

# **MAG SILVER CORP.**

## **HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY POLICY**

MAG Silver Corp.'s ("MAG" or the "Corporation") Health, Safety, Environment and Community ("HSEC") policy has been established to clearly communicate MAG's expectations for employees, directors, contractors and consultants providing services for or on behalf of MAG.

The HSEC Committee of the Board of Directors of MAG shall assist the Board in its oversight of MAG policies including:

- a) sustainability conduct, including environmental, health, safety and social policies and programs and overseeing performance in such areas;
- b) the Corporation's compliance and applicable legal and regulatory requirements associated with health, safety, environmental and community conduct; and
- c) the Corporation's external reporting in relation to health, safety, environmental and community conduct.

The policies outlined below supplement the requirements, guidelines and standards of conduct described in MAG's other internal and external policies. This includes MAG's Code of Business Conduct and Ethics, Commitment to Anti-Bribery Conduct, and site-specific orientation and induction requirements amongst others. MAG requires annual affirmation of the knowledge and compliance of MAG's policies. The policies will be reviewed regularly and updated as required.

This policy is intended as a component of the flexible governance framework within which MAG's Board of Directors, assisted by its committees, directs the affairs of MAG. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of MAG's constituting documents, it is not intended to establish any legally binding obligations on MAG or limit or diminish any rights or remedies of MAG

### **1. Health and Safety Policy**

MAG is committed to the safety, health and welfare of our employees and their families, our contractors and our visitors (collectively, "team members"), as well as the safety and well-being of the communities in which we work. All team members will take accountability for their personal safety and the safety of others working around them. MAG is committed to a culture of zero harm.

#### **To achieve our health and safety objective, MAG will:**

- Provide team members with the necessary training, guidance, direction and knowledge to safely perform their tasks and maintain records of the training
- Require that team members annually reaffirm their skills and competence necessary for their safety and the safety of others
- Require that each site have an emergency response procedure in place

- Provide access to first aid facilities and services and obligate team members to wear personal protective equipment when required
- Support and encourage the efforts of team members to gain the knowledge and skills to continue to promote a safe and healthy life beyond the workplace
- Identify risks and hazards and eliminate, isolate or mitigate the risks and hazards that could result in health risks, injury to team members or harm to the environment and local communities
- Continuously seek improvements in policies and procedures to further lower risk and eliminate hazards through team member communication and feedback, motivation, reward and recognition, health and safety system reviews, and incorporating new technology, techniques and processes.
- Maintain and test emergency response plans to minimize the impacts of unforeseen events

**The safety, health and well-being of our workers and their families are MAG Silver's greatest responsibility.**

## **2. Social License and Sustainable Development Policy**

MAG is focused on building trust and making a positive difference in the communities in which we live and work.

### **MAG is committed to:**

- Identifying and engaging our communities of interest in timely, inclusive, ethical, transparent and culturally-respectful dialogue prior to undertaking significant activities throughout the life of a project
- Establishing formal grievance mechanisms as part of our overall community engagement process
- Monitoring, continuously improving, and reporting on the performance and effectiveness of our activities related to corporate social responsibility
- Implementing meaningful and effective strategies for community engagement
- Facilitating opportunities for community or individual growth
- Promoting a safe environment for local communities
- Respecting the social, economic and cultural rights of local people
- Assisting local and regional development in areas where we are the operator of our projects through training and employment
- Adhering to all applicable laws and regulations of the countries and regions where we conduct our business, including those relating to human rights, and operating in a manner consistent with the Voluntary Principles on Security and Human Rights and industry best practice, respecting the Universal Declaration of Human Rights and the Convention on the Rights of the Child.

**MAG will strive to improve the actions and conduct of every MAG employee and contractor to maintain and enhance our social license to operate.**

### **3. Environmental Policy**

MAG is committed to wise environmental stewardship. MAG employees care about protecting the environment for future generations while providing for safe, responsible and profitable projects by developing natural resources for the benefit of its employees, shareholders and communities.

#### **To achieve our environmental objective, MAG will:**

- Fully comply with all applicable environmental laws, regulations and other environmental obligations
- Protect the environment by applying proven management practices to prevent pollution and mitigate impacts
- Communicate its commitment to excellence in environmental performance with its subsidiaries, employees, contractors, and other agents and the communities in which it operates
- Strive to minimize releases to the air, land or water and will ensure appropriate treatment and disposal of waste
- Allocate the necessary resources to meet its reclamation and environmental obligations
- Seek opportunities to improve its environmental performance through adherence to these principles
- Report progress to its employees, shareholders and the communities in which it operates on a timely basis
- Communicate openly and transparently with internal and external interested parties to develop a mutual understanding of environmental issues, needs and expectations

**MAG is committed to excellence in environmental performance to maintain and enhance our license to operate.**

### **4. Human Rights Policy**

MAG is committed to respecting human rights as outlined in the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and under international humanitarian law as well as any applicable local human rights legislation.

To ensure we meet our commitments, MAG will assess potential human rights issues, take measures to avoid infringing on human rights, and seek constructive dialogue and partnerships with stakeholders impacted by our activities.

MAG is committed to regularly reviewing and assessing the effective implementation of and compliance with this policy. MAG will ensure relevant corporate procedures, standards and guidance support the implementation of and are aligned with this policy, in particular: the Social License and Sustainable Development, Health and Safety and Diversity policies as well as the Code of Business Conduct and Ethics and Health, Safety, Environment and Community Charter.

## Scope and Responsibility

This policy applies to MAG and its wholly owned subsidiaries. MAG expects that each of its wholly owned subsidiaries that conduct mining operations will establish procedures to ensure compliance with this policy. All MAG board members, officers, contractors or any third party conducting work or acting on MAG's behalf will behave in a manner that respects human rights and avoids infringing upon them. MAG will take appropriate measures to ensure that this policy is respected.

### To meet our responsibility to uphold human rights, MAG will:

- Take actions to embed a human rights culture in our company and ensure employees and contractors are made aware of this Human Rights Policy and understand their responsibility to comply. These measures include awareness-raising and training on the policy and specific aspects within it, such as how to report concerns related to human rights via company grievance mechanisms
- Respect the rights and dignity of employees, contractors, partners and community members impacted by our business. MAG is committed to creating a safe and diverse workplace where decisions are non-discriminatory towards race, color, religion, nationality, gender, ethnicity, age, marital status, creed, sexual orientation, political beliefs, pregnancy, disability or other basis prohibited by law
- Respect workers' rights, including freedom of peaceful assembly and association, and engagement in collective bargaining consistent with the relevant International Labour Organization (ILO) conventions on that subject
- Not tolerate the use of forced, compulsory or child labor
- Be committed to continual improvement of our human rights practices and will regularly review and assess the effectiveness of and our compliance with this policy.

## 5. Compliance

For employees, non-compliance with this policy may be grounds for disciplinary action up to and including termination of employment. For consultants and contractors, non-compliance may be grounds for contract termination. For directors, non-compliance may be grounds for case-specific disciplinary action, which may include immediate discharge or removal.

Reviewed and approved by the Board of Directors on this 23<sup>rd</sup> day of March 2020.

To the extent that any joint venture is not controlled by the Corporation, the Corporation will endeavor to use its influence to cause the joint ventures to adopt and follow policies substantially consistent with the *Code of Business Conduct and Ethics*.

No set of specific rules can anticipate or capture every possible instance in which an ethical issue may arise. Instead, all of us must be guided by the overarching principle that we are committed to fair and honest conduct and use our judgment and common sense whenever confronted with an ethical issue.

## **Health, Safety, Environmental and Community Policy**

### **Acknowledgement**

I, (insert name) \_\_\_\_\_ hereby acknowledge having reviewed the aforementioned policies and that I understand its provisions and will respect and comply with the Health, Safety, Environment and Community policy and its intent at all times.

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Signature

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Date