



**PAN AMERICAN**  
— SILVER —

## **NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

### **PURPOSE**

The main purpose of the Nominating and Governance Committee (the “**Committee**”) is to provide a focus on governance that will enhance Pan American Silver Corp.’s (the “**Company**”) performance, establish procedures for assessing the Company’s performance and make recommendations to the Board of Directors (the “**Board**”) regarding the Company’s overall effectiveness and to establish and supervise the process for identifying, recruiting, appointing, re-appointing, and providing ongoing development for directors.

### **COMPOSITION AND OPERATION**

The Committee shall consist of not less than three members of the Board, all of whom shall be independent<sup>1</sup>.

The Committee members shall be appointed by the Board annually and the Board may at any time remove or replace any member of the Committee and may fill any vacancy with another Board member, as required.

The Board shall appoint a chair (the “**Chair**”) from among the Committee members. If the Chair is not present at any meeting of the Committee, one of the other Committee members present at the meeting shall be chosen to preside as chairperson at the meeting.

A majority of Committee members shall constitute a quorum for meetings of the Committee, present in person or via telephone or via other telecommunication device that permits all persons participating in the meeting to speak and hear one another.

The Committee will meet at least twice each fiscal year, on such dates as may be determined by the Committee, and shall conduct such additional meetings as required from time to time. The Committee shall fix its own procedures for meetings, keep records of its proceedings, and report to the Board routinely.

The Committee may act by unanimous written consent of its members. A resolution approved in writing by members of the Committee shall be valid and effective as if it had been passed at a duly called meeting.

### **RESPONSIBILITIES AND DUTIES**

The responsibilities and duties of the Committee are as follows:

- a. Oversee the effective functioning of the Board;
- b. Annually review, and make recommendations to the Board, with respect to:
  - i. the independence of each director;

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<sup>1</sup> A director’s “independence” shall be determined in accordance with the securities laws, rules, regulations and guidelines of all applicable securities regulatory authorities, including without limitation the securities commissions in each of the provinces and territories of Canada and the U.S. Securities and Exchange Commission, and the stock exchanges on which the Company’s securities are listed, including without limitation the Toronto Stock Exchange and the New York Stock Exchange (“NYSE”).



- ii. the competencies and skills that the Board should, as a whole, possess;
  - iii. the competencies, skills, and experience that each existing director possesses;
  - iv. the appropriate size of the Board, with a view to facilitating effective stewardship and decision-making;
  - v. the criteria for Board membership;
  - vi. the composition, effectiveness, and appropriateness of the committees of the Board, their mandates and responsibilities and the allocation of directors to the committees;
  - vii. the appropriateness of the terms of the mandate and responsibilities of the Board;
  - viii. the directorships, if any, held by the Company's directors and officers in other corporations; and
  - ix. the compensation of the directors in light of time commitments, comparative fees, risks and responsibilities and minimum equity holdings;
- c. Oversee the relationship between management and the Board to ensure the Board is able to, and does, function independently of management, and to recommend, without limitation, any of the following:
- i. the appointment of committees of directors independent of management;
  - ii. the appointment of a lead director who is not a member of management; and
  - iii. the implementation of mechanisms to allow directors who are independent of management to meet and discuss issues in the absence of management;
- d. Identify, review and assess the qualifications of, and recommend to the Board, possible nominees to become new Board members, including to fill vacancies on the Board between annual general meetings, by taking into consideration, among other things:
- i. the competencies and skills necessary for the Board, as a whole, to possess;
  - ii. the competencies, experience, and skills of each existing director;
  - iii. the competencies, experience, and skills of each new nominee;
  - iv. the diversity of the Board as a whole and whether new nominees would enhance such diversity; and
  - v. whether the nominee can devote sufficient time and resources to his or her duties as a Board member;
- e. Review the Board's need for formal Board, committee and individual director evaluation processes, and develop and implement appropriate processes;
- f. Develop and oversee a process for director succession;



- g. In conjunction with the Chairman of the Board and the Chief Executive Officer, facilitate the orientation and education of new directors, which may include:
- i. written information about the duties and obligations of directors;
  - ii. information about the business and operations of the Company, which may include site visits;
  - iii. documents from recent Board meetings; and
  - iv. opportunities for meetings and discussion with senior management and other directors;
- h. Establish and maintain a continuing education program for its directors by:
- i. periodically canvassing the directors to determine their training and education needs and interests;
  - ii. arranging the funding for the attendance of directors at seminars or conferences that are of interest and of relevance to their position as a director;
  - iii. encouraging and facilitating presentations by outside experts to the Board or committees on matters of particular import or emerging significance; and
  - iv. considering and making recommendations regarding other practices or programs to provide to directors for maintaining or enhancing their skills and abilities as directors, as well as ensuring their knowledge and understanding of the Company's business remains current, such as the circulation to the directors, on a periodic basis, of materials on new and evolving issues regarding legal and governance matters with respect to the conduct, duties and responsibilities of directors of public companies;
- i. Review and make recommendations to the Board with respect to the Company's corporate governance guidelines as well as disclosure required concerning corporate governance to be contained in public disclosure documents of the Company, with a particular focus on the Company's annual disclosure documents;
- j. With regard to the Company's Global Code of Ethical Conduct, including, as applicable, other policies of the Company referenced therein (the "Code"):
- i. periodically review and update of the Code as necessary and provide oversight with respect to the system that management has established to enforce the Code;
  - ii. to the extent applicable, receive and review reports from management with respect to complaints and concerns under the Code;
  - iii. where a matter is referred to the Committee, provide oversight with respect to management's handling of the matter, and if deemed necessary or appropriate, the Committee may conduct investigations and determine appropriate actions in connection therewith, and in so doing, may engage internal or external resources as it deems necessary;
  - iv. report to the Board with respect to investigations and, if applicable, resolutions, of complaints and concerns under the Code;



- v. monitor compliance with the Code and actions taken with respect to violations of the Code;
  - vi. monitor the disclosure of the Code, any revisions to the Code, and any waivers to the Code and compliance with the regulatory guidelines related thereto, including those contained in the NYSE Listed Company Manual; and
  - vii. satisfy itself that any departures from the Code by a director or senior officer that constitute a “material change” within the meaning of National Instrument 51-201 Disclosure Standards, are reported in a manner that fully meets regulatory requirements;
- k. Annually assess its performance and review this Charter, and recommend any proposed changes to the Board; and
- l. At the request of the Board, undertake any other initiatives that may be necessary or desirable in providing efficient and effective corporate governance of the Company.

## AUTHORITY

The Committee shall have the authority to, at the Company’s expense, obtain advice and assistance from outside advisors or legal counsel in its sole discretion.

The Committee may, upon approval by a majority of the members of the Committee, delegate certain of its duties and responsibilities to subcommittees of the Committee which must report back to the full Committee.

The Committee shall have unrestricted access to all records, facilities, and personnel of the Company necessary to carry out its responsibilities.

At the invitation of the Committee, one or more officers or employees of the Company may, and if required by the Committee, shall, attend a meeting of the Committee.