

Lasting Commitment



2018 Sustainability Highlights

PROMOTING SAFETY & HEALTH



SUPPORTING OUR PEOPLE



INVESTING IN THE COMMUNITY



RESPECTING THE ENVIRONMENT



PROVIDING ECONOMIC VALUE



Future 40 Responsible Corporate Leaders

In 2018, Endeavour was recognized by Corporate Knights as one of the “Future 40 Responsible Corporate Leaders in Canada”. The annual ranking recognizes the country’s medium-sized enterprises stepping up to the sustainability challenges of today.

“Empresa Socialmente Responsable”

[Socially Responsible Company]

The Mexican Philanthropy Centre (CEMEFI) and the Alliance for Social Responsