakeholders and society. We are excited about the opportunities that are resulting from the start up production from Juanicipio combined with expanded exploration opportunities at the project, as well as the potential for both diversified and significant value creation through exploration discovery at Deer Trail and Larder Projects.

I would like to extend my sincere appreciation to all project team personnel at Fresnillo and Juanicipio, and at our Deer Trail and Larder projects for their kind assistance in the development of this report. I would also like to thank our Board, senior management, technical committees and department heads for their efforts and collaboration in our personal and collective sustainability journey.

Sincerely,

**George Paspalas**  
President & CEO



## A Message from our Chief Sustainability Officer

JIM MALLORY

### Managing risks and opportunities to embed sustainability

MAC Silver is focused on building our sustainability roadmap to accelerate performance and demonstrate continual improvement in the environmental, social and governance areas that matter most to us and our stakeholders. As Chief Sustainability Officer, I am dedicated to understanding and managing our sustainability risks and opportunities to propel us towards achieving our vision of becoming a premier, top-tier precious metals company.

In last year's report, I spoke about embedding sustainability in our business culture and our business processes. Since then, we have increased efforts towards safe work practices, improved risk identification and mitigation techniques at our exploration sites; established communication channels and regular interaction with senior management, ESG and risk leaders at Juanicipio; and ensured that sustainability matters are in our corporate due diligence and risk assessment processes.

Our Social Management System was designed to support the entire lifecycle of stakeholder relations, from initial stages of identifying and mapping stakeholders all the way to engagement, collaboration and empowerment. By staying connected and working in tandem with the teams at our operating and exploration sites, we believe our actions speak louder than words on the most salient topics: Our People and a Culture of Care.

Throughout 2022, the Deer Trail Project team was continuously engaged with members of the local community and state agencies, working together to ensure all concerns were identified and addressed. In 2023, we are elevating our stakeholder engagement efforts through stakeholder interviews to assess our level of social license. Results from this exercise will identify issues of most importance to our stakeholders, appreciate the levels of social capital among the community networks and identify key focus areas for improvement.

In our 2021 report, I discussed the initial findings of climate risks and opportunities at Juanicipio and noted additional environmental risks. Since then, MAC Silver has initiated similar assessments at both our Deer Trail and Larder exploration projects, and these assessments are embedded in our risk registry and corrective action plans to address physical risks that can impact business continuity. Our top priority is to advance discovery and development without losing sight of progressive reclamation, ongoing baseline studies and engaging with the communities near our exploration activities.

We have been diligent in identifying our risks and obtaining the resources to address the most pressing matters of our people and our projects. We continue to mature as an organization through the acquisition of skilled people and continuous improvements to our governance processes, all



## Sustainability Highlights

2022 Production



8,697,372

ounces payable silver  
(3,826,844 ounces attributable to MAC)



20,268

ounces payable gold  
(8,918 ounces attributable to MAC)

while staying focused on responsible exploration, project development and, most recently, commercial production at Juanicipio.

I am proud of the way our workforce approaches health, safety and wellness associated with our workplace and environment. Safety performance has improved over the last year at Juanicipio, and both Deer Trail and Larder have embraced a 'step back and assess' culture to understand and appropriately address any risks. These behaviours are at the core of our values and are critical to the success of our teams and our business. MAC Silver's commitment to sustainability begins with leadership and is manifested through the tenacity of everyone in the Company.

I want to thank everyone at MAC Silver for their continuous effort and commitment to upholding our high sustainability standards. We have made great strides this past year and together we will continue to advance our business and sustainability goals.

Sincerely,

**Jim Mallory**  
Chief Sustainability Officer



38%

**Board Diversity**  
Women: 3 of 8  
Directors



1,926

**Total  
Workforce**

Zero

incidents of  
ethical conflict or  
corruption



Zero

**Fatalities**



62,478

**Health & Safety  
Training Hours**



**"I Care, We Care"**  
Social  
Management  
System



68%

**of all waste recycled**



108,455

**plants transplanted,  
relocated or rescued**



**Water stewardship  
incorporates  
repurposed  
wastewater**



# GOVERNANCE



We maintain focus on what truly matters to MAG Silver: the health and safety of our employees, contractors and nearby communities.”

George Paspalas, President & CEO

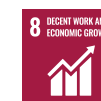


Board of Directors  
**38%**  
female members

**Zero**  
incidents of  
ethical conflict or  
corruption

Ongoing review  
of policy and  
charter updates

## Relevant SDGs associated with this section



# Our Approach

[GRI 2-9, 2-11, 2-12, 2-14, 2-18, 2-19, 2-27]

MAG Silver is committed to the highest standards of corporate governance, ethical and responsible business conduct and social responsibility. We recognize the importance robust governance plays in fostering confidence in systems and structures that enable us to achieve our objectives with integrity and transparency. MAG Silver is compliant with all applicable laws and regulations in areas where we operate in all material respects.

The Company prioritizes the health, safety, wellbeing and welfare of our people at work, while upholding our commitment to environmental stewardship and regulatory compliance. We strive to share the economic benefits of our operations and to make a positive difference in the communities in which we live and work.

The MAG Silver Board of Directors maintains the Company's robust and effective corporate governance system, provides oversight for the stewardship of the Company and ensures ongoing strategy is executed and obligations are met while operating in a safe and reliable manner. The Board is regularly engaged in sustainability matters and ESG risks through quarterly reports from its committees and management.

The MAG Silver Board of Directors is comprised of five committees:

1. The Health, Safety, Environment & Community (HSEC) Committee
2. The Technical Committee
3. The Governance and Nomination Committee
4. The Audit Committee
5. The Compensation and Human Resources Committee

All committees, except for the Compensation and Human Resources Committee, meet a minimum of four times per year and report to the full MAG Silver Board. The Compensation and Human Resources Committee meets three times per year, or more often if required.

In 2022, the MAG Silver Board of Directors was comprised of 8 members, including 5 males and 3 females (38%). 7 of the 8 directors are independent (88%), including the non-executive Board Chair.

The Company is committed to increasing Board and senior management diversity and, as per our Diversity, Equity and Inclusion Policy, has met or exceeded an ongoing target of a minimum of 30% of the Board represented by gender diverse directors. Going forward, MAG will continue its efforts to incorporate a range of diversity dimensions at the Board level and within management, while promoting a diverse and inclusive Company-wide culture.

MAG Silver's employee compensation at all levels is tied to individual and/or operational performance, the objectives for which are agreed to annually. In 2022, 20% of short-term, performance-based compensation was tied to safety, climate, social, disclosure and governance objectives. Also in 2022, part of the long-term performance-based compensation was tied to safety performance and overall ESG rating improvements.

Our personal actions and corporate business strategy are guided and supported by the following corporate level MAG Silver policy documents:

- ☑ [Code of Business Conduct and Ethics](#)
- ☑ [Anti-Bribery and Anti-Corruption Policy](#)
- ☑ [Health, Safety, Environment and Social Responsibility Policies](#)
- ☑ [Human Rights Policy](#)
- ☑ [Diversity, Equity and Inclusion Policy](#)
- ☑ [Enterprise Risk Management Policy](#)
- ☑ [Whistleblower Protection Policy](#)
- ☑ [Executive Compensation Recovery Policy](#)
- ☑ [Timely Disclosure, Confidentiality & Insider Trading Policy](#)
- ☑ [Share Ownership Policy](#)
- ☑ [Majority Voting Policy](#)
- ☑ [Advance Notice Policy](#)
- ☑ [Voluntary Adoption of Say on Pay](#)



## Management of Sustainability Policies and Strategy

[GRI 2-22]

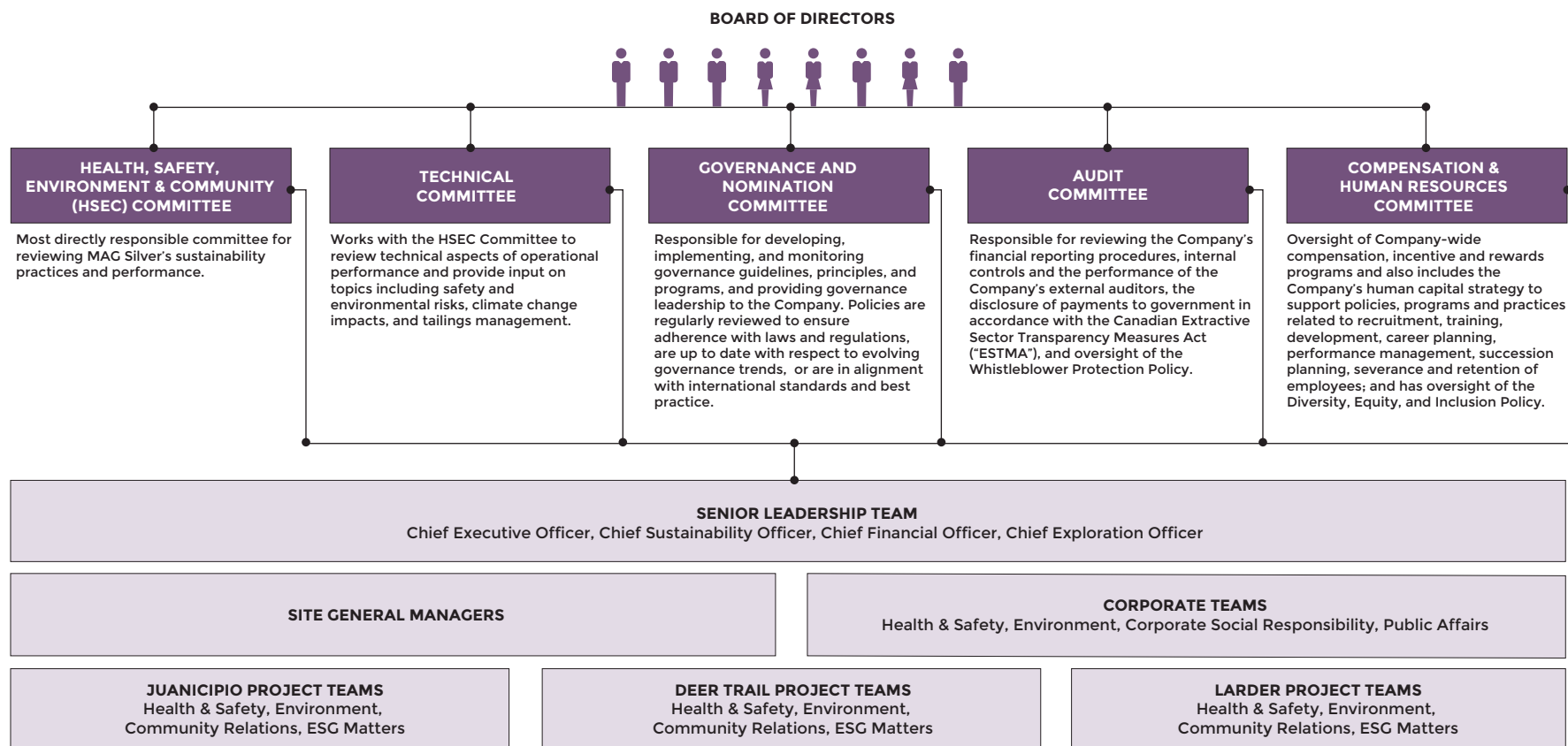
MAG Silver is committed to delivering lasting and sustainable value to its people, stakeholders and communities. The Company's approach to sustainability and responsible development integrates health, safety, environment and social responsibility into its business strategy.

The Board oversees strategy, governance and risk and provides guidance on managing risks and opportunities associated with ESG matters and sustainability. Responsibility for managing programs and practices relating to sustainability is delegated by the Board to the CEO and CSO with

support from our sustainability team. MAG Silver's overall governance structure reflects and represents the foundational structure for the oversight of sustainability and ESG matters.

Each Board committee plays an important role with respect to the integration of sustainability topics into its oversight function. The Board is regularly engaged in sustainability matters and ESG risks through quarterly reports from its committees and management.

### SUSTAINABILITY GOVERNANCE AND MANAGEMENT



## Sustainability Strategy

[GRI 2-22, 2-23, 2-24, 2-28]

MAG Silver's Health, Safety, Environment and Social Responsibility Policies establish the foundation of our Sustainability Strategy and clearly communicate the Company's expectations for employees, directors, consultants and contractors providing services for or on behalf of the Company. These policies support our corporate values and supplement the standard of conduct described in the Code of Business Conduct and Ethics, the Anti-Bribery and Anti-Corruption Policy, the Human Rights Policy, the Diversity, Equity and Inclusion Policy, as well as site-specific orientation and induction requirements.

During 2022, MAG Silver implemented its Sustainable Development Plan consisting of a staged approach designed to strengthen the Sustainability Strategy and performance. This has been accomplished by:

- Increasing public disclosure of our health, safety and environmental performance data
- Updating policies—Human Rights, Diversity, Equity & Inclusion (DE&I) and updated sections of the Code
- Developing and enhancing management systems and programs
- Seeking new ways to proactively engage with internal and external stakeholders for input to the discussions over material sustainability topics and stakeholder concerns.

