



PAN AMERICAN
— SILVER —

MANDATE OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer (the “**CEO**”) provides effective leadership and vision for Pan American Silver Corp. (the “**Company**”), sets an example for management to foster good governance, ethical and responsible decision-making, and social responsibility.

The CEO and senior management team will have direct responsibility for the ongoing strategic planning process and the establishment of the goals and objectives for the Company, which are to be considered not less than annually by the board of directors of the Company (the “**Board**”).

APPOINTMENT

The CEO will be appointed by the Board, and shall have the competencies and skills recommended by the Nominating and Governance Committee and considered appropriate by the Board.

The CEO will report to the Chair of the Board and be accountable to the Board and to the committees of the Board as requested from time to time by the Chair of the Board and the chairs of the committees of the Board. The performance of the CEO shall be evaluated annually by the Human Resources and Compensation Committee, who will report the results of such evaluation to the Board for the Board’s consideration.

DUTIES AND RESPONSIBILITIES

The CEO shall be responsible for the management of the affairs of the Company. The CEO shall have the following specific responsibilities but these do not, in any way, limit or comprehensively define the CEO’s overall responsibilities for the management of the affairs of the Company:

- a. provide the leadership and vision necessary to manage the Company;
- b. provide general supervision and management of the daily and routine affairs of the Company within the guidelines established by the Board, consistent with decisions requiring prior approval of the Board and the Board’s expectations of management;
- c. guide and inspire the employees of the Company, providing the executive leadership necessary to ensure the long-term success of the Company;
- d. provide leadership in establishing the Company’s long-term strategic plan in conjunction with the Board, and assist in the formulation of the Company’s corporate vision, objectives, and the overall strategy of the Company;
- e. develop and maintain an effective organizational structure that reflects operational needs and defines the authority and responsibility of management;
- f. appoint, counsel and monitor the performance of senior management, and to ensure the Board has regular exposure to senior management;



- g. set the ethical tone for the Company and management, including (i) overseeing the administration and implementation of, and compliance with, the Company's policies and procedures; (ii) satisfy the Board as to the integrity of the CEO and other senior officers; and (iii) satisfy the Board that the CEO and other senior officers create a culture of integrity throughout the organization;
- h. with the chief financial officer of the Company, to implement policies and processes to ensure the integrity of the Company's internal controls, management information systems and financial reporting; and
- i. lead the development of appropriate and effective risk management strategies, including procedures to identify and manage risk and to respond to crisis, along with effective communications mechanisms for the reporting of and response to risks and incidents, and with management, advise the Board of key risks and any serious incidents.

Working with the Board

The CEO is the primary nexus between the Board and management, and will work with the Board to achieve the goals and objectives of the Company. In doing so, the CEO will:

- a. communicate in a timely fashion with the Board on any matters of importance affecting the Company and its ability to carry on its business, to work closely with the Chair of the Board in setting Board agendas, and to provide timely and relevant information to the Board to enable the Board to effectively discharge its obligations;
- b. assist the Nominating and Governance Committee in developing and updating the Board, Board committee and executive position mandates;
- c. together with the Nominating and Governance Committee and the Chair of the Board, ensure the development of an orientation program for new directors and a continuing education program for directors;
- d. together with the Human Resources and Compensation Committee, to oversee the human resources department and develop the Company's human resources strategy, including among other things, the succession planning process, management structure of the Company, and the appointment of officers;
- e. together with the Human Resources and Compensation Committee, make recommendations to the Board on salary levels and matters relating to the Company's incentive programs and other compensation;
- f. together with Human Resources and Compensation Committee and the Company's human resources department, recruit and develop individuals for senior management positions within the Company to ensure the appropriate skill, experience and diversity are adequately reflected in its overall composition;
- g. together with the Nominating and Governance Committee and the Board, to periodically review and make recommendations to the Board with respect to the appropriateness of the terms of this mandate;
- h. together with the Human Resources and Compensation Committee and the Board, to participate in developing CEO annual accountabilities consisting of personal and corporate goals and objectives aligned with the Company's long term goal and strategic objectives, as well as indicators to measure the CEO performance, and present them to the Board for review, and in the Board's discretion, approval; and



- i. oversee the development of annual objectives, long term and strategic plans, business, capital and operating plans and budgets for the Company, monitor the corporate performance relative to the foregoing, and provide periodic reports and recommendations to the Board in connection therewith.

General Obligations

The CEO will:

- a. oversee the development of the Company's annual budget, including any significant capital plans and allocation of funds to operations and capital projects, and present the annual budget to the Board for approval;
- b. direct and oversee the securing of any financings deemed by the Board to be necessary for the Company to maintain its operations and development and carry out assessments of various financing alternatives including debt, equity and hybrid options;
- c. make regular assessments of the capital structure of the Company in order to ensure an optimal capital mix of debt and equity; and
- d. otherwise ensure the development of policies necessary for the Company to achieve its strategy and objectives and recommend those policies to the Board as appropriate.

COMMUNICATIONS

The CEO plays a crucial role with the Company in communicating with its stakeholders. In connection with this role, the CEO will:

- a. work with the Board and management to develop the policies and procedures necessary to provide effective communication by the Company with its shareholders, other stakeholders and with the public generally;
- b. in consultation with the Board, develop and guide the communications strategy for the Company, and oversee compliance with, and suggest to the Board for approval, any revisions to the significant communications practices of the Company;
- c. serve as an external spokesperson for the Company, and provide direction and leadership in managing relations with the Company's stakeholders, including shareholders, communities, customers, creditors, suppliers, the media, government and non-government organizations; and
- d. participate in the preparation of and approve, as appropriate, the Company's major communications to shareholders and the investing public, and provide required regulatory certifications regarding the Company and its activities.

SUCCESSION PLANNING

The CEO will regularly consider and develop succession plans for senior management personnel. The CEO will, in consultation with Human Resource and Compensation Committee where appropriate and with the assistance of the Company's human resource department, consider and implement career development strategies for management and encourage mentorship and training programs. The CEO will periodically report on succession planning activities to the Board and/or the Human Resources and Compensation Committee.