

SUSTAINABILITY
SUMMARY 2019

RECOGNIZING
OF MINE PRODUCTION





OUR PEOPLE SAY IT BEST



"The founders of the company recognized that people are our biggest asset. Our employees value that. They want to work and improve with us into the future. This foundation is a great opportunity to build on the positive workplace changes we've recently made. An important priority for ensuring Endeavour's future success is creating a more diverse and inclusive workforce, inspiring up-and-coming and recruiting young talent as well as continuing to promote more women into leadership roles."

Nicholas Shakesby, Vice President, Operations

"This is a company that has given our town life by providing employment and support. Endeavour meets all safety standards and takes care of its workers, with safety, good wages and benefits."

Maria Del Carmen Barraza, Guanaceví Mining Services S.A. de C.V.
Tenure with Endeavour: 15 years



"I've been able to advance from intermediate to more senior roles because I've been surrounded by great co-workers who have been very supportive and ready to help me through the learning process."

Adriana Gomez, Corporate Assistant Controller
Tenure with Endeavour: 12 years

"I like Endeavour because it is a serious, responsible company that offers new challenges every year, allowing me to contribute my best work."

Nelson Alberto Peña León, Planning and Engineering Manager
Tenure with Endeavour: 12 years



"A common trait of the people who work at Endeavour is their teamwork and the responsibility they take for their work and the safety of others."

Juan Carlos Partida Hernandez, Human Resources Superintendent (Bolañitos)
Tenure with Endeavour: 12 years

"I have always liked my job at Endeavour. I enjoy the pleasant work environment and the ability to work in teams. There are always positive changes."

Juan Bernabe Mendoza Pérez, Driver
Tenure with Endeavour: 8 years



"I started as a delivery courier and moved upwards to be a driver, and now an assistant. I like to work at Endeavour because I am encouraged to succeed."

Ruben Velazquez Marrufo, Assistant
Tenure with Endeavour: 14.5 years



MESSAGE FROM CEO BRADFORD COOKE



Endeavour is an important stakeholder in Mexico, where mining represents a significant part of the national economy.

In 2003, we started out with an idea to acquire strategic silver projects in Mexico. We only had \$300,000 and no assets or employees. Today, Endeavour Silver is a diversified mid-tier silver mining company with three operating mines and more than 2,000 employees and contractors. 2019 marked our 15th year as a producing company, an achievement worthy of recognition!

For most of the past decade and a half, Endeavour was a productive and profitable company, setting standards for mining with corporate social integrity in

Mexico. The past year, however, was our toughest year operationally.

While the financial results were disappointing for all stakeholders, we tackled the challenges head-on, learned from our mistakes and made sweeping changes to turn around the operations and ensure the long-term viability of our business. Our operating results in the first few months of 2020 are encouraging, including higher production and lower operating costs, and we expect this trend to continue as we complete the turnaround from losses to profits.

I would like to thank our operations group for turning around a difficult year. We're in a bumpy transition phase from old mines to new mines and this is neither easy nor quick. I also greatly appreciate the patience and support of our shareholders and other stakeholders through this time. Management is fully committed to returning the company to profitability. I'm confident that, over the next 15 years, Endeavour will live up to our reputation as a sector leader once again for productive, profitable and responsible mining.

READ THE FULL REPORT

We at Endeavour Silver strive to create social, environmental and economic value for all our stakeholders. This summary highlights our progress from the past year. You can read more on our website and in our 2019 Annual Review and Sustainability Report, at csr.edrsilver.com



We welcome your feedback.

Please email Galina Meleger, Director of Investor Relations at gmeleger@edrsilver.com.



RECOGNIZING 15 YEARS OF SUSTAINABLE MINING

2019 was Endeavour's 15th year operating mines in Mexico. During that time, our Corporate Social Integrity guided our desire and ability to create real value for all stakeholders. As a result, Endeavour has been a sector leader in developing and reporting our sustainability programs to keep our people safe and healthy,

protect and enhance the environment, support culture and education in the local communities, create jobs, training and business opportunities, and generate prosperity throughout our supply chain.