## INTEGRATION OF INTERNATIONAL STANDARDS IN OUR SUSTAINABILITY STRATEGY

In early 2022, we completed a review and internal assessment to understand MAG Silver's interaction with the UN SDGs. Although our business has direct and indirect impacts on all 17 SDGs, we have started with 6 that are most closely aligned with our business strategy and where we feel we can have the greatest impact.

Our current performance against expectations of the UN SDGs is described further in this report. In 2023 we will be revisiting all the SDGs and our performance to assess how we can further contribute to the SDGs or mitigate any negative impacts.

MAG Silver became a signatory to the United Nations Global Compact (UNGC) in 2021, formalizing our commitment to the UNGC's "Ten Principles" as part of our desire to continuously improve our performance, better manage risks, and create opportunities to collaborate with and learn from peers and other stakeholders.

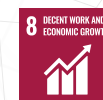
In 2022, MAG Silver participated in the UNGC Canada Network's Target Gender Equality and Climate Action accelerator programs. These initiatives provide access to peer learning opportunities, performance analysis, capacity-building workshops and multi-stakeholder dialogues. This level of network support has assisted the Company in defining its long-term diversity, equity and inclusion strategy as well as advancing our climate action strategy.

MAG Silver submitted its inaugural Communication on Progress (CoP) in October 2022 representing its performance for the 2021 calendar year.

WE SUPPORT



SUSTAINABLE DEVELOPMENT GOALS



# Our Performance

## Business Ethics & Transparency

[GRI 2-15, 2-23, 205-2, 205-3]

Our Code of Business Conduct and Ethics (the Code) establishes a framework of standards and principles to guide the actions of all MAG Silver personnel including employees, contract workers, officers, directors and suppliers as they engage in their respective Company roles in an honest and ethical manner. The Code encompasses guiding principles for all essential aspects of our work, including the requirement to adhere to all laws and applicable regulations, of a respectful workplace, equal opportunity for our workforce to achieve their full potential, and the prevention of harassment, discrimination, or workplace violence, avoiding conflicts of interest and also captures the importance of the protection of health, safety, and the environment.

Together with the Fresnillo Corporate Code of Conduct and their Third-Party Code of Conduct, these guiding principles and procedures are further embedded at the operation and supply-chain levels at Juanicipio, ensuring that business activities are conducted in accordance with high ethical standards.

MAG Silver includes a module on governance to all new employees and contract workers within their induction and annual refresher training. Personnel are asked to sign-off on their understanding of the requirement to uphold the Code of Conduct. The Company's CEO is responsible for administering and interpreting the Code, with oversight from the Governance & Nomination Committee. Non-compliance with the Code can result in disciplinary action, discharge, termination, or potential prosecution in the case of criminal activity.

In 2022, there were no Code of Conduct violations nor were any ethical conflicts raised.

## Anti-Corruption & Anti-Bribery

[GRI 2-23, 205-2, 205-3/SASB EM-MM-510a.1]

MAG Silver's commitment to prevent bribery and corruption is reflected in both the Company's Code of Business Conduct and Ethics, and its Anti-Bribery and Anti-Corruption Policy and applies to the global conduct of all Company personnel, including full-time, temporary and part-time employees, contract workers, independent consultants, and third-party representatives. The policy is critical to maintaining MAG Silver's corporate reputation and protecting the interests of its shareholders, employees, customers, suppliers, business partners and our host communities.

The objective of the policy is to provide guidance and procedures for the Company to conduct its business in an honest and ethical manner when dealing with public officials, and to ensure strict adherence to all anti-corruption laws, including Canada's Criminal Code and Corruption of Foreign Public Officials Act (CFPOA), the U.S. Foreign Corrupt Practices Act (FCPA), the anti-bribery and anti-corruption laws of Mexico, and any other applicable anti-bribery or anti-corruption laws or international best practice.

In 2022, MAG Silver updated its Anti-Bribery and Anti-Corruption Policy and provided refresher training for all employees and directors. To ensure ongoing compliance, MAG Silver's induction and annual training programs include anti-corruption, anti-bribery and money laundering content as well as Company prohibitions, a comprehensive listing of potential 'red flag' scenarios, and reporting procedures and mechanisms.

At Juanicipio, Fresnillo implements active and passive anti-bribery and anti-corruption controls and deliver due diligence and ethics training for employees and contractors. The Juanicipio workforce must strictly comply with the applicable laws related to bribery and corruption to which Fresnillo is subject, including the UK Bribery Act, the Mexican General Law of Administrative Accountability, the Mexican Federal Criminal Code, the federal and state secondary laws applicable to the private sector in relation to anti-corruption, as well as the Code of Business Ethics and Integrity.

There were no reported incidents of corruption at MAG Silver or any of its projects.



## Whistleblower Protection Policy

[GRI 2-23, 2-26]

MAG Silver is committed to maintaining an accessible reporting system to receive and address all complaints relating to accounting, internal accounting controls or auditing matters, or violations of the Code of Business Conduct and Ethics, or of other internal policies and guidelines (including the Anti-Bribery and Anti-Corruption Policy), or of any applicable law or regulation.

Overseen by the Audit Committee, the MAG Silver Whistleblower Protection Policy describes procedures governing the receipt, retention, investigation and treatment of submissions concerning suspected wrongdoing or misconduct, to encourage employees to report violations or suspected violations in a timely manner, and to protect employees who make good faith reports from any form of retaliation.

The Company has established an independent, third-party, whistleblower hotline that can be used by any employee, contractor or member of the public who suspect or become aware of a violation to anonymously report suspected violations. The hotline is available twenty-four hours a day, seven days a week, and submissions may be made in English or Spanish. Concerns may also be raised with respect to suppliers or other business partners.

Information about the employee reporting mechanism at Juanicipio can be found on page 37, and details about the community grievance mechanism and nature of community complaints are located on page 43.



MAG Silver Board of Directors visit to Deer Trail.

## Human Rights

[GRI 2-3, 2-24, 408-1, 409-1/SASB EM-MM-210a.3]

In early 2023, MAG Silver updated its Human Rights Policy, which aligns with the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, international humanitarian law and applicable local human rights legislation.

The policy reflects the Company's values and commitment to promoting a culture of respect for human rights and to integrating human rights considerations into its due diligence practices, risk assessment processes and into other corporate policies and procedures. MAG Silver intends to conduct regular and reasonable human rights due diligence to determine actual and potential human rights impacts of our activities, with the primary objective to avoid causing or contributing to adverse human rights impacts and to cooperate in the remediation of adverse impacts through legitimate processes in the event they do occur.

At Juanicipio, Fresnillo is committed to respecting human rights and does not tolerate any form of child or forced labour, including activities considered to contribute to modern slavery or human trafficking and ensures that these practices are not present in any aspect of the business or supply chain. The human rights due diligence approach is based on social assessments in the communities where projects are developed and enable the identification of social, environmental, labour and human rights risks and impacts of business activities.

Ongoing progress with respect to human rights due diligence and training is communicated internally and through various Company disclosure documents, including our annual Sustainability Report and our annual United Nations Communication on Progress Report.



## Security

[GRI 410-1/SASB EM-MM-210a.3]

There are vast differences in approaches to security within the MAG Silver portfolio, dependent upon the project location. At both the Deer Trail and Larder exploration projects, employees are few, permit footprint is small, security concerns are low (relating predominantly to ensuring employees are safe and structures and equipment are secure) and thus measures are quite basic in nature.

MAG Silver assesses ongoing security concerns through regular review of and updates to the Company Risk Register, input from risk agencies and analyses by the Company ERAC and Board committees.

At Juanicipio, security is a topic of high importance and ongoing concern as MAG Silver and Fresnillo face security challenges due to the presence of criminal elements in the region. Members of the Mexican National Guard have seen significant increase in need—particularly in northern Mexico—to protect industry and communities alike as the persistent threat from criminal activity continues to grow.

Fresnillo conducts internal security risk assessments on an ongoing basis, integrating Juanicipio's security strategy into the plans of their other neighbouring projects. Fresnillo internal security personnel, along with private security forces, use technology and intelligence to monitor and assess potential threats and collaborate with municipal, state and national security forces to determine appropriate responses.

All private security services at Juanicipio are unarmed to avoid escalation that could endanger security personnel, the Juanicipio workforce or community members, should confrontations with criminal groups occur.

Criminal background checks are conducted for all Fresnillo employees during the recruitment process with enhanced controls for members of Juanicipio's Security Department. Private security contractors must ensure their



Security checkpoint at Juanicipio entrance

candidates do not have criminal records, records of abuse, or violations of human rights through background and reference checks.

## CYBER SECURITY

Cyber security risks are disclosed as a potential risk factor in MAG Silver's annual filings and include potential areas of vulnerability and possible impacts on the Company's business in the event of an information or systems breach.

The Company and the Board recognize the importance of information technology (IT) and cyber security. As part of its ongoing efforts to address cyber security risks within the organization, MAG Silver has retained an independent IT advisory firm to develop policies and procedures surrounding cyber security and to conduct regular training and education sessions for MAG Silver's directors and employees.

The Company's exposure to cyber security risks at the Juanicipio Project is managed by the Project operator, Fresnillo, who report a robust suite of controls and systems in place to prevent and mitigate cyber security risks. MAG Silver experienced no cyber security risks or incidents in 2022 and 2021.

## Enterprise Risk Management

[GRI 2-16, GRI 205-1]

MAG Silver is committed to improving its ability to create, enhance and protect enterprise value through the regular identification and management of risks while conducting its business. The Company recognizes that risks represent both opportunities and threats and thus having an effective enterprise-wide risk management program in place is essential for the Company to pursue its strategic objectives and realize operational goals within an acceptable range of associated risk.

MAG Silver's Enterprise Risk Advisory Committee (ERAC) is made up of five members of the MAG Silver's management team who oversee the processes for identifying significant risks for harm and/or to the achievement of the Company's objectives. The ERAC is also responsible for confirming that procedures are established to eliminate or mitigate the impact of significant risks in the best interests of all Company stakeholders. This includes a review of environmental risks relating to suppliers and business relationships.

The Company risk register includes all principal business and Project risks including sustainability matters, ESG considerations, human rights and proposed mitigation strategies. The ERAC is responsible for reporting on the

principal risks and mitigation strategies to the HSEC, Technical and Audit Committees on a quarterly basis, and to the Board at least annually, or more frequently as requested. MAG Silver has an Enterprise Risk Management Policy in place, as well as a companion document for risk management processes and procedures. All employees, directors and on-site consultants and contractors must incorporate the policy into their strategic planning and decision-making processes. Oversight of the policy is the responsibility of the Chief Sustainability Officer, to whom risk considerations are received.

MAG Silver has a Corporate Crisis Management Team and utilizes a Crisis Management and Communication Plan to provide guidelines for the successful and professional management and communication of business interruption events affecting MAG Silver's operations, reputation, employees and their families, contractors, neighbouring communities and the surrounding environment.

In 2022, tabletop crisis management and communications exercises were conducted with participation from MAG Silver's management and project participants from Deer Trail and Juanicipio.





# HEALTH & SAFETY



MAG Silver's safety vision is to create a culture of zero harm and a workplace free of injuries and occupational illnesses.

**Zero**  
Company-wide  
employee/  
contractor fatalities

  
**62,478**  
Health & Safety  
Training Hours

**1.92**  
Lost Time  
Injury Rate  
(2.02 in 2021)



**3.48**  
Total Reportable Injury  
Frequency Rate  
(3.81 in 2021)



Relevant SDGs associated with this section



# Our Approach

[GRI 403-1, 403-2, 403-8]

MAG Silver is committed to the health and safety of its employees, contractors, business partners and communities in which we operate. We believe everyone should go home safe and healthy every day. Our safety vision is to create a culture of zero harm and a workplace free of injuries and occupational illnesses.

Our safety culture is upheld with a strong risk management approach that integrates worker participation in risk assessments involving their range of tasks, including job hazard analysis risk scenario planning and field-level risk assessments. Employees and contract workers are empowered to stop work if unsafe work practices or hazards are identified.

