



Modern Slavery Report 2023



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For more information:
<https://edrsilver.com>

Modern Slavery Report 2023

Established in 2004, Endeavour Silver Corp. (“Endeavour” or “the Company”, “we”, “our”, “us”) is a Canadian mid-tier precious metals mining company. We are committed to sustainable development and respecting human rights and aim to avoid causing or contributing to negative human rights impacts. We stand firmly against all forms of “modern slavery”, which includes forced labour, child labour and human trafficking.

We have prepared this Modern Slavery Report (**the Report**) in accordance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (**the Act**) on behalf of Endeavour and its subsidiaries including those listed below (**Reporting Entities**), for the fiscal year ended December 31, 2023¹. All monetary amounts are reported in U.S. dollars, unless otherwise noted. This Report encompasses our mining projects and operations:

- Two producing precious metal mines – Refinadora Plata Guanaceví, S.A. de C.V., (Guanacevi mine in Durango, Mexico) and Mina Bolañitos S.A de C.V., (Bolañitos mine in Guanajuato, Mexico) with a total of 1,066 employees and 533 contractors.
- Terronera Precious Metals S.A. de C.V., the Terronera development project located in Jalisco, Mexico with a total of 126 employees and 391 contractors.
- Three exploration offices, Minera Plata Adelante, S.A. de C.V., and Minera Pitarrilla S.A. de C.V. – two in the State of Durango, Mexico with a total of 78 employees, and one in Chile with 3 employees.
- Administrative office in Leon, Mexico (83 employees, 11 contractors)
- Corporate head office in Vancouver, Canada (19 employees)

For the purposes of this Report, most Company activity is conducted to Mexico, where 99% of the employees are allocated. While the company has exploration projects in the United States and Chile, there is an insignificant amount of

activity in these countries with less than 1% of the Company’s employees there.

As a result, this Report primarily reflects our activities in Mexico.

Learn more about our business at <https://edrsilver.com>

I. OUR STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

In 2023, Endeavour operated two high-grade underground silver-gold mines in Mexico and had a portfolio of exploration and development projects in Mexico, Chile and the United States. Headquartered in Vancouver, British Columbia, Canada, Endeavour Silver is listed on the NYSE:EXK and TSX:EDR.

Our mission is to be a premier senior silver producer that creates value for our stakeholders by discovering, developing and operating our mines in a sustainable way. Our [Sustainability Strategy 2022-2024](#) (Sustainability Strategy) is a cornerstone of our approach to responsible development and stakeholder engagement, giving us focus and direction.

The Sustainability Strategy is centered around three priority areas: People; Planet; and Business. In each of these areas, we have defined aspirational goals supported by clear actions and measurable targets, which also lets our stakeholders know we’re serious about sustainability. In 2023, we were once again awarded the ‘Socially Responsible Company’ distinction by the Mexican Center for Philanthropy. Endeavour has been recognized with this distinction for multiple years (11 years at Bolañitos, eight years at Guanaceví).

Learn more:

- Our business: <https://edrsilver.com>
- Our sustainability activities and reports: <https://edrsilver.com/sustainability/overview/>

¹ This Report has not been externally assured.

Workforce

Our workforce consists of both employees and contractors that work at our sites, of which 99% was from Mexico. As of December 31, 2023, we had:

- 1,375 employees; and
- 955 contractors.

Suppliers

A responsible and reliable supply chain is essential to our mining operations. Our suppliers are key partners in Endeavour's success and in helping us achieve our sustainability ambitions. A "supplier" is any third party individual or entity that provides goods and/or services to Endeavour, its subsidiaries, and affiliates.



We have a diverse community of suppliers that service our operations and provide Endeavour with goods and services necessary to run our producing, exploration and development sites (see image at right). Our aim is to work with responsible, ethical suppliers, and we have clear standards that they must follow to do business with Endeavour. The following are elements of our supply chain approach:

- We expect all suppliers to follow our [Supplier Standards of Conduct](#), which outlines standards for safety and health, human rights, labour conditions, environmental responsibility, business conduct and anti-corruption. We work closely with our supply chain to ensure these guidelines are followed.
- In addition to complying with these

standards, suppliers that work on-site at Endeavour properties must also adhere to our applicable policies and procedures while on location.

- All purchase decisions made across our sites must comply with our policy on Procurement and Contracts.
- Reflecting our commitment to 'buy local', we use suppliers in Mexico for nearly all our Company's procurement needs. Approximately 97% of our procurement in 2023 occurred within Mexico. This ensures local communities' benefit from our economic activity while reducing our carbon footprint.
- We are rolling out a local supplier development program for Terronera.