2003
-
2004

- Bradford Cooke **founded the company** as CEO and Godfrey Walton joined as President and co-founder
- Miguel Ordaz was hired to identify Mexican mining projects with potential to become core assets
- Endeavour closed its first acquisition, the **Guanaceví mine**, in May 2004
- Luis Castro was hired to grow the exploration portfolio, drilling revealed the North Porvenir discovery
- Endeavour developed its first mine to production within six months of its first discovery

2005
-
2006

- Entered a period of **rapid growth**
- Developed philosophy of "Corporate Social Integrity"
- Implemented initial corporate governance policies
- **Collaborated with local municipal government and ejido to commence** local community support

2007
-
2011

- **Formalized sustainable development policies** covering corporate governance, safety and health, environmental protection, community enrichment and economic benefits
- **Sponsored community services** at Guanaceví including doctor, nurse, medical clinic, ambulance, ATM bank machine, garbage truck, road upgrades, etc.
- Became a two-mine company with **acquisition of Bolañitos mine**
- **Received "Outstanding Service Award for Social Responsibility" at The Silver Summit conference**

2012
-
2013

- **Acquired third Mexican mine, El Cubo**
- Published first annual Sustainability Report using the GRI framework and conducted first Materiality Assessment, one of only 12 Canadian mining companies to report at this highest level at that time
- Guanaceví and Bolañitos received Casco de Plata safety award from Mexican Chamber of Mines
- Upgraded tailings facilities by implementing dry stack filter press system at Guanaceví
- **Made new greenfields silver-gold discovery on Terronera property**
- Opened Santiago office in Chile to acquire and explore world class prospects

2014
-
2017

- Acquired two new properties, El Compas and Parral
- **Aided rescue efforts after Mexican earthquake with donation and volunteer mine rescue teams**
- Launched student scholarship programs
- Launched first Endeavour Silver Mining Race to raise funds for local charities
- **Received award from Ecology Institute of Guanajuato for environmental protection**
- Launched skills training and certification program with Guanajuato Ministry of Labour

2018
-
2019

- **Developed 4th mine** at El Compas to commercial production
- Received **2nd Casco de Plata safety award** for Guanaceví from CAMIMEX
- Named one of *Future Top 40 Responsible Corporate Leaders in Canada*
- Appointed **first woman to Board**
- Achieved **1 million hours without lost-time accident** at Guanaceví
- **Planted 250,000th tree/bush/cactus** thanks to reforestation program





OUR SUSTAINABILITY FRAMEWORK

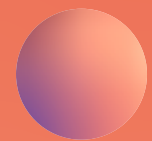
For Endeavour, sustainability is part of our corporate identity and central to our business success.

Since our inception, we have recognized that sustainable development contributes to the long-term viability of our company and our host communities in Mexico. For us, that means responsibly exploring and managing our mining properties, while contributing to the well-being of our workforce and local Mexican communities.

To prioritize our efforts, our sustainability strategy has five core areas on which we focus: safety and health; people; community; environment; and economic

value. These areas are underpinned by an ongoing emphasis on good corporate governance. Our sustainability agenda is driven by our executive team and is ingrained in our governance structure, various policies and how we define risk and long-term value.

Sustainability is ingrained in the highest levels of Endeavour

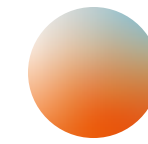


SUPPORTING THE SDGs

Endeavour supports the United Nations Sustainable Development Goals (SDGs), which offer a vision for addressing some of the planet's most pressing social and environmental challenges. We are contributing to the SDGs most relevant to our business: good health and well-being (SDG-3), quality education (SDG-4),

decent work and economic growth (SDG-8), and life on land (SDG-15).

Additionally, through the Silver Institute we have participated in a collaborative project – the Silver Sustainability Initiative – to illustrate how our industry contributes to the SDGs and a better society.



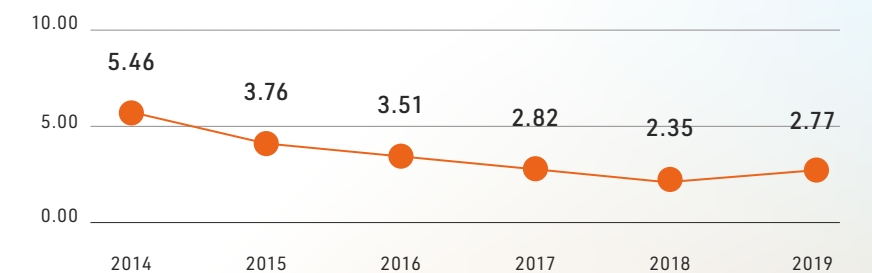
SAFETY: OUR TOP PRIORITY

The safety of our employees and contractors is critically important to Endeavour. Our goal is a workplace free from lost-time accidents and high risk incidents.