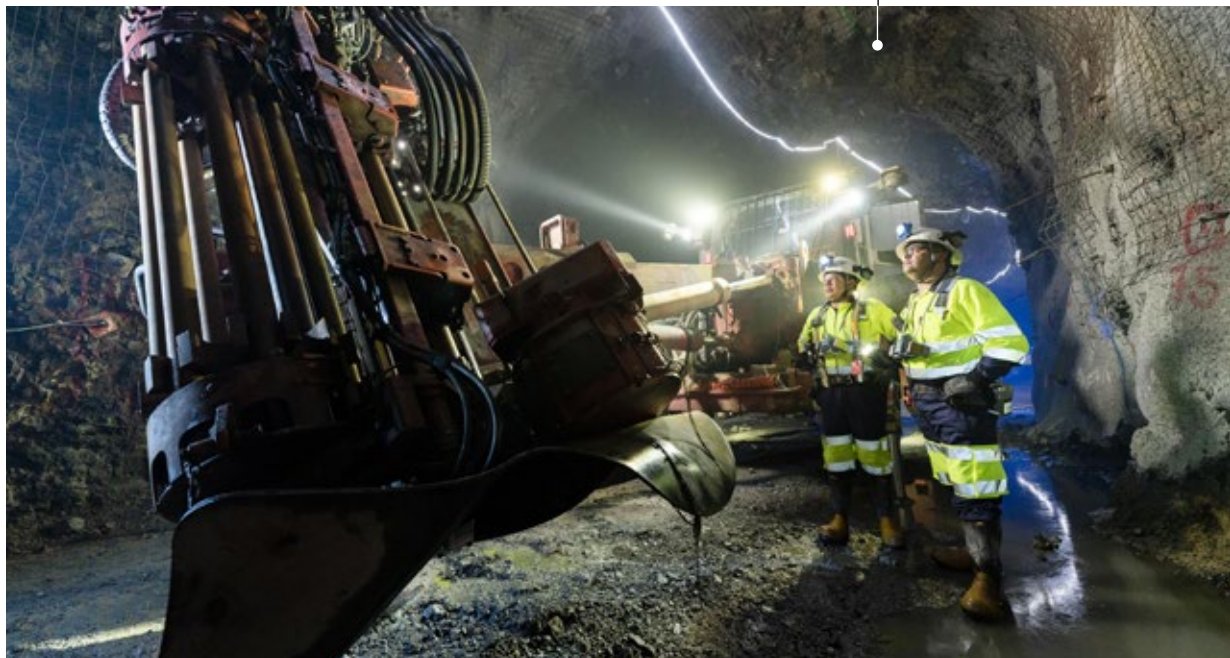
MAG Silver's Health & Safety Policy guides our commitment to identify hazards, assess risks, implement the appropriate controls and foster open communication for reporting and resolving unsafe conditions. The policy also outlines the Company's commitment to working towards a culture of zero harm.

MAG Silver's Social Responsibility Policy further reinforces this commitment and articulates the importance of encouraging a culture of safety among our stakeholders and local communities through strong leadership, employee engagement and training.

The HSEC Committee actively engages with management to provide advice, recommendations and oversight on matters relating to health and safety, and for monitoring the Company's practices and performance in these areas.

In collaboration with unions and regulators, Juanicipio participates in annual Safety Symposiums, which serve as a platform for exchanging best practices and promoting meaningful discussions on the industry's challenges and opportunities. Fresnillo also partners with unions to conduct surveys on work behaviours and wellbeing, using the insights gained from the engagement to improve its workforce strategy.

Long hole drilling activity at Juanicipio



The "I Care, We Care" safety management system has been adopted by Juanicipio and identifies the most critical risks, or risks with the greatest potential to harm individuals, and with collaboration from managers, supervisors, operators and contractors, implements the controls required to mitigate those risks. The system focuses on evaluating safety performance and monitors the progress of reducing High Potential Incidents (HPIs) and unsafe conditions in the workplace.





## Our Performance

Throughout 2022, we maintained focus on one of the MAC Silver core values: caring. Nothing is more important than the safety and wellbeing of our employees, contractors and communities. To support this focus, the Company's corporate 2022 goals linked remuneration to improved safety performance at Juanicipio (measured through Lost Time Injury Frequency rate (LTIFR) and Total Recordable Injury Frequency Rates (TRIFR)) and holding at least eight Juanicipio Joint H&S Committee meetings.

In 2022, we embedded preventive reporting in our safety culture. The "2x2 Step Back" safety calculators are used at our Deer Trail and Larder Projects and also form part of the "I Care, We Care" strategic safety pillars at Juanicipio. The process requires the workers to step back in the workplace, look and see the hazards, assess the risk, and take appropriate action—applying one or more of a selection of tiered actions according to the risk and required level of control.

Juanicipio continued to bolster the process of near-miss reporting through planned observations conducted by supervisors and other leaders. These observations reviewed the critical controls in place and identified missed or failed critical controls that could lead to harm. Of the more than 16,500 controls reviewed in 2022 approximately 1,570 or 9.4% of those were insufficiently implemented, however corrected immediately. The near miss reporting technique is promoting management-worker engagement in proactive monitoring of operational areas and immediate corrective actions.

In 2022, Juanicipio was one of five Fresnillo operations that participated in "Eye on Risk"; a peer review program designed to exchange ideas, observe practices and review safety processes and programs. The exercise included leaders from various other Fresnillo operations and disciplines who conducted a tour of Juanicipio and a series of field exercises to create a fulsome list of improvement opportunities for personnel and workplace conditions, infrastructure, communications and safety culture. Adoption of recommended improvements are ongoing, and a second Eye on Risk is being considered for 2023.

Juanicipio employees and underground maintenance shop





## Safety Performance

[GRI 403-9, 403-10/SASB EM-MM-320a.1]

### JUANICIPIO

SAFETY PERFORMANCE METRIC	2022	2021	2020
Total Reportable Injury Frequency Rate (TRIFR)*	17.40	19.05	26.37
Total Reportable Injury Frequency Rate (TRIFR)**	3.48	3.81	0.47
Lost Time Injury Frequency Rate (LTIFR)*	9.61	10.08	9.45
Lost Time Injury Frequency Rate (LTIFR)**	1.92	2.02	1.89
# Lost Time Injuries	47	50	-
# High Potential Incidents Investigated	27	35	27
Fatalities	0	0	0

\* Frequency rates include Lost Time Injury and Total Reportable medical treatment or first aid cases reported per 1,000,000 person hours worked.

\*\* Rate per 200,000 hours as per SASB

There were no employee or contractor fatalities at Juanicipio in 2022. The LTIFR reported by Fresnillo was reduced by 4.7% over the previous year. The TRIFR for 2022 also fell by 8.7% over the previous years' safety performance. Total days lost in 2022 were 1,347 and involved 49 different workers. The ongoing implementation of the "I Care, We Care" approach to enhancing a safety culture together with assessing the risks and establishing the controls at Juanicipio have contributed to overall improvements in safety performance.

There were no employee or contractor fatalities at Deer Trail or Larder Projects in 2022. For the second consecutive year Deer Trail achieved Zero Harm (zero fatalities, lost time or reportable injury) and almost 42,700 hours worked in 2022. Additional safety performance data for both projects can be found in the ESG Data Table (page 58).

## Health & Safety Training

[GRI 403-5/SASB EM-MM-320a.1]

Protecting the health and safety of our workers is our highest priority, which is why MAG Silver believes in the critical importance of best practice training, guidance, direction and knowledge for all team members to safely perform their tasks.

We also empower our team members through regular engagement to promote behavioural safety as a core organizational value and to restate that their skills and competence are essential for their safety and the safety of others.

HEALTH & SAFETY TRAINING HOURS*	2022	2021
Juanicipio	60,955	51,400
Average training hours per person	32	Not tracked
Deer Trail	1,200	770
Average training hours per person	63	55
Larder (July-Dec 2022)	323	N/A
Average training hours per person	20	N/A
<b>Total H&amp;S Training Hours</b>	<b>62,478</b>	<b>52,170</b>

\* Includes both employees and contractors

In 2022, a total of 62,478 hours were dedicated Company-wide to safety training. Of that total, Juanicipio employees and contractors received 60,955 hours of training through safety inductions and refreshers; understanding safety system elements, hazard identification and risk analysis techniques; and extensive training and review in Critical Risk Control Protocols. The increase in training over 2021 reflected higher turnover (in some part), increased recruitment and preparation for the commencement of commercial production through the processing plant.

At the Deer Trail and Larder Projects, risk awareness and emergency preparedness were key focal points in our proactive safety program. Safety training at Deer Trail Project during the reporting period included extensive first aid and emergency response training, wildlife awareness training and regular discussions around safety culture/safe working procedures. Employees also received training to improve workplace safety inspections, hazard identification and risk mitigation techniques as well as participation in monthly risk scenario planning exercises.

At Deer Trail, 1,382 hours were dedicated to safety training and risk awareness in 2022. This included a two-day inclusive workshop to refresh the team on risk competency and the use of tools needed to manage risk and integrated Systematic Advance Rescue (iSAR) techniques. At Larder, 323 hours were dedicated to safety training and risk awareness; total training hours commensurate with fieldwork commencing during the second half of the year.

## Joint Health & Safety Committee

MAG Silver engages directly with Juanicipio on an ongoing basis with respect to their occupational health and safety performance. The Joint H&S Committee led by the CEOs of both Fresnillo and MAG Silver was formed in 2022 to assist the Juanicipio management team in the review and analysis of safety performance, address operational risks and challenges, review compliance with applicable legal and regulatory requirements and conduct workplace inspections with Juanicipio employees promoting a culture of Care and Commitment as part of the Juanicipio safety system. The Joint H&S Committee plans to meet at site quarterly.

## Prevention of Occupational Illness

[GRI 403-3]

MAG Silver occupational health systems are designed to identify potential hazards, assess risk and avoid or minimize workforce exposure to harmful substances, tasks or circumstances that could lead to occupational illnesses or disease.

Before joining the Juanicipio workforce, all recruits undergo an initial baseline health check and then subsequent checks to screen for occupational diseases, and to provide ongoing guidance on preventive care measures. Site personnel identify and monitor their levels of personal exposure to a number of potential physical and chemical risks such as noise, dust, vibration, heavy metal contamination and extreme temperatures. Biological monitoring is also carried out to prevent sanitary risks, and behavioural change workshops are held to promote personal wellbeing and prevent accidents and workplace stress. Ergonomics of the work environment are evaluated to improve and prevent musculoskeletal disorders and accelerate the recovery from workplace injuries.

There were no cases of occupational illness at the MAG Silver corporate office, nor at our exploration projects in 2022.

## Promotion of Worker Health

[GRI 403-6, 403-10]

### PSYCHOLOGICAL HEALTH & SAFETY IN THE WORKPLACE

The recently enacted Mexican standard NOM-035-STPS-2018 aims to increase awareness and capacity for companies to identify, analyze and prevent psychosocial risk factors that may exist in the workplace, as well as to promote a positive and supportive environment for workplace mental health. Juanicipio has begun an assessment of the new standard, its seven psychological risk factors and employee levels of exposure in the workplace.

Juanicipio's workforce will also benefit from participation in Fresnillo's Comprehensive Wellbeing Strategy; a program which aims to holistically support the workforce both as individuals and collectively. The Comprehensive Wellbeing model recognizes 6 dimensions of health: Intellectual, Emotional, Physical, Transcendental (Spiritual), Cultural and Professional.

## Emergency Preparedness

The MAG Silver Health and Safety Policy requires each of our sites to have emergency response procedures in place. Emergency response procedures must be regularly maintained and tested not only to prepare for potential emergency situations, but to anticipate and make best efforts to minimize the impacts of unforeseen events.

Emergency response teams are in place at Juanicipio and additional recruitment to optimize rescue response is ongoing. There are two rescue stations at site equipped with self-contained mine rescues units, rapid response vehicles and rescue equipment.

MAG Silver established a crisis management team (CMT) at the corporate level to support the emergency response teams at our exploration projects and at Juanicipio. In 2022 crisis communications simulations were performed with the corporate team and between Deer Trail and the corporate team.

Both Deer Trail and Larder Projects perform regular risk planning and emergency response scenarios that include road safety, incident response and response to wildlife incidents. Deer Trail have also engaged with local county Emergency Medical Services (EMS) who have visited site to appreciate site logistics and discuss emergency scenarios.



### JUANICIPIO CERTIFICATIONS

**Healthy Company**  
Certification by Mexican health authorities for best practice in OHS, preventative care, and promotion of healthy lifestyles.

**Safe and Healthy Working Environment (ELSSA)**  
IMSS voluntary program to implement strategies and measures to improve health, safety and wellbeing of workers as well as productivity and quality in the workplace.




# OUR PEOPLE




Our core values of Care, Culture and Creativity drive our approach to recruitment, training, development and retention that is rooted in providing a respectful workplace for our most important asset, our people.





**1,926**  
Total Workforce

**48**  
MAG workforce  
(corporate and exploration projects)



**24%**  
Female Employees  
(across all projects)

MAG Silver  
Board of Directors

**38%**  
Female Members



**213,045**  
Training Hours  
(Juanicipio)

Relevant SDGs associated with this section





## Our Approach

Our people are the core of our business, our success and our shared values. MAG Silver is committed to offering a safe and healthy workplace that encourages collaboration, fosters innovation and cultivates a culture where everyone is treated fairly, with respect and has equal opportunity to succeed.