Endeavour continues to work with artisanal, small-scale miners in the Guanaceví community. We consider these local miners a valuable part of our supply chain. In 2023, we sourced ore from 20 artisanal miners, totalling 61,680 tonnes (14% of the total yearly production), which generated approximately \$10 million in value for them, helping to support their livelihoods and families.

In addition, the largest suppliers serving Terronera completed a prequalification questionnaire in 2023, which evaluated Environmental, Social and governance (ESG) aspects of their business, among other things.

At Terronera, we continue to engage with several consultants on studies and analyses required to meet our Equator Principles (EP4) commitments and mitigate any environmental and social risks. EP4 is a risk management framework that helps organizations ensure large scale development or construction projects appropriately consider potential impacts on society and the environment. The project was financed by top-tier lenders and European commercial banks, elevating the ESG requirements of the project loan financing. As a result, the project is being advanced with adherence to the highest environmental standards in the mining industry. The consultants we are working with bring specialized knowledge of EP4 compliance requirements and are helping our employees increase their expertise and experience in these areas.

II. POLICIES AND DUE DILIGENCE PROCESSES

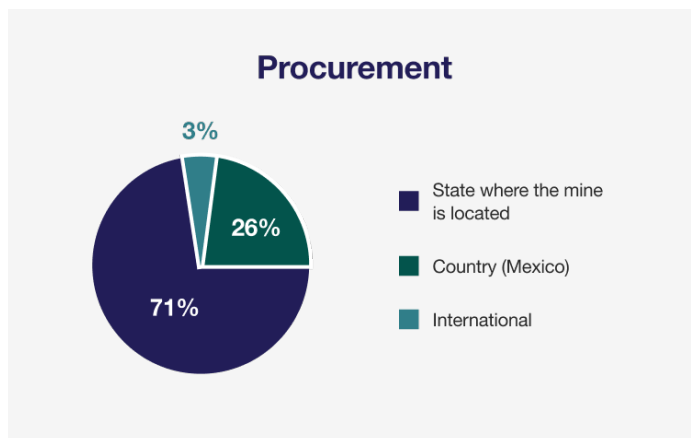
Policies

As part of our approach to sustainability and operating a responsible business, we are committed to respecting and upholding human rights in our workplace, in our supply chain and in the communities where we operate. Our commitment to human rights is embedded in a suite of corporate policies and standards including our [Human Rights Policy](#), [Code of Business Conduct and Ethics](#), [Diversity Policy and Sustainability Policy](#). Endeavour also respects the rights and cultures of Indigenous Peoples. We are guided by global standards such as the United Nations (UN) Guiding Principles on Business and Human Rights and the Voluntary Principles on Security and Human Rights.

We foster a work environment free from discrimination against gender, race, culture,

national origin, marital status, sexual orientation, or political/religious beliefs, and we do not tolerate any form of harassment. Employees are encouraged to speak out if a co-worker's conduct makes them uncomfortable, and to report harassment or discrimination if it occurs.

Key policies are summarized in the chart below and available on Endeavour's website at <https://edrsilver.com/about-endeavour/governance/>.



Policy/Standard	How It Addresses Modern Slavery
Human Rights Policy	<p>Our Human Rights Policy sets out Endeavour's commitment to human rights and seeks to integrate human rights best practices into the Company's management, governance structures and programs. Our commitment includes prohibiting any form of child, forced or compulsory labour.</p> <p>This Policy is aligned with the United Nations' Guiding Principles on Business and Human Rights, and the Organization for Economic Cooperation and Development Guidelines for Multinational Enterprises to respect human rights throughout its operations and supply chain. This includes support and respect for the human rights expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the Voluntary Principles on Security and Human Rights.</p>
Code of Business Conduct and Ethics (The Code)	<p>The Code reflects Endeavour's commitment to a culture of integrity, care, attitude, reliability and excellence and outlines the basic principles and policies with which everyone at the Company is expected to comply. Part of the Code defines our commitment to supporting the protection of international human rights through best practices in all our business activities. We identify human rights as those internationally defined and recognized rights as laid out in the International Bill of Human Rights, to which every human being is entitled. We also expect our business partners to uphold these rights.</p>
Diversity Policy	<p>This Diversity Policy sets out the guidelines by which Endeavour will strive to increase diversity throughout all levels of its corporate structure, including at the Board level. This Diversity Policy applies to executive and non-executive directors, full-time, part-time and casual management, employees, contractors, consultants and advisors of Endeavour. This Diversity Policy does not condone engagement in actions that would violate any anti-discrimination, equal employment or other laws and regulations.</p>

Sustainability Policy

Endeavour strives to conduct its business safely and responsibly and at all times in compliance with applicable laws and regulations. Endeavour prides itself on meeting or exceeding standards established by government regulations and the expectations of local communities. The Company is committed to high standards of corporate governance to ensure processes for risk management, controls and performance measurement are operating effectively. Our Sustainability Policy articulates our commitment to sustainability, including actively promoting respect for human rights, dignity, cultural diversity and social practices of communities and/ or Indigenous Peoples.