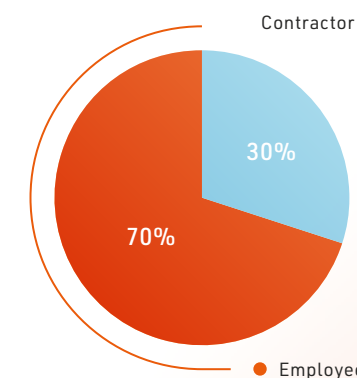
2019 HIGHLIGHTS

- After five consecutive years of improvements in overall safety performance at our operations and projects, we experienced an 18% year-over-year increase in our reportable injury frequency rate (RIR), for employees and contractors combined. Putting our 2019 performance into longer-term perspective though, last year's results (2.77 RIR) are still 49% lower than our 2014 performance (5.46 RIR).
- In June 2019, we were deeply saddened by a fatality that occurred at the Bolañitos mine. A young and talented employee, Jose de Jesus Morales Yebra, aged 22, was working as a driller's helper installing roof bolts in the mine, when a fall of ground occurred and he was killed instantly. Our personnel immediately implemented mine rescue protocols, closing the mine, and rescued a second injured worker, informed the family and authorities, and conducted a detailed investigation led by senior operational management.
- We provided an average of 27 hours of safety training per worker, including contractors, representing a total of 60,457 training hours. The training covered three areas: safety monitoring, rescue training and regulatory technical training.
- Endeavour engaged a safety consulting firm to conduct a comprehensive safety audit at each mine. The consultant spent two weeks in Mexico, visiting our four operating mines. Endeavour will execute the work plan throughout 2020.

Reportable injury frequency rate (RIR)



LTI's



Employees at our El Compas mine created a safety mural by printing their hands to commemorate the importance of safety. All of our operations have a similar safety wall, with the slogan "I work in a safe way for my family and their future."



Top: Safety training at El Compas, as part of Safety Week
Above: Rescue training



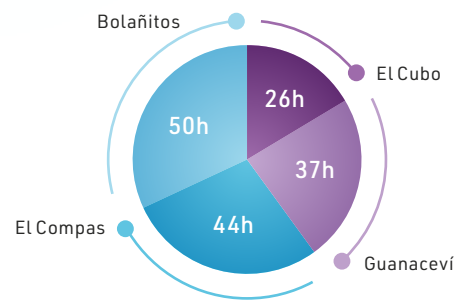
WORKING WITH OUR PEOPLE

We value our people and want them to be proud to work for Endeavour. We aim to develop their capabilities and give them opportunities to thrive.

2019 HIGHLIGHTS

- During the year, we continued to provide a variety of technical and general proficiency training opportunities to our workforce, most of these facilitated onsite by instructors. On average our employees each received 47 hours of training, just shy of our target of 50 hours.
- Key Endeavour leaders in Mexico – 21 in total – completed a new, two-day management skills program, gaining additional tools and competencies to improve their leadership and supervisory abilities.
- Our training commitment extends to mining service contractors, and we provide them with training specific to each site. In 2019, we delivered an average of 27 training hours per contractor.
- To improve employee satisfaction at the Guanaceví and Bolañitos mines, we adopted a new shift schedule to offer employees more and longer time off. This change is working very well. We also hired a professional caterer at Guanaceví to improve the quality of the camp meals.
- A notable achievement in terms of employee relations was the fairly smooth suspension of operations at El Cubo and transition to care and maintenance in late November. We did so in a collaborative manner with the employees and were able to keep 40% of our professional people (nonunionized) by transferring them to other jobs within the company. We also provided a social plan to mitigate risks and addressed community concerns resulting from the suspension of mining operations.