Our core values of Care, Culture and Creativity drive our approach to recruitment, training, development and retention that is rooted in providing a respectful workplace for our most important asset, our people. This is evident not only in the workplace culture but through our policy landscape, including our Code of Business Conduct and Ethics, Human Rights and Diversity, Equity and Inclusion Policies.

In MAG Silver's corporate office in Vancouver, COVID-19 gave us the opportunity to continue to explore various approaches to work and work-life balance, and we have thus adopted a flexible hybrid model and approach to working from the office and from home. In association with this shift, we surveyed our employees to understand more about their home office workplace, conducted workshops discussing the hybrid model and implemented several initiatives to provide our employees with the necessary support to succeed. Support for new ways of working included providing the proper equipment for home offices, virtual social events, improved videoconference technology and options for flexible work scheduling.

We believe that diversity promotes the recognition and use of all available talent, creates opportunities for innovation, drives strategic advantage to achieve Company objectives and deliver positive results to its stakeholders through a range of perspectives, experiences and expertise.

We respect workers' rights related to working conditions, freedom of association, freedom of speech, collective bargaining and fair working hours and wages, consistent with the relevant ILO conventions. We have zero tolerance for the use of forced or child labour.

MAG Silver finance team,  
Vancouver, BC.



# Our Performance





## Our Workforce

[GRI 2-7, 2-8/SASB EM-MM-000.B]

Our MAG Silver corporate office was comprised of 10 employees and 4 contractors in 2022. Our total workforce at our exploration projects were contractors and sub-contractors and totaled 34 people.

In 2022, Juanicipio had a total workforce of 1,878, comprised of 475 employees and 1,403 contractors (compared to 2,929 total workforce, 293 employees and 2,636 contractors in 2021). The reduction in contract workers over the previous year is primarily due to the completion of project construction winding down throughout 2022. The increase in employees was largely due to the ramp-up of operations. It was also necessary to internalize a portion of the Juanicipio workforce that was performing much of the mine development activities rather than outsourcing to accommodate Mexican Labour Law reform legislation.

Also at Juanicipio, significant progress was achieved on talent attraction through local recruitment campaigns, enhanced training and investment in new equipment for unionized employees.

				
2022	CORPORATE	DEER TRAIL	LARDER	JUANICIOPIO
Total Workforce	14	19	15	1,878
% Female	29%	32%	20%	14%
Employees	10	0	0	475
% Female	40%	0%	0%	24%
Contractors	4	19	15	1,403
% Female	0%	32%	20%	11%

1,926  
Total Workforce

24%  
Female Employees

485  
Employees

1,441  
Contractors

66%  
Local Employees

Mexican Federal Labour law reform legislation came into effect September 1, 2021 which amended several laws, including the regulation of subcontracting and outsourcing. These amendments impact operational expenditures, the need for increased internal capacity, new recruitment and training methodologies, and changes to the overall make-up of workforces in Mexico.

Local employment is a key driver of both community development and maintaining social license.

## Local Employment

MAG Silver's Social Responsibility Policy highlights a commitment to support local and regional development in the areas of our operations and projects through training and employment. The Local Content Program, which is a component of the Social Management System, will be developed for our exploration projects in 2023 where our recruitment and procurement processes will prioritize hiring and sourcing goods and services from local communities to provide economic and social benefits that remain within the regions where we conduct our business activities.

Local employment is a key driver of both community development and maintaining social license. At Juanicipio, Fresnillo promotes local employment and local procurement in the exploration, development and operational phases and works with local businesses to increase capacity to become vendors/contractors.

### LOCAL WORKFORCE AT OUR PROJECT SITES

	2022	2021	2020
Juanicipio*	67%	61%	53%
Deer Trail	58%	62%**	53%
Larder	20%	N/A	N/A

\* Local at Juanicipio is defined as the State of Zacatecas.

\*\* Local employment at Deer Trail has been recalculated for 2021 based on an improved definition of 'local' workforce. This is a restatement of the value published in MAG Silver's 2021 report (92%).

During 2022 and in preparation for commercial production, Juanicipio embarked on an extensive door to door recruitment campaign and set up meeting points in 14 different local communities (closest community is less than 5km from the project site). The objective was to launch a formal recruitment and training program for the Juanicipio processing plant operations and maintenance personnel. One hundred and forty workers were hired in the initial campaign; 100% of whom had no previous mining experience. Their professional development included training from several contractors and equipment suppliers combined with technical visits and practical experience at four different mine operations in the Fresnillo area.

Our engagement with nearby communities at Deer Trail has resulted in positive relationships and increased local employment. For Larder, we expect to have similar positive community engagement and relations as the project progresses. Read more on our community engagement in the [Local Communities](#) section of this report.



Juanicipio employees and on-site Training Centre.





## Women in the Workforce

[GRI 2-7, 2-23, 405-1]

MAC Silver’s Diversity, Equity and Inclusion Policy aligns with the company’s desire to create a respectful workplace – including the respect for human rights – and embrace the benefits that diversity brings to its Board, members of senior management, and all employees of the Company and its subsidiaries. As mining is a traditionally male-dominated industry, we design our recruitment strategy with the intent of encouraging women to apply for positions across various disciplines. Support for diversity and a respectful workplace free from discrimination or harassment is also embedded in our Code of Business Conduct & Ethics and Human Rights Policy.

In support of our commitment to fostering and cultivating a diverse, equitable and inclusive work culture, all MAC Silver employees and Board members participated in an in-depth, in-house training session on inclusion, diversity, equity and accessibility (IDEA) in 2022.

Additionally, MAC Silver representatives participated in the UN Global Compact “Target Gender Equality Accelerator Program”, which provides participants with a deeper understanding of gender performance, and guidance for setting corporate targets for women’s representation and leadership through facilitated performance analysis, capacity building workshops, peer-to-peer learning and multi-stakeholder dialogue.

Our self assessment of Gender Equality utilizing the Global Compact Gender Gap Analysis Tool resulted in an overall score of 11% (Beginner) and has identified a number of opportunities to enhance our journey to achieve gender equality through efforts in DE&I, particularly in the areas

of leadership and strategy, workplace, marketplace and community. These opportunities will be incorporated into our Corporate strategy for Human Capital Development and the Local Content Program of our Social Management System, to further strengthen our relations with our people and our communities. Read more on the Social Management System on [page 40](#).

### PERCENTAGE OF FEMALE REPRESENTATION AT MAG SILVER CORPORATE

POSITION	2022	2021
Board of Directors	38%	38%
Employees	40%	40%
Management and Executives	30%	33%
Contractors	0%	17%

Enhanced efforts to attract and retain women in the workforce is a priority at Juanicipio. Fresnillo has an overarching corporate objective to steadily increase the percentage of women in their workforce, including an increase of women in managerial and superintendent roles. Fresnillo is also committed to paying an equal wage for an equal job and has site-level policies and targets in place to close the gender pay gap.

Fresnillo have developed plans for the construction of lactation rooms at all their mining units and Juanicipio will soon benefit from the installation of adequate rooms and facilities in 2023, including the flexibility to access rooms whenever suits their circumstances.

Juanicipio employee and central control room



## Training and Professional Development

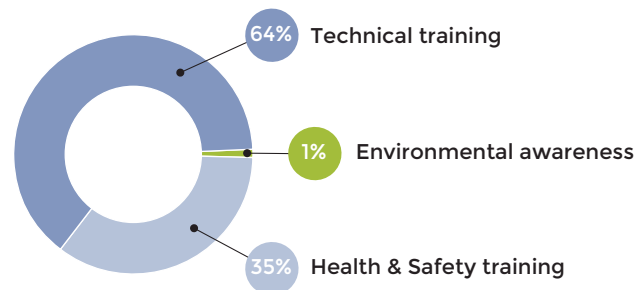
Dedicated resources for training and the continuing education of our personnel are a priority at MAC Silver to ensure employees have the knowledge, skills and capacity to fulfill their roles and responsibilities safely and efficiently and to support their ongoing professional development.

Our corporate and project site offices conduct induction training as necessary and annual refresher training for policies and procedures. We also support the professional development of our employees through certificate and designation programs, leadership development, career coaching, the delivery of in-house workshops and reimbursement for relevant conferences and short courses. The first full year of tracking and documenting employee training and professional development at our corporate office by gender will begin in 2023.

Risk awareness and emergency preparedness were key focal points in the proactive safety programs at our Deer Trail and Larder Projects, details of which are located in our Health and Safety section on [page 24](#).

### JUANICIOPIO

In 2022, there were 213,045 hours of training delivered at Juanicipio to all employees and contractors. Substantial efforts were made in delivering Technical training for new personnel in mine operations, the processing plant and the technical trades.



### JUANICIOPIO TRAINING CENTRE

[GRI 404-2]

Launched in 2022, the Juanicipio Training Centre is focused on preparing, assessing and certifying our employees, contractors and consultants for safe and competent work at site. The facility consists of 10 development 'stations' where all training takes place including: onboarding and safety induction, operating procedures, developing competence in critical risk assessment and controls, regulatory courses, heavy equipment simulations and hazardous materials handling.

Special mine equipment training also includes operator assessment and certification consistent with the National Council for Standardization and Certification of Labor Competencies (CONOCER) offered by the Ministry of Labour and Social Welfare. A series of mining core competencies were developed by industry and labour and there are 10 mine equipment operators certified through CONOCER in mechanized long-hole drilling, jumbo drilling and low profile loader operations.

Special mine equipment simulator training at the Juanicipio Training Centre



## Labour Relations

[GRI 2-30, 407-1, 408-1, MM4/SASB EM-MM-210b.2, 310a.1, 310a.2]

MAG Silver respects workers' rights related to working conditions, freedom of association, and the elimination of discrimination with respect to employment and occupation. We have zero tolerance for the use of forced, compulsory or child labour in our places of work or within our supply chains, and this is reinforced with our Code of Business Conduct and Ethics and Human Rights Policy, as well as being embedded in the commitments associated with our membership to the UN Global Compact.

Child labour exists as a well-known country risk within Mexico, however Juanicipio has strict proof of age policies and requirements embedded in recruitment and hiring procedures. These practices prevent anyone under the legal industrial working age of 18 from obtaining employment, and this proof of age requirement extends to contractors and suppliers.

All MAG Silver corporate employees are salaried professionals. At our Deer Trail and Larder exploration projects, the small workforces are comprised of contractors as required. No employees at the MAG Silver corporate office or exploration projects are unionized or under collective bargaining agreements.

At Juanicipio, senior leadership and business units maintain close relationships and engage in good faith with union through regular and respectful dialogue, leadership development programs, wellbeing activities and continuous improvement projects to strengthen their capacity and partnerships. MAG Silver and Fresnillo work closely and collaboratively with both employee and contractor unions to promote key operational aspects such as a respectful workplace, The "I Care, We Care" safety culture, productivity improvements and harassment prevention.

In 2022, the percentage of unionized employees at Juanicipio—and thus under a collective bargaining agreement—remained at 65%. The balance of Juanicipio employees are salaried professionals.

There were no labour disputes, strikes, lockouts, work stoppages, non-technical delays, or any other industrial actions in 2022.

Classroom training at the Juanicipio Training Centre



## Labour Grievances

[GRI 2-25, 2-26]

To support the MAG Silver Whistleblower Protection Policy, and confidential independent online whistleblower hotline through Integrity Counts, a secure case management system, our Social Responsibility Policy ensures mechanisms are in place across the organization to express labour concerns and submit grievances with respect to the workplace and/or organization's business conduct and activities. All MAG Silver corporate office leaders promote an open-door policy, encourage employees to share issues of concern and feel comfortable speaking freely. MAG Silver received zero whistleblower complaints in 2022 (zero in 2021).

At Deer Trail their feedback channel "The Deer is Listening" is a mechanism where the workforce and community members can provide feedback, make suggestions or raise concerns or grievances. In 2022, the Company extended its Social Management System (SMS) to the Larder Project by introducing a similar grievance mechanism and other elements of the SMS. Both the confidential Whistleblower hotline and the employee/community feedback mechanism tool was introduced to improve communication and proactively resolve issues of concern.

At Juanicipio, Fresnillo encourages employees to approach their immediate supervisor or a human resources representative with workplace concerns or complaints. If the concern cannot be resolved in this manner, grievances can be escalated or employees can use the whistleblowing line Linea Correcta—a reliable, third-party and confidential method for reporting unethical conduct. Unionized employees can also report grievances through their union representatives. All grievances are reviewed, categorized, documented and responded to within specified timeframes.

There were 11 reports through Linea Correcta at Juanicipio in 2022 (compared to 8 in 2021). Twelve labour complaints were investigated and resolved (the majority with no sanctions, however two employees were dismissed), leaving one in-progress/outstanding at year-end.