Supplier Standards of Conduct

Historically, to do business with Endeavour, we have required suppliers to honour the standards set out in our Company's Code of Business Conduct and Ethics. In 2023, we went a step further by developing a stand-alone **Supplier Standards of Conduct** that clearly set out additional expectations and clarifications of suppliers that work with us. A "supplier" is any third party individual or entity that provides goods and/or services to Endeavour, its subsidiaries and affiliates.

Leadership and Governance

Sustainability is fully supported and driven by our executive team and is ingrained in our governance structure, policies and how we define risk and long term value. Two committees of the Board oversee Endeavour's sustainability strategy and decision-making: the **Sustainability Committee** and, to a lesser extent, the **Corporate Governance and Nominating Committee**.

The Sustainability Committee promotes a sustainability mindset and encourages a corporate culture that takes responsibility for sustainable development. They also approve policies, standards and responsible work practices that guide the performance and expectations of our employees, contractors and other partners. At the operational level, sustainability matters such as workplace safety, environmental protection and community relations are integrated into the everyday management of our business.

In 2023, we hired a Regional Sustainability Manager whose role is to reinforce and drive Endeavour's sustainability efforts, including those in respect of human rights. One of the position's main responsibilities is to closely monitor and assess our Terronera project to ensure it remains compliant with the Equator Principles (EP4), which is a globally recognized framework for managing sustainability risk of large infrastructure and industrial projects.

Learn more in the **Sustainability Oversight** section of our website.

III. MODERN SLAVERY RISKS IN OUR BUSINESS AND SUPPLY CHAINS

Forced labour and child labour exists as a general country risk within Mexico where we operate. Modern slavery occurs worldwide unfortunately, in virtually every country. The 2023 Global Slavery Index² reveals that approximately 50 million people worldwide were living in modern slavery in 2021, with an estimated 6.6 in every thousand people in Mexico living in modern slavery. Both of Endeavour's producing mines, along with our Terronera project under construction, are in Mexico. As such, there are parts of our business and supply chains in which these modern slavery risks³ are present.

Risk Assessment and Management

Identifying, evaluating and managing risks such as those that affect human rights is critical to our long- term viability and the interests of our stakeholders. We evaluate human rights risks through our enterprise risk management process. Our risk management methodology and resulting matrix includes scales of assessing and ranking risk impact and likelihood.

² <https://www.stronger2gether.org/new-global-slavery-index-launched-10-million-more-people-are-living-in-modern-slavery-since-the-2018-index/>

³ Endeavour has prepared this Report based on information available to it at the time of preparation. This Report contains forward-looking statements relating to Endeavour's policies and practices with respect to modern slavery risk management, including statements of current intention and expectation and statements of opinion. There can be no assurance that such statements will prove to be accurate, as Endeavour's actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed in the "Risk Factors" section in Endeavour's Management Discussion & Analysis dated March 8, 2024, which is available at www.edsilver.com or on SEDAR+. Except as required by applicable laws or regulations, Endeavour does not undertake to publicly update or review any forward-looking statements.



Controlling and overseeing risk involves many departments at Endeavour, including Safety and Health, Internal Audit, Community Relations and Contractor Management, among others. At the site level, we have a Risk Control Department with a superintendent at each site. Risk assessments take place at each site and action plans are developed to mitigate or address those risks.

Endeavour has a number of policies and due diligence processes, as well as training programs to mitigate the risk of unlawful activities, including forced and child labour, in our business and supply chains. There is always room for improvement, and we continue to find ways to strengthen our risk management practices to further address modern slavery risks in our business and supply chains.

Assessing risks within our sites and supply chains
We continue to take a number of steps to assess and manage our business and supply chains that carry a risk of forced or child labour, even if such risk is low for Endeavour.

- Within our Mexican operations, we have assessed the risk of child or forced labour as low. All our workforce is above the age of 18, the minimum salary is above the legal minimum wage established, and we provide competitive salaries compared to benchmarks.
- We abide by employer obligations under Mexican Federal Labour Law, including those related to modern slavery. For example, Article 75 prohibits the use or employment of minors under the age of 18 in mines, Article 132 requires employers to implement a protocol to eradicate forced and child labour, and Article 15 obligates each contractor to be registered with the Registry of Contractors and Specialized Services (REPSE).

- We maintain strict proof-of-age policies and hiring procedures at all sites, to prevent anyone under the legal working age of 18 from obtaining employment.
- This proof-of-age requirement extends to our contractors and suppliers, who are required to provide us with documentation confirming that they do not employ anyone under the legal working age.
- Maintaining other relevant policies (see chart), which apply to employees, contractors and suppliers, help mitigate the risk of unlawful activities in our business and supply chains, including modern slavery and human trafficking.
- Supplier agreements include clauses related to maintaining robust labour standards and following all relevant local laws.