Average training hours per person (Employees and contractors)



- During the year, our human resources (HR) department received 94 grievances from employees and contractors through our Internal Grievance Mechanism, down from 123 the previous year. The number one complaint, accounting for 36% of all grievances, were payment-related issues, which included adjustments of categories and bonus to compensate operational issues.



1,116
Employees



Contractors
876

Female Employees

11%



Unionized Employees
68%



Senior Management from Mexico
99%



On-Site Personnel from Mexico



Senior Management from Mexico
90%



ENDEAVOUR IN THE COMMUNITY

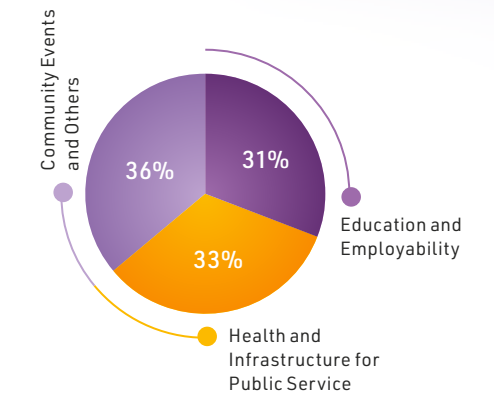
From exploration and development to operation and closure, supporting and working closely with local communities is crucial to building good relationships throughout the mining life cycle. Our aim is to achieve social and economic results that create real value for host communities, even after mining ceases.

2019 HIGHLIGHTS

- Despite difficult market conditions in the mining sector last year and underperformance of our operations, we continued to support our host communities. Our total community investment in 2019 was \$123,995, which was the lowest in recent years. The majority of that funding (87%) supported community initiatives in Mexico.
- Our operations in Guanaceví, Bolañitos and EL Cubo received the annual “Socially Responsible Company” distinction from CEMEFI (Mexican Philanthropy Center).
- We maintained our focus on supporting education and employability in Mexico, with 31% of our investment

- to these priorities. Endeavour’s scholarship program remained a signature initiative: our scholarships at Guanaceví, Bolañitos and EL Cubo benefitted 118 students from high school and university levels last year. In Guanajuato, we provided a cooking skills workshop for local women, and we displayed the baked goods made by the women at Endeavour’s booth on Miners Day.
- Our community relations coordinators participated in various local activities around our mine sites, such as planting gardens at schools in Terronera, providing adult health workshops for improved nutrition and pitching in for Earth Day cleanups.

Community investment in Mexico



- We began developing a Social Management System, a set of processes and procedures that will enable us to better analyze and control the social impacts of our activities across our full portfolio of assets. As part of this work, we reviewed all existing company policies and procedures related to community relations, including our grievance mechanism and community investment guidelines.



Endeavour fully funded a multi-use, recreational facility for the EL Cubo community.



In Terronera, together with the local San Sebastian Family Ministry we organized a vegetable garden event to promote and support the healthy eating program in the municipality. Over 175 youths attended this educational event.



Our Bolañitos mine partnered with the culture and education department of the municipal government to open a new cultural community centre, where families are able to expand their creative abilities.



CARING FOR OUR PLANET

Respecting the environment and the laws designed to protect it are integral to how we operate, our corporate reputation and the ecological health of our host communities. We have a comprehensive environmental framework in place, including environmental monitoring systems and controls at each site, and responsible management of tailings remains a top priority.

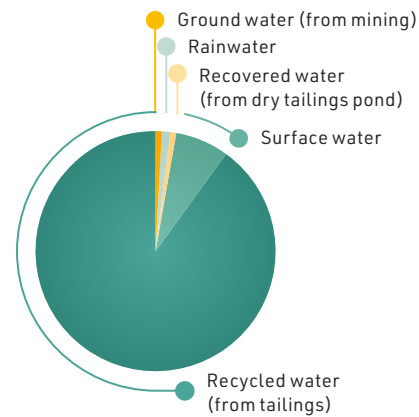
2019 HIGHLIGHTS

- Endeavour spent \$1.6 million in environmental protection – including for environmental studies; remediation works; monitoring for water, waste, tailings, dust and more; and tree plantings to reclaim disturbed ground from our activities. Since 2016, Endeavour has planted 183,240 trees in reforestation projects.
- We achieved zero environmental fines assessed against our 2019 activities. We did pay five fines totalling \$47,261 USD as a result of legal proceedings from previous years, two for changes in land use and three for administrative procedures
- Our water recycling and reuse rate remained high last year, over 90%, which allows us to have little reliance