JUANICIPIO WHISTLEBLOWER COMPLAINTS	2022	2021	2020
Outstanding complaints from previous year	2	4	2
New complaints	11	8	13
<b>Total</b>	<b>13</b>	<b>12</b>	<b>15</b>
Closed complaints in reporting period	12	10	11
Outstanding complaints end of reporting period	1	2	4





# LOCAL COMMUNITIES



MAG Silver's multi-dimensional Social Management System (SMS) guides our approach towards best practice and serves to monitor, measure and improve our ongoing social performance.



## JUANICIPIO

Over 13 community engagement initiatives across 4 different project streams: health, education, capacity building and microenterprise projects



Social Management System in use at exploration projects



Grievance Mechanism in place at all projects

### Relevant SDGs associated with this section





# Our Approach

MAG Silver contributes to its communities in a number of ways, including through:

- 1 A focus on building trust and respect, being mindful and considerate of its stakeholders' concerns and making a positive difference in the communities in which the Company lives and works;
- 2 Managing risks through due diligence and risk assessments and exploring opportunities associated with economic, environmental, social, cultural rights and interests of communities;
- 3 A commitment to supporting local and regional development in the areas of our operations and projects through training and employment; and
- 4 A commitment to supporting sustainable development and social investment initiatives that benefit communities where we operate.

From a governance perspective, we updated our Code of Conduct and Social Responsibility Policy in 2022 to specifically articulate the importance of engaging with Indigenous communities through meaningful dialogue, cooperation and deepening of our shared-value approach to local development activities to promote sustainable and lasting economic and social benefits.

Our HSEC Committee oversees strategy relating to MAG Silver's Social Responsibility and Human Rights Policies, and for monitoring the Company's practices and performance in these areas. The HSEC Committee is also responsible for reviewing adherence to applicable laws and regulations of the countries in which we conduct our business and for monitoring the Company's practices and performance and that we continue to operate in a manner consistent with industry best practices.

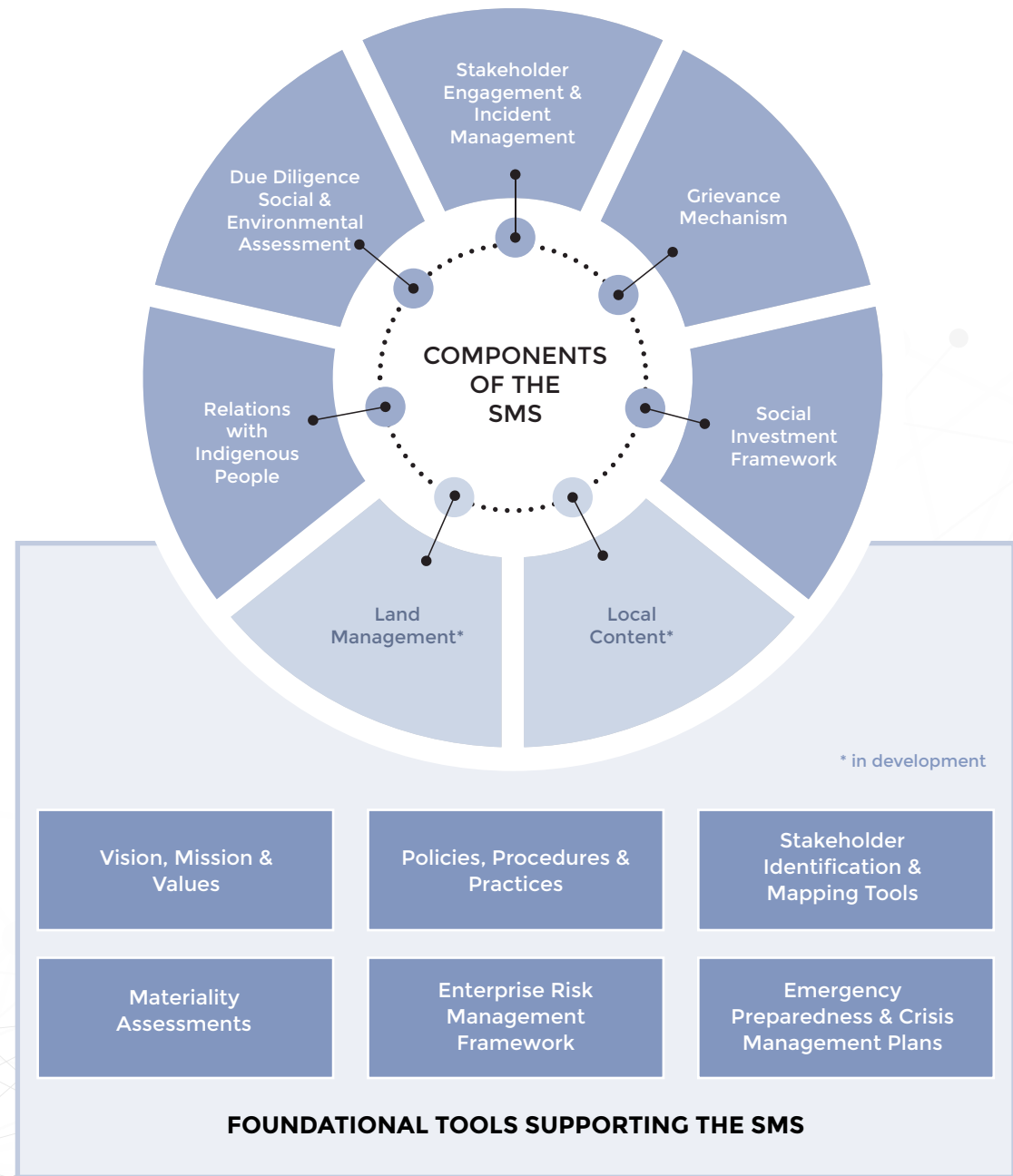


Aerial view of Juanicipio and surrounding communities

## Social Management System

[GRI 2-25]

MAG Silver's multi-dimensional Social Management System (SMS) guides our approach towards best practice and serves to monitor, measure and improve our ongoing social performance. As of December 2022, five of the seven components of the SMS have been implemented at our exploration projects including due diligence, social & environmental assessment, stakeholder engagement (including relations with Indigenous Peoples), a social investment framework and grievance mechanisms. The local content and land management components of the SMS are under development.



# Our Performance

## Community Relations and Stakeholder Engagement

[GRI 2-29, 413-1/SASB EM-MM210.a.3, EM-MM-210b.1]

MAG Silver seeks to proactively identify and engage our communities of interest in inclusive, transparent and culturally respectful dialogue before undertaking significant activities and throughout the life of a project.

Stakeholder engagement is a component of our SMS and is one of the key ways in which we stay connected with our stakeholders. Our stakeholder engagement plans are based on stakeholder and issues mapping exercises including an understanding of the more important subjects of rights holders for our First Nations registries.

### ENGAGEMENT WITH INDIGENOUS PEOPLES

MAG Silver is committed to respectful engagement and meaningful dialogue with all stakeholders. MAG Silver's internal *Guideline for Planning and Engagement with Indigenous Peoples* shapes our approach to engagement in order to better understand and recognize the unique rights, culture, history and distinct interests and concerns of Indigenous Peoples.

Our approach is guided by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the International Labour Organization (ILO) Convention No. 169 on Indigenous and Tribal Peoples, the International Council on Mining and Metals (ICMM) Position Statement on Indigenous Peoples and Mining and Call to Action 92 from Canada's Truth and Reconciliation Commission.

**MAG Silver is committed to building relationships with Indigenous Peoples through early and inclusive dialogue within the area of influence of our projects and to contribute to their economic, social and cultural empowerment.**



Larder Project's Exploration Manager with members of the McGarry local community.



## DEER TRAIL AND LARDER

Community engagement at the Deer Trail and Larder Projects is managed directly by the Company. Community engagement efforts provide team members with opportunities to explain project strategy and performance, while receiving feedback and guidance on matters of importance to stakeholders, allowing for the consideration of stakeholder interests.

Since the commencement of exploration activities, Deer Trail has maintained a stakeholder registry to identify key stakeholders and their perceptions. In 2022, MAG Silver hosted a community relations workshop where training was provided to Deer Trail personnel on how to engage transparently and effectively with stakeholders and community members. Ongoing engagement with stakeholder groups includes Piute County forestry service and local emergency planning committee, mayors and commissioners.

Deer Trail also held two local community meetings in 2022 with the mayors and commissioners of Piute County. The community meetings presented on the issues of increased local traffic in high seasons and a lack of county infrastructure. Deer Trail continues to engage with the community through presentations on safety protocols and other relevant information.

In early 2023, Deer Trail and MAG Silver will begin an initiative to conduct stakeholder interviews and assess the level of Social License (SL) of the Deer Trail Project amongst its stakeholders. Results from this exercise will identify issues of most importance to our stakeholders, understand the levels of social capital among the community networks, bolster our relationships with the local communities and provide additional opportunities for engagement and social investment.

The Larder Project has an exploration agreement with two local First Nations groups. In 2022, with the help of a First Nations engagement and development consultancy,

the Larder team met with leaders from the Apitipi Anicinapek (formerly Wahgoshig) and Matachewan First Nations to discuss the terms of reference for an Environmental Elders Committee at the Larder Project. Engagement has been productive and positive thus far, and committee meetings will begin in early 2023.

## JUANICIPPIO

Juanicippio's community engagement strategy is based on addressing stakeholder concerns and expectations throughout the mine life cycle. This includes formal and informal meetings, social and perception studies, a complaints and grievance mechanism, monitoring public opinion, collaborating with peers and promoting best practices in social and environmental responsibility. Fresnillo takes a district approach to community relations in the area, which also includes its wholly-owned Saucito and Fresnillo mines.

Juanicippio engages most closely and regularly with four nearby local communities.



## Community Concerns

[GRI 2-3, 2-25, 413-2, MM6, MM7/SASB EM-MM210.a.3, EM-MM-210b.1]

### COMMUNITY GRIEVANCE MECHANISMS

Establishing processes for the communication of questions, concerns and dispute resolution is one of the most effective ways to address challenges in the earliest possible stages while aiming to prevent possible escalation and supporting our social license to operate.

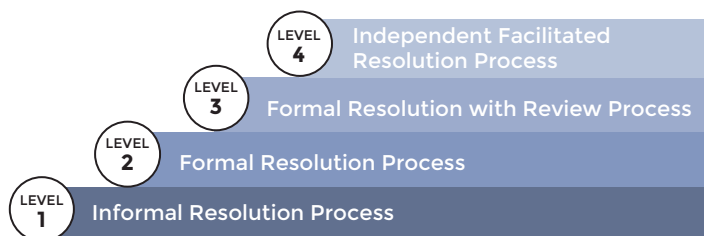
Aligned with commitments contained within our Social Responsibility and Human Rights Policies, all MAG Silver projects have implemented operational-level feedback mechanisms for local community members to share any issue of environmental, social or cultural concern related directly or indirectly to the operation.

MAG Silver’s Grievance Mechanism Protocol (GMP) is based upon the Mining Association of Canada (MAC) Site Level Grievance and Community Response Mechanism (2019), ICMM guidance for handling and resolving local level concerns and grievances, and is also used for operations-level grievances or concerns at the Deer Trail and Larder Projects.

Our commitment to building trust, maintaining respect and being demonstrably mindful of our stakeholders’ concerns is evidenced within MAG Silver’s GMP. The GMP allows stakeholders to be heard and helps us better understand our impacts on the communities in which we operate.

The GMP contains a 4-tiered system of escalation.

#### GRIEVANCE ESCALATION LADDER



Grievances are recorded through the social management system database, and as part of a continual improvement process, any patterns or trends are evaluated and assessed for effectiveness.

At Juanicipio, the community relations team works toward developing long-lasting relationships based on mutual trust. Community relations personnel solicit feedback from people in the community based on current or proposed activities and are focused on identifying and resolving issues.

In 2022, the Juanicipio Project received zero community complaints (8 in 2021) from residents located in nearby communities. There are 2 grievances that were unresolved at the end of 2022 and carried over into 2023. In previous years, the majority of concerns were related to property access, water and community roads.

JUANICIOPIO COMMUNITY GRIEVANCES	2022	2021	2020
Outstanding grievances from previous year	2	4	2
New grievances	0	8	13
<b>Total Grievances</b>	<b>2</b>	<b>12</b>	<b>15</b>
Resolved/Closed Grievances	0	10	11
Outstanding Grievances end of reporting period	2	2	4

At Deer Trail, “The Deer is Listening” is the grievance mechanism that was implemented in 2021 to proactively address Deer Trail’s stakeholder or community issues and minimize the business’s social risks. There were no community concerns voiced in 2022, however one incident was recorded in which a contractor was removed from site for violating safety regulations. There was one complaint in 2021, and zero in 2020.

In 2022, MAG Silver introduced the GMP at Larder, demonstrating consistency in our desire to improve communication and proactively resolve any issues of concern to employees, contractors and other stakeholders at the exploration level.