Historically, to do business with Endeavour, we have required suppliers to honour the standards set out in our Company's Code of Business Conduct and Ethics. This past year, we went a step further by developing a stand-alone [Supplier Standards of Conduct](#) that clearly set out additional expectations and clarifications of suppliers that work with us. The standards provide suppliers with information and guidance on our expectations in five key areas:

- Health and safety
- Human rights
- Labour standards
- Environmental responsibility
- Business conduct and ethics

In addition to complying with these standards, suppliers that work on-site at Endeavour properties must also adhere to our applicable policies and procedures while on location.

IV. REMEDIATION

We strive to foster open communication in our workplace and with all our stakeholders. Endeavour takes seriously any issues raised about possible workplace concerns, accounting irregularities, inappropriate behavior, or any other human rights matter through our [Whistleblower Policy](#).

Our Whistleblower Policy provides multiple reporting channels including The Trust Line that is managed by an independent third-party reporting portal and a tollfree telephone hotline to encourage people to speak up if they suspect or witness any matters of concern, and the Whistleblower Policy also outlines the process and protections available to whistleblowers. Concerns can be raised on a confidential and anonymous basis. Reports are directed to the Chairman of the Audit Committee or with the Business Ethics Advisor, and we investigate and document all concerns.

The [Endeavour Silver Trust Line](#) enables anyone inside and outside Endeavour to confidentially report possible conduct and ethics issues. The system is confidential and secure, and people can choose to remain anonymous. All reports are investigated by a multidisciplinary committee and actions are taken based on the results of the investigations. It is available in English and Spanish and is operational 24/7 through an independent third-party provider, WhistleBlower Security, which provides services through their platform IntegrityCounts.

In 2023, we did not experience any incidents or allegations of forced or child labour, either in our own activities or our supply chain. As such, no remediation measures were necessary. If we

do identify cases of forced or child labour within our activities and supply chain, we will follow the remediation guidelines outlined in our Grievance Mechanism Protocol.

In addition, we did not judge that any vulnerable families experienced loss of incomes as a result of steps Endeavour took to eliminate forced labour or child labour risks.

V. TRAINING AND AWARENESS

All employees must complete training on our [Code of Business Conduct and Ethics](#) and sign a declaration by which they confirm their compliance to adhere to the Code. In addition, every year employees complete a 'training refresher' of the Code to reinforce our workplace standards and expected behaviors workplace.

Reviewed and updated regularly, the Code establishes the essential standards we expect all employees and those doing business with us to uphold. Adherence to the Code is a mandatory condition of employment. Individuals who fail to comply with the Code and all applicable laws are subject to disciplinary measures, up to and including discharge from the Company or termination of the business relationship.

In 2023, we created a human rights training course for Endeavour's security personnel. Offered online and in classroom format, 63 participants completed the mandatory course in 2023 (46 online, 17 in person). Through the training, security staff learn about the Voluntary Principles on Security and Human Rights and how they should act in carrying out their functions.

Educating employees and other stakeholders about the Endeavour Trust Line and ways they



can report concerns or grievances also remained a priority in 2023. For example, we actively promoted awareness of the Trust Line through posters displayed at our sites and articles published in every issue of our Company's monthly newsletter (NotiEndeavour). We also created a Trust Line training video for new managers and supervisors.

VI. ASSESSING THE EFFECTIVENESS OF OUR APPROACH

We regularly review and validate the effectiveness of our policies, procedures and programs to ensure that forced and child labour aren't being used at any our sites or within our supply chains.

For example:

- Through our enterprise risk management processes, we continue to monitor and manage any risks.

- We review stakeholder concerns and complaints reported through the Endeavour Trust Line for any human rights-related issues. Feedback allows us to identify and address any modern slavery risks in our operations and supply chains.
- We also engage regularly with our key stakeholders to discuss our business activities and performance, community relations, and social and environmental risks and impacts.
- As part of our commitment to being transparent about our performance, Endeavour has published annual sustainability reports for the past 10 years, which provide information about our social performance and human rights indicators.

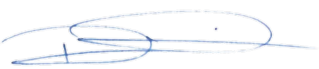
Approval and Attestation

This Report was approved by the Board of Directors of Endeavour Silver on May 7, 2024, on behalf of itself and the other Reporting Entities.

In my capacity as a Director of Endeavour Silver and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have authority to bind Endeavour Silver Corp. and the other Reporting Entities.



Dan Dickson,
Chief Executive Officer and Director
Endeavour Silver Corp.

May 7, 2024