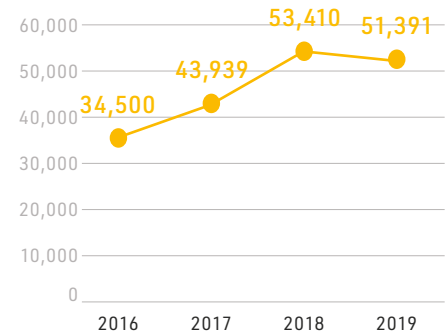
on using fresh water for our mining operations. Fresh water intensity decreased from 0.25 to 0.12 cubic metres per tonne processed, primarily because El Cubo used significantly less fresh water as it was ceasing operations.

- In terms of mineral waste, we recorded 26% less tailings and 8% less waste rock, mainly due to the cease of operations at El Cubo. Responsible management of tailings is a key priority for Endeavour.
- We finalized the process for all Regional Environmental Impact Assessments and submitted the necessary paperwork to the Mexican government.

Source of water



Trees planted



Over 350 of our employees volunteered to plant 5,000 trees that were donated by the Forest Commission of Guanajuato (CONAFOR).

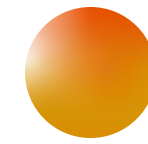
campaign with the help of local citizens. A total of 5,000 trees were planted near the community of Mineral del Cubo, and the project was an excellent example of the benefits of collaboration across sectors.

Endeavour organized the initiative in cooperation with local government agencies and had sponsors from the city of Guanajuato to supply water, food and transportation for the volunteers who participated.

IN FOCUS

5,000 Trees Planted by Endeavour and Community Partners in El Cubo

Demonstrating our commitment to supporting local ecosystems, in June 2019 the Endeavour team in El Cubo spearheaded a major tree planting



CREATING ECONOMIC VALUE

Our economic performance includes not only the financial results we generate year-over-year, but also the re-investment of profits to fortify our long-term business sustainability, as well as our economic contributions in local communities, such as job creation, land use payments and procurement that support our mining operations.

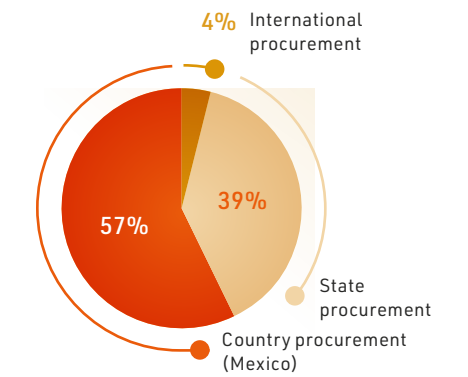
2019 HIGHLIGHTS

- Reflected in our commitment to local hiring, 83% of our employees last year were from our host communities or nearby and 99% of our workforce is in Mexico.
- We spent \$164 million in procurement, with 74% of that in services and 26% in goods. Roughly 97% of our total procurement came from national or local suppliers within Mexico, in line with prior years. Local supplies included 12 officially-recognized artisanal miners in Guanaceví, who sold us 21,641 tonnes of ore, up from 18,663 tonnes in 2018.
- Endeavour contributed 46.6 million pesos to the Mining Fund in Mexico, up from 32.5 million pesos the

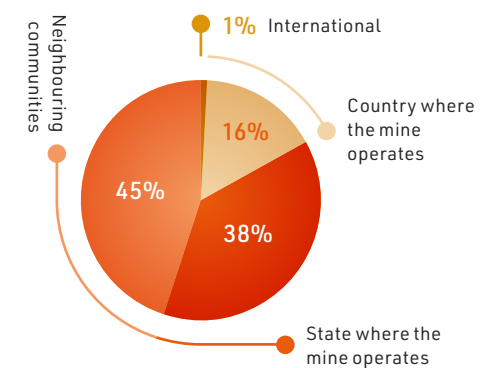
previous year. Created by the federal government, the fund collects a special tax from operating mines in the country and distributes the money to improve the quality of life in areas impacted by mining extraction. In Guanajuato, Endeavour participates as a member of the governance committee to ensure these funds are allocated to projects that truly respond to the most urgent needs of the communities.