*Grievance* means all forms of feedback including comments, questions, requests, as well as expressing concern, dissatisfaction or complaints.

## Economic Contributions

[GRI 201-1, 201-4, 415-1]

MAG Silver's business activities create positive economic impact and tangible value in the communities where we operate through local, regional and national employment, contracting opportunities through local procurement, training and talent development and the payment of profit share, taxes and royalties.

We develop early local employment and procurement opportunities throughout the mine life cycle: during exploration, project development and operating phases.

We embrace our commitment to contributing to community, sustainable development and social investment in the regions where we operate. MAG Silver invests in education, health, environmental and capacity-building programs that have positive benefits and which demonstrate our progress on the UN's Sustainable Development Goals.

## Economic Impact and Performance

[GRI 201-1, 201-4, 415-1]

MAG Silver reported net income of US\$17.6M or \$0.18 per share for the year ended December 31, 2022 (compared to US\$6.0M or \$0.06 per share for the year ended December 31, 2021).

In 2022, a total of 646,148 tonnes of mineralized development and stope material were processed through the nearby Saucito and Fresnillo plants (both 100% owned by Fresnillo), with 8,697,372 payable silver ounces, 20,268 payable gold ounces, 4,487 payable lead tonnes and 6,758 payable zinc tonnes produced and sold. Metals are refined and sold on commercial terms under long-term off-take agreements with an affiliate of Fresnillo.

Approximately 70% of the tonnage was processed at Saucito; the flowsheet for which better resembles Juanicipio's and can thus provide valuable metallurgical information as production ramps-up at Juanicipio.

Juanicipio was connected to the national power grid in December of 2022, shortly after which the commissioning of the Juanicipio plant commenced in early January 2023 with full load commissioning underway. First lead concentrate production and first commercial shipment of concentrate occurred in March 2023.

MAG SILVER ECONOMIC VALUE GENERATED AND ECONOMIC CONTRIBUTIONS	2022 US\$M 100% basis <sup>1</sup>	2021 US\$M 100% basis <sup>1</sup>	2020 US\$M 100% basis <sup>1</sup>
Payable Gold Net Sales Proceeds	37.0	10.7	1.9
Payable Silver Net Sales Proceeds	188.7	71.4	15.4
Payable Base Metal Net Sales Proceeds	32.8	7.2	0.9
<b>Total Economic Value Generated</b>	<b>258.5</b>	<b>89.3</b>	<b>18.2</b>
Payments to Suppliers and Contractors	68.3	23.6	9.0
Employee Wages and Benefits	14.3	3.7	7.1
Payments to Government <sup>2,3</sup>	27.0	4.0	6.1
Local	0.7	0.6	0.4
Federal	26.3	3.4	5.7
Investments in mine development, equipment, and working capital	156.6	250.6	119.5

<sup>1</sup> MAG Silver holds a 44% interest in Juanicipio; Fresnillo plc owns the remaining 56% and acts as operator.

<sup>2</sup> MAG Silver receives no financial assistance from the government and makes no political contributions.

<sup>3</sup> All payments to government, including taxes, royalties and other payment types, are also fully reported on a cash basis and publicly disclosed as part of MAG Silver's annual Extractive Sector Transparency Measures Act (ESTMA) Report, which is available on our corporate website. This does not apply to Juanicipio.



## JUANICIOPIO

[GRI 201-1, 204-1]

Juanicipio participates in Fresnillo's economic philosophy that sharing the benefits of mining plays an important role in the wellbeing of people. They endeavour to create value in the regions where they operate in the form of employment, procurement, talent development, strategic community investment and the payment of taxes.

Local employment and local procurement are a district priority for Fresnillo and their support of communities in the state of Zacatecas. Significant effort is placed at Juanicipio on regional recruitment and training, purchasing goods, and procuring services from local suppliers to maximize local socio-economic benefits.

In 2022, Juanicipio generated an economic impact of approximately \$88.7M (compared to \$18.9M in 2021) through wages, taxes and payments to suppliers.

# US\$88.7M

Economic Impact by  
Juanicipio in 2022

Aerial view of the Carrillo community, Juanicipio Project.

JUANICIOPIO ECONOMIC IMPACT (US\$M)	2022	2021	2020
Wages and benefits to workers	9.7	0.1	0.0
Payments to suppliers (contractors)	52.3	15.2	3.9
Payments to local governments	0.4	0.2	0.2
Payments to federal government	26.3	3.4	5.7
<b>Total economic impact</b>	<b>88.7</b>	<b>18.9</b>	<b>9.8</b>



## Community Development

[SASB EM-MM210.a.3]

MAG Silver's approach to community development is rooted in building trust, earning respect and supporting sustainable development initiatives that benefit the communities where we operate.

### SOCIAL INVESTMENT

MAG Silver's commitment to making a positive difference in the communities in which we work is demonstrated in part through our Social Investment Framework—an integral component of the Company's Social Management System.

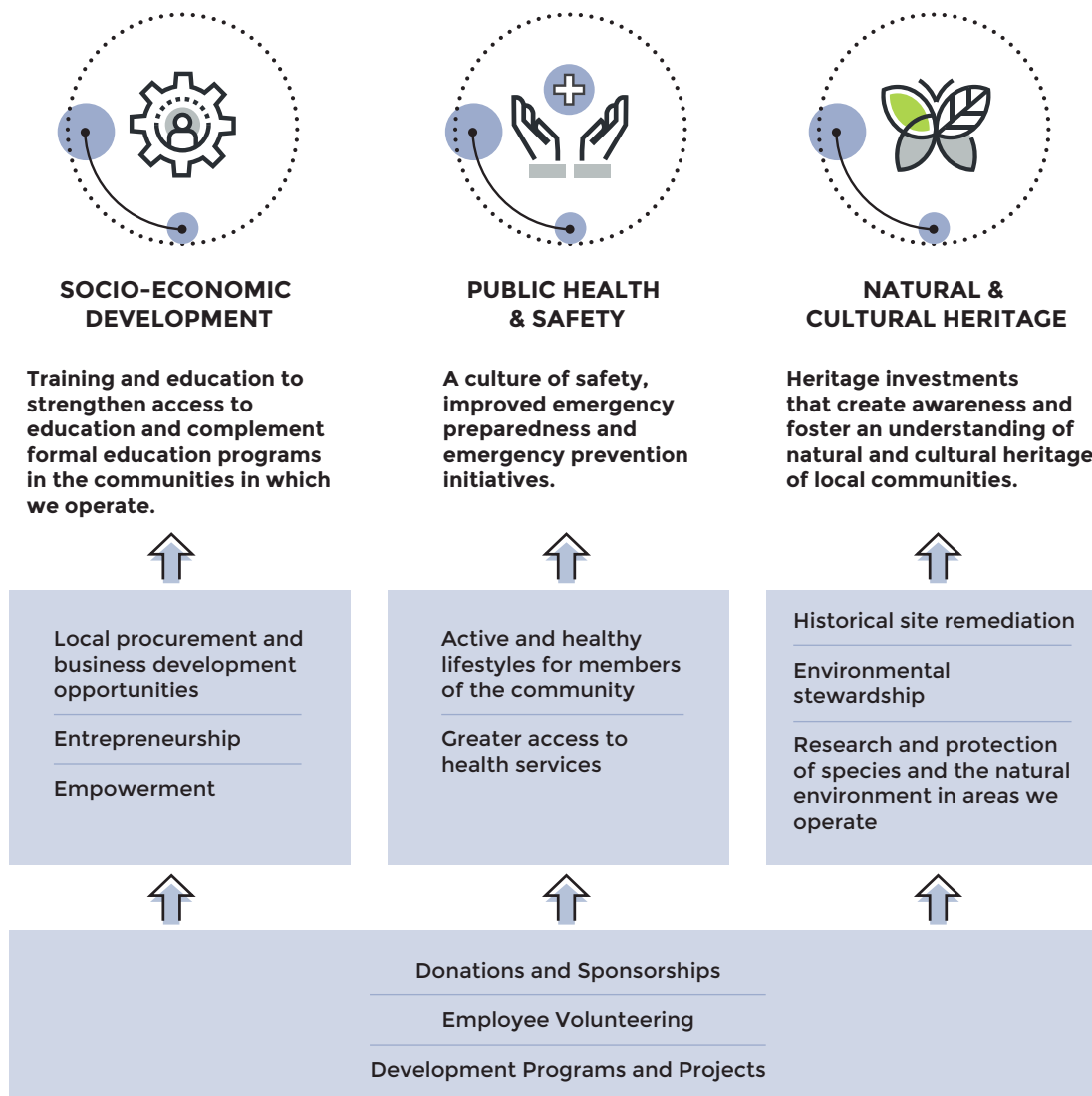
Our Social Investment Framework design focuses on an organic approach to local development activities, which promote sustainable economic impacts and social benefits. Through community relations and stakeholder engagement activities at our exploration projects, MAG Silver identifies size-appropriate, local social investment and collaboration opportunities such as donations or sponsorships for community events, support for employee participation in community volunteerism and development programs and projects within the project area.

Community investment at MAG Silver's exploration projects is managed directly by the Company, with stakeholder relations guiding contributions to community events, sponsorships and certain initiatives where employees engage in smaller community activities.

The three priority areas in our Social Investment Framework reflect several commitments contained within our Social Responsibility Policy, by supporting programs that promote, foster or support Socio-Economic Development, Public Health & Safety and Natural & Cultural Heritage.

### MAG SILVER'S SOCIAL INVESTMENT FRAMEWORK

Priority Areas and Strategic Routes



## DEER TRAIL AND LARDER

The MAG Silver Social Investment Framework has been in use at Deer Trail since 2021 and provides guidance and structure around how our exploration projects can contribute to the creation of societal value and benefit local stakeholders.

In 2022, Deer Trail was a sponsor of the Piute County Fair. Following the Social Investment Framework, Deer Trail has developed a Contribution Request Form that serves as a means for the community to request donations, sponsorship or participation from the project in local events or initiatives.

The Social Investment Framework was introduced to Larder in 2022 to emphasize collaboration with local communities and provide support through employee volunteerism, donations, sponsorships, development programs and projects.

Also in 2022, MAG Silver and the Larder Project sponsored and facilitated a variety of events with the local community, including a fish derby and a community music event. MAG Silver also made a monetary donation to the Christmas Food Drive organized by the Township of McGarry, which was matched by Dynamite Geological Services, the technical team at Larder.

## JUANICIPIO

Juanicipio participates in Fresnillo's blended-value community development project model, which aims to provide quantifiable benefits to both the community and the company, through a collaborative "district approach" (Fresnillo/Juanicipio/Saucito) with cooperation from non-governmental organizations (NGOs), government or civil society.

Juanicipio has agreements with the Fresnillo City Council and their Directorates of Economic and Agricultural Development to support local entrepreneurs through capacity-building projects and the formation of new microenterprise businesses.

During 2022, Juanicipio community development projects introduced the previous year, were further advanced and supported; transitioning from pilot stages to fully participant developed, enhanced and managed.

Juanicipio conducts community assessments on an ongoing basis to identify entrepreneurs who may meet the microenterprise development project criteria for inclusion in community development programs in 2023.



Deer Trail as a sponsor of the local rodeo



The Sewing Collective—one of Juanicipio's local microenterprises.



## Juancipio 2022 Community Development Projects



600+

people participated  
and/or served



5

communities  
of influence

### HEALTH

**Food Bank of Fresnillo's** 3rd consecutive year collecting non-perishable food for neighbours and vulnerable communities

Organized two **Women's Health Fairs** against cancer

**Run for Your Health** event with local elementary school students

**Shelter a Heart campaign** works with local business partners to donate blankets to vulnerable local community members

Organized and participated in the 6th **Conference on District Health** in alliance with Fundación UNAM and the Secretary of Health of Zacatecas



600+

students participated  
and/or benefited



12

schools  
participated

### EDUCATION

**Infrastructure improvements** to a primary student classroom and multi-purpose recreational courts

**Donation of books and supplies to "Picando Letras"**—reading workshops with trained teachers and parents as reading mediators in 12 affiliated schools

**Environmental education** at secondary schools

**Academic performance awards** at a local elementary school

**School garden projects** at 12 participating schools promoting care for the environment and education on healthy nutrition



120

people participated  
and/or served



4

reforested  
schools

## CAPACITY BUILDING

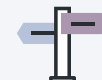
**30 family garden orchard projects and 30 backyard poultry projects**, partnering with the Department of Agricultural Development and Municipality of Fresnillo.

**Community capacity building:** training for personnel recruitment and workshops for jewelry making, baking and hairstyling.



3

microenterprises  
and projects



2

communities  
of influence

## MICROENTERPRISES

The **sustainable carpentry project** uses recovered waste wood to provide bookcases and furniture to the community. This project transitioned from being a community workshop in 2021 to a microenterprise in 2022.