- We released positive exploration drill results for Guanaceví, Bolañitos and Parral and commenced drilling on two prospective properties in Chile. We also acquired the final government permits required to commence construction and continued to advance economic studies at Terronera.

Procurement

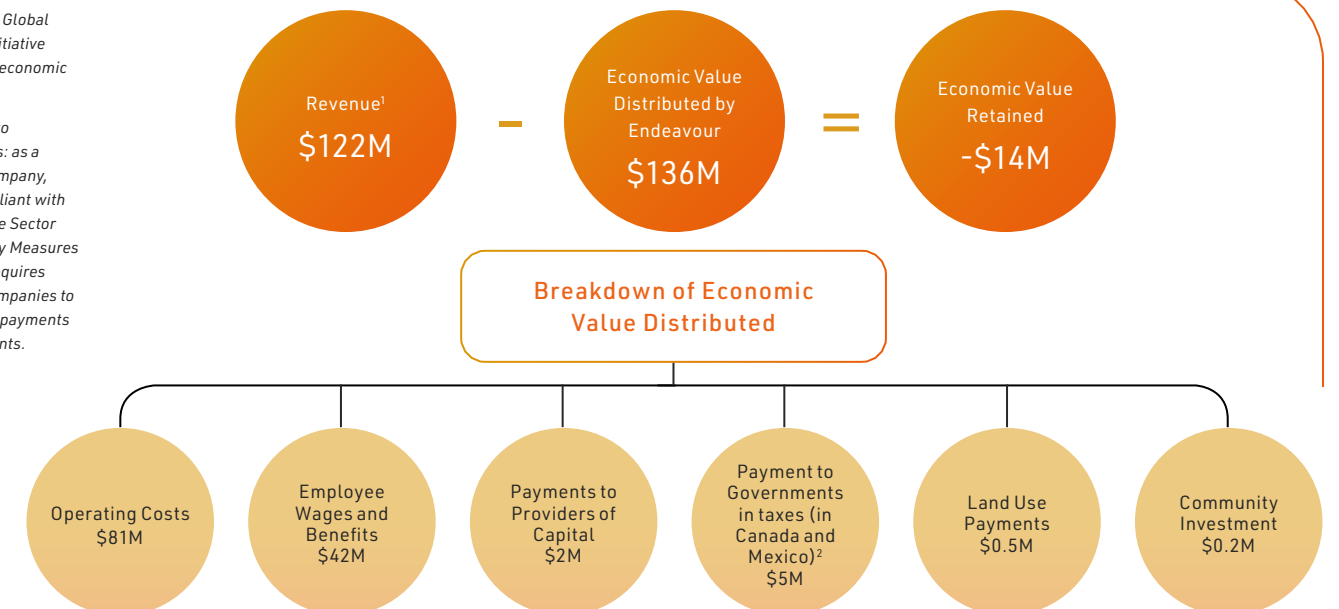


Origin of employees



¹ We use the Global Reporting Initiative definition of economic value.

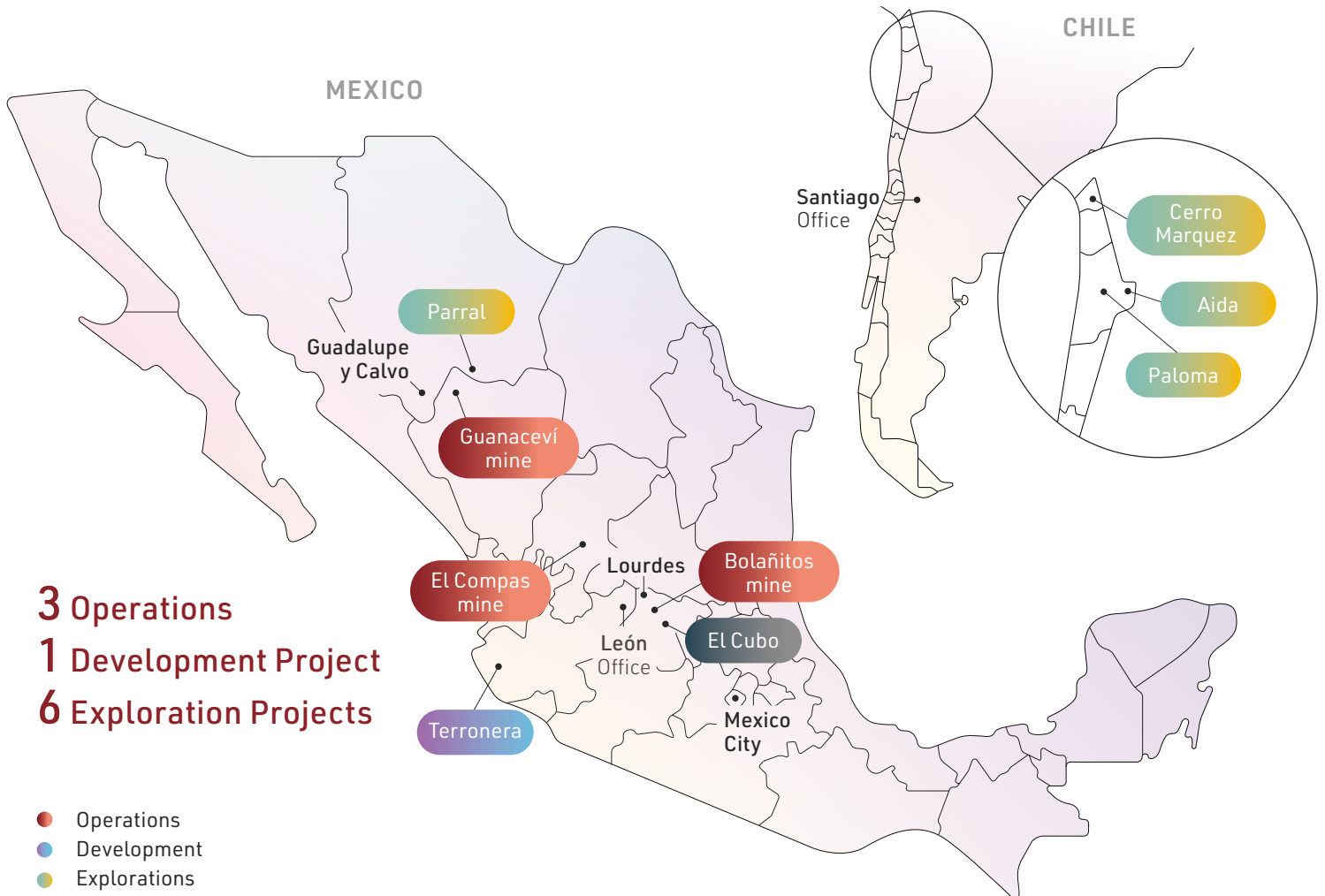
² Payments to governments: as a Canadian company, we are compliant with the Extractive Sector Transparency Measures Act, which requires Canadian companies to disclose any payments to governments.





ABOUT ENDEAVOUR

2,000
Employees & Contractors



About The Company

Endeavour Silver Corp. is a mid-tier precious metals mining company listed on the NYSE:EXK and TSX:EDR. The company is headquartered in Vancouver, Canada, and is engaged in the evaluation, acquisition, exploration, development and exploitation of precious metals properties in Latin America. Our philosophy of Corporate Social Integrity creates value for all stakeholders.

Operations

We own three high-grade, underground, silver-gold mines in Mexico; the Guanaceví mine in Durango; the Bolañitos mine in Guanajuato and the El Compas mine in Zacatecas. This year, we placed the El Cubo mine on care and maintenance* while management continues to conduct evaluation of value creation alternatives including final closure.

Development & Exploration

We own one development project in Mexico, the Terronera project in Jalisco, which is now fully permitting and awaiting the completion of a final pre-feasibility study to warrant a decision to proceed to a full feasibility study in 2020; and the prospective Parral project in Chihuahua state, which is targeting an initial PEA in 2020. In addition, we hold several other exploration properties in Mexico and Chile.

*See EDR news release dated November 21, 2019 regarding placing the El Cubo mine to care and maintenance effective November 30, 2019, while Management conducts evaluation of alternatives including final closure.