**The Sewing Collective** (2021 initiative) is now self-sustaining and one of the local suppliers registered with the Juanicipio Project.

**The nopal (cactus) forage project** has grown from one hectare in 2020 to three hectares in 2022. Project members received 50% financial support from the municipal and state government to purchase two nopal mills.



# ENVIRONMENTAL STEWARDSHIP



MAC Silver is committed to conducting our operations in a sustainable and environmentally conscious manner while actively addressing the potential environmental impacts associated with our mining and exploration activities.



## JUANICIPIO



**68%**  
of all waste recycled



Water stewardship incorporates repurposed wastewater



Successful plant and wildlife relocation program

## EXPLORATION PROJECTS

Climate risks identified and indicators being tracked



Progressive remediation activities ongoing during exploration

Relevant SDGs associated with this section





# Our Approach

MAG Silver is committed to conducting our operations in a sustainable and environmentally conscious manner while actively addressing the potential environmental impacts associated with our mining and exploration activities. Our approach emphasizes effective water, waste and tailings management, responsible land use, energy efficiency and climate action within our operating environments.

Our Environmental Policy and companion procedures are designed to safeguard the environment, with a priority to preserve healthy environments and mitigate any potential negative impacts our activities may cause. To uphold our commitments, we ensure all our projects meet local environmental laws and regulations and, where applicable, also align with international standards. Ongoing training, professional development and coaching are provided to support our field and office personnel in sustaining compliance.

MAG Silver's HSEC Committee provides leadership and oversight for topics related to environmental responsibility, including compliance with applicable legal and regulatory requirements and external reporting on environmental performance, associated risks, challenges and opportunities. The HSEC Committee reports directly to the Board and is supported by the Technical Committee on issues related to operational performance and risks that would impact environmental matters.

## MAG SILVER'S ENVIRONMENTAL POLICY COMMITMENTS

- 1 Operate as responsible environmental stewards
- 2 Minimize our carbon footprint
- 3 Maintain/implement stringent water management and conservation practices
- 4 Practice progressive reclamation

Polishing pond at Larder Project

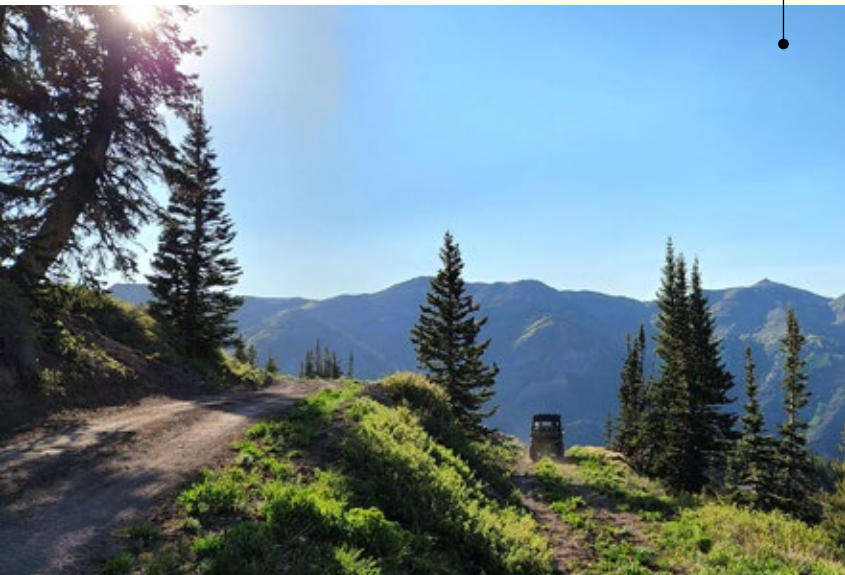


# Our Performance

In 2022, construction completion and mine commissioning activities at Juanicipio – our flagship operating asset – achieved compliance with the approved Environmental Management and Monitoring Program. This program provides detailed measures that aim to prevent, minimize and mitigate environmental impacts and supports Mexico’s targets as signatory to the Paris Climate Agreement.

Environmental stewardship at MAG Silver’s exploration projects is managed with a proactive approach and is in full compliance with regulatory requirements. Environmental data is collected and monitored on a monthly basis and environmental baseline studies are ongoing.

Deer Trail Mountain



## Climate Action

[SASB EM-MM-110a.2]

At MAG Silver, we understand the importance, and the various levels of, public concern associated with climate risks and opportunities in the mining sector and specifically, the potential for climate-related impacts as a result of our business activities.

Climate and other significant environmental risk considerations for Juanicipio were assessed in late 2022 through early 2023 through a process aligned with the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD). Through Fresnillo’s climate change risk management plans, Juanicipio will be developing a regional climate model to establish future climate variability and potential impacts. The results from this exercise are expected to provide valuable and localized information that will contribute to more effective management and protection of the project environment and nearby communities. The climate risk assessment for Juanicipio will be updated once this modelling is complete.

Physical climate change risks such as water, energy consumption, biodiversity impacts and social pressure are integrated into the risk assessment process and included in the Enterprise Risk Management register which is reviewed regularly by the ERAC and reported to the Board.

To further support the outcomes of the climate change risk management plans at Juanicipio and our exploration projects, MAG Silver will be developing a suite of climate change management practices and tools for assessing performance and risks. Company commitments, governance and processes will be implemented at the Board and management levels via our Climate Action Management Plan. Our strategy continues to focus on water stress management, promoting energy efficiency, reducing greenhouse gas emissions and fostering a corporate culture where improvement efforts by MAG Silver across our operations will align with TCFD recommendations.

Juanicipio represents MAG Silver’s principal energy consumption and the project benefits from Fresnillo’s progressive climate policies and practices. Fresnillo is actively pursuing opportunities to power operations at Juanicipio using renewable energies and reduce greenhouse gas (GHG) emissions. These commitments will be achieved by increasing access to clean energy sources and improvements to energy efficiency on site.

## Energy Use and GHG Emissions

### ENERGY USE

[GRI 302-1/SASB EM-MM-130a.1]

Overall energy consumption for 2022 was 373,271 GJ, of which 97% was consumed by Juanicipio. Scope 1 energy use by Juanicipio during 2022 was higher than 2021 as a result of increased activity related to underground mine development and finalizing project construction, including a tailings storage facility. Juanicipio's Scope 2 energy consumption will also rise significantly in 2023 with connection to the national power grid (completed in December 2022) and commencement of commercial production at the mine.

Juanicipio currently has a power supply contract with Fuentes de Energía Peñoles, which in turn has an Electric Coverage Contract with Eólica Mesa la Paz. This agreement guarantees electricity supply from renewable energy sources and operates within the Wholesale Electricity Market framework and in compliance with the Mexican Electric Industry Law.

Energy consumption at our exploration projects represents less than 4% of the Company's overall energy use.

### GHG EMISSIONS

[GRI 305-1, 305-2/SASB EM-MM-110a.1, 110a.2]

Total Scope 1 and 2 greenhouse gas (GHG) emissions for 2022 were 19,677 tCO<sub>2</sub>eq, of which 96% were associated with the Juanicipio mine.

Scope 1 and 2 GHG emissions at Juanicipio are regularly tracked and assessed to identify opportunities to improve efficiencies, reduce GHG emissions and promote the use of renewable energy. Throughout 2022, the primary source of Juanicipio's Scope 1 GHG emissions was from activities associated with underground mine development, finalizing project construction including a tailings storage facility and the transportation of mineralized material to the neighbouring Saucito and Fresnillo plants for processing. With connection to the national power grid completed in late 2022, access to renewable energy and the resultant low Scope 2 GHG emissions will continue for Juanicipio in 2023.

Our exploration projects produce less than 5% of the Company's total Scope 1 and 2 emissions.

ENERGY USE (GJ)	2022	2021	2020
<b>JUANICIPIO PROJECT</b>	<b>360,321</b>	<b>334,470</b>	<b>187,956</b>
Scope 1 energy use	253,851	245,027	121,408
Scope 2 energy use	106,470	89,443	66,548
<b>DEER TRAIL PROJECT</b>	<b>10,478</b>	<b>8,202</b>	-
Scope 1 energy use	10,361	7,818	-
Scope 2 energy use	117	384	-
<b>LARDER PROJECT</b>	<b>2,472</b>	-	-
Scope 1 energy use	2,181	-	-
Scope 2 energy use	292	-	-
<b>Total energy use (GJ)</b>	<b>373,271</b>	<b>342,672</b>	<b>187,956</b>

EMISSIONS (tCO <sub>2</sub> eq) <sup>1</sup>	2022	2021	2020
<b>JUANICIPIO PROJECT</b>	<b>18,808</b>	<b>20,050</b>	<b>10,154</b>
Scope 1 emissions	18,791	18,307	8,850
Scope 2 emissions	17	1,743	1,304
<b>DEER TRAIL PROJECT</b>	<b>718</b>	<b>562</b>	-
Scope 1 emissions	709	531	-
Scope 2 emissions	9	31	-
<b>LARDER PROJECT</b>	<b>151</b>	-	-
Scope 1 emissions	149	-	-
Scope 2 emissions	2	-	-
<b>Total emissions (tCO<sub>2</sub>eq)</b>	<b>19,677</b>	<b>20,612</b>	<b>10,154</b>



## Biodiversity

[GRI 304-1, 304-2, MM2/SASB EM-MM-160a.1, 160a.3]

MAG Silver's largest biodiversity footprint is in Mexico at Juanicipio. We are fully aligned with the strategy adopted by Fresnillo within the Mexican regulatory conservation framework established to protect biodiversity. Juanicipio is not located within or adjacent to any area of biodiversity priority or protected areas, with the closest protected area being 40km to the southwest of the mine.

Juanicipio works collaboratively with neighbouring communities to educate and invite participation in the efforts to maintain natural environmental conditions at or near the project. Juanicipio's environmental monitoring and management plan is submitted annually to regulators and incorporates biodiversity planning and management efforts, including species identification, conservation and relocation of at-risk species.

Biodiversity management and wildlife conservation are embedded in Juanicipio's environmental management system. An Environmental Impact Assessment completed prior to construction identified three regions within the Juanicipio footprint that required special attention, although none of these areas are designated conservation or endangered species habitat. These areas were integrated into the environmental management plan and have been the focus of wild fauna relocation, reforestation and soil conservation. Plant and animal species are safely captured and relocated, and soil and land conservation and recovery is a priority.

As of 2022, Juanicipio's cumulative biodiversity activities included:



Three rescue and relocation sites established, totaling **25.5 hectares**



Capture and release of **580** reptiles and mammals



A total of **108,455** individual plants have either been transplanted/relocated to our rescue and relocation sites or planted as seedlings as part of reforestation and community programs



Recovered **17,954 tons** of soil and conserved an additional **97 hectares** of soil



Commenced reforestation works on **37 hectares** of degraded land within and adjacent to the mine lease

Biodiversity activities at our Deer Trail and Larder exploration projects include cultural and heritage resource studies, flora and fauna surveys, species at-risk assessments and environmental impact assessments, which are conducted before any proposed exploration activities commence. These studies and assessments help us in the permitting and regulatory process and are beneficial for understanding the impact of our exploration and drilling activities. The assessments also identify opportunities to minimize or avoid any negative impact.

Neither of our exploration projects are located within or adjacent to any area of biodiversity priority or protected areas.



### JUANICIPIO CASE STUDY

#### Environmental Education for Youth

Forming a sense of environmental responsibility starts at an early age, and with this in mind, Juanicipio actively engages with local schools to organize activities and instill awareness and understanding of environmental stewardship.

2022 activities included reforestation principles with students from nearby secondary schools. The Juanicipio environmental team provided basic training and materials, coaching sessions for tree-planting by the students, followed by support for ongoing monitoring to ensure success.

## Water Stewardship

[GRI 303-1, 303-3, 303-5/SASB EM-MM-140a.1, 140a.2]

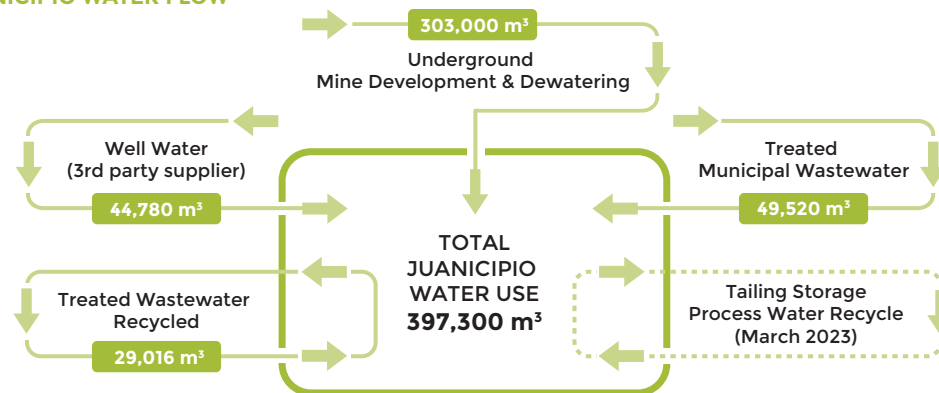
MAG Silver strives to protect water resources, understand the impact of water used in our operations and works to reduce, recycle and reuse water wherever possible. Pollution prevention is also a critical element in our approach towards ensuring responsible water stewardship.

Juanicipio operates in a river basin that currently experiences water stress. As described in the Aqueduct tool developed by the World Resources Institute (WRI), this river basin is considered to be in extremely high water stress. Juanicipio also uses Aqueduct to better understand and anticipate water stress under different climate change scenarios between 2020 and 2030.

In 2022, the majority of Juanicipio's process and operational water requirements were sourced from dewatering underground workings, which were used primarily for mine development and dust control. Juanicipio also purchased potable well water from third parties for mine development and domestic use. With completion of a Reverse Osmosis plant in 2023 and optimizing the consumption of treated municipal wastewater, all potable water and process water requirements will be satisfied through the exclusive use of treated wastewater, thus eliminating any freshwater requirements from third parties. There are two additional wastewater treatment plants on site to reuse service water for dust control and irrigation of green spaces on the property.

In line with its Water Stewardship Strategy, Juanicipio is upgrading instrumentation on flow measurements off-site and monitors any water discharged to ensure compliance with water quality regulations. No incidents of noncompliance related to water quality occurred in 2022.

### JUANICIPIO WATER FLOW



WATER CONSUMPTION BY SOURCE	2022	2021
<b>TOTAL WATER WITHDRAWN (m³)</b>	<b>445,860</b>	<b>27,255</b>
Juanicipio (see infographic for breakdown of sources)	397,300	7,355
Deer Trail (surface water)	43,560	19,900
Larder (surface water)	5,000	-
<b>TOTAL WATER CONSUMED (m³)</b>	<b>445,860</b>	<b>190,900</b>
Juanicipio	397,300	171,000
Deer Trail	43,560	19,900
Larder	5,000	-
<b>TOTAL WATER RECYCLED (m³)</b>	<b>29,016</b>	<b>163,925</b>
Juanicipio (internal residual wastewater treatment)	29,016	163,925
Deer Trail	-	-
Larder	-	-

MAG Silver also carefully manages water at our exploration projects and ensures that all permits are in place prior to initiating activities. In 2022, we continued exploration drilling at the Deer Trail Project and sourced 43,560 m³ of water from two nearby creeks, while drilling at our Larder Project consumed approximately 5,000 m³. According to the WRI's Aqueduct tool, both the Deer Trail and Larder Projects are located in areas with low water stress.

## Tailings and Waste Management

[GRI 306-1, 306-2, 306-3, 306-5, MM3/SASB EM-MM-150a.4, 150a.5, 150a.6, 150a.7, 150a.8, 150a.10, 540a.2]

MAG Silver strives to minimize releases to the air, land or water and establish appropriate treatment and disposal processes for waste, including tailings and mineral waste.

The majority of waste rock produced in 2022 was mined during development of the underground workings while accessing the mineralized development material; relatively low rates of waste rock will continue to be produced throughout the mine life as the mine deepens. Just under 410,000 t of tailings were produced in 2022 as a result of processing Juanicipio material at the nearby Saucito and Fresnillo plants (both 100% owned by Fresnillo); tailings were deposited in the respective tailings storage facility (TSF) at each site. Once the Juanicipio processing plant is commissioned in 2023, Juanicipio tailings will be deposited in its own TSF, which was designed and constructed according to the Canadian Dam Association (CDA) Dam Safety Guidelines, The Mining Association of Canada's

guide for the management of tailing facilities (MAC TSM) and the ICMM Global Industry Standard on Tailing Management (GISTM). Groundwater quality monitoring is already installed and in progress. Juanicipio's TSF represents the first implementation of the MAC TSM standards for Fresnillo, which includes third-party safety inspections and an independent tailings review panel. This review panel visited the Juanicipio site in March 2022 to observe construction and assess standards implementation.

### DOMESTIC AND INDUSTRIAL WASTE MANAGEMENT

Juanicipio operations also produce non-mineral waste from operating materials such as tires, scrap steel, wood waste, used oil and grease (and containers), among others. Hazardous wastes are subject to strict regulation by Mexican authorities while stored temporarily on site as well as final disposal at hazardous waste receiving facilities. Non-mineral wastes are most commonly managed through recycling, off-site treatment and disposal, and correspond to departments such as vehicle and equipment maintenance, facility management and personnel.

Our Deer Trail and Larder exploration projects generated non-hazardous and domestic waste (totaling 454 t at Deer Trail and 37 t at Larder) and limited amounts of drilling related hydrocarbons at Larder (0.4 t). All waste is transported offsite for appropriate disposal at authorized sites.

Tailings Storage Facility (TSF) at Juanicipio



JUANICIPIO WASTE		VOLUME BY WEIGHT (t)	
WASTE TYPE		2022	2021
<b>MINERAL WASTE</b>			
Tailings		408,468	-
Mine waste rock		314,170	-
<b>DOMESTIC AND INDUSTRIAL WASTE</b>			
Non-hazardous wastes (i.e. domestic waste - steel, rubber, wood)		779	185
Hazardous waste		130	96
Total domestic and industrial waste		909	281
% domestic and industrial recycled		68%	65%



## SPILLS

[GRI 306-3/SASB EMM-150a.9, 540a.3]

The Juanicipio mine construction and startup has been conducted in strict regulatory compliance; Juanicipio has registered no reportable spills, no significant environmental incidents and has a zero fine or citation record.

MAG Silver conducts Risk Scenario Planning and Emergency Preparedness exercises for spill response proactive stewardship at our Deer Trail and Larder projects, neither of which had any significant spills, incidents or sanctions during 2022.

## Progressive Reclamation & Closure

[GRI 304-3]

### JUANICIPIO

Fresnillo's mine closure plan considers both physical and social impacts resulting from constructing and operating the Juanicipio mine. The closure vision outlines the intended use and goals for the land after mining operations have ceased and involves early stakeholder engagement to address social impact. The social transition may include initiatives such as workforce training, local procurement, infrastructure transfer and ongoing monitoring.

### DEER TRAIL

The Deer Trail Project encompasses the historic Deer Trail mine and adjoining Alunite Ridge area in Piute County, Utah. Some reclamation work began in 2019 and included rehabilitation work over two historical drill pad sites, collaboration with previous owners on the removal of abandoned mine and mill equipment and

removal of damaged buildings. In 2020, progressive reclamation continued in the legacy mill area where waste rock dumps were moved to an old tailing storage area and the waste rock area was recontoured. In 2022 technicians at Deer Trail focused on old drill pad revegetation utilizing recontouring and seeding techniques and cut vegetation as recommended by the United States Forestry Service.

The closure plan for the historical Deer Trail Mine area was approved by the Utah Department of Oil, Gas and Mining in 2020 and will be updated in 2025.

### LARDER

Upon acquisition, MAG Silver assumed the commitments of a 6-year Progressive Rehabilitation Plan of the historical Cheminis mine on the Larder Project property. Larder has completed 2 years of the 6-year plan approved by provincial regulators for the site and is not subject to a full Closure Plan. Additionally, MAG Silver has initiated investigations and a soil/water characterization program over an area of historical mining activity and tailing storage identified by provincial mine regulators on the Larder concessions. The program began in 2022 and will continue in 2023 to determine if any progressive rehabilitations plans are required for this area.

Revegetation area at Deer Trail



## ADDITIONAL RESOURCES

In addition to this Sustainability Report, MAG Silver's reporting suite includes various reports, policies and data that support our sustainability disclosure.

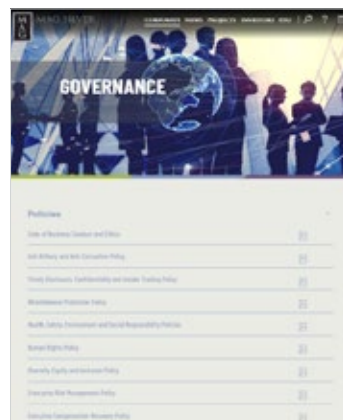
All documents are available on our website [www.magsilver.com](http://www.magsilver.com)

MAG Silver Corp.

## 2022 Sustainability Performance Data

Section Name and Relevant Indicators	SAR Indicator(s)	GRI Indicator(s)
<b>Board &amp; Executive</b>		
Board Composition	104	104-1, 104-2, 104-3
Executive Compensation	105	105-1, 105-2, 105-3
<b>Human Capital</b>		
Human Capital & Talent	102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000	

🔍 ESG Data Table



**GOVERNANCE**

**Policies**

Code of Business Conduct and Ethics	25
Anti-Bribery and Anti-Corruption Policy	25
Human Resources, Employment and Trade Union Policy	25
Environment Protection Policy	25
Health, Safety, Environment and Social Responsibility Policy	25
Supplier Rights Policy	25
Security, Safety and Protection Policy	25
Emergency Risk Response Policy	25
Anti-Money Laundering Policy	25

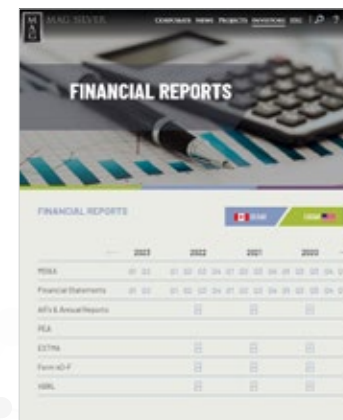
🔍 Sustainability Policies



🔍 Annual Information Form



🔍 Management Information Circular



**FINANCIAL REPORTS**

	2023	2022	2021	2020
Financial Statements	25	25	25	25
MDA & Annual Reports	25	25	25	25
MDA	25	25	25	25
MDA	25	25	25	25
MDA	25	25	25	25

🔍 Financial Reports

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Sustainability Report includes certain statements that may be deemed to be “forward-looking statements” or “forward-looking information” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Canadian securities laws (collectively, “forward-looking statements”). All statements in this Sustainability Report, other than statements of historical fact, are forward-looking statements, including, but not limited to, statements regarding: the contents or production of any subsequent sustainability reports; the development of a regional climate model and an updated climate risk assessment for the Juanicipio Project; the continuation and expansion of, and anticipated benefits from, community, stakeholder and environmental initiatives and projects; the exploration of feasible decarbonization opportunities, including evaluation and utilization of renewable energy sources; the development of a climate action management plan and planned disclosures related thereto; managing and providing effective oversight of governance and DE&I protocols and strategy, sustainability matters, and enterprise-wide risks and opportunities, including through the development and implementation of a suite of climate change management practices and tools aligned with TCFD recommendations; and the conduct of human rights due diligence to any human rights-related impact of operating activities; the anticipated benefits of new and ongoing induction and annual training programs and entity-wide participation in, and adoption of recommended improvements from, peer review programs such as “Eye on Risk”; future contributions towards achieving UN SDGs and mitigating negative impacts from operating activities; the successful implementation of mine closure and rehabilitation plans on the timeline contemplated herein, if at all; expectations with respect to business plans, exploration and development operations, the ramp up of the Juanicipio plant to the 4,000 tpd design capacity and the anticipated cash flow and value generation arising therefrom; and other future events or developments. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Although MAG believes the

expectations expressed in such forward-looking statements are based on reasonable assumptions, including the assumption that environmental and social programs and initiatives currently being advanced will continue to progress in a manner that aligns with expectations, such statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or developments to differ materially from those identified in the forward-looking statements.

Factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, impacts (both direct and indirect) of virus outbreaks, including COVID-19 as a global pandemic, on world markets and MAG Silver’s business; supply chain constraints and general costs escalation in the current inflationary environment heightened by global economic and political instability; changes in applicable laws, regulations or community guidelines, including emerging climate change regulations and recent amendments to the federal mining laws in Mexico; changes in mineral production performance, exploitation and exploration successes; continued availability of capital and financing; general economic, market or business conditions, political risk, currency risk and capital cost inflation; risks related to maintaining a positive relationship with the communities in which MAG Silver operates; and such other risks that are identified in MAG Silver’s regulatory filings with the Securities and Exchange Commission in the United States, as filed on EDGAR at [www.sec.gov](http://www.sec.gov), and with the Canadian securities commissions and regulatory authorities, as filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

These forward-looking statements are made as of the date of this Sustainability Report and MAG Silver does not intend, and does not assume any obligation, to update these forward-looking statements in order to reflect events or circumstances that may arise after the date of this Sustainability Report, except as required under applicable securities legislation. Readers are thus cautioned not to place undue reliance on forward-looking statements.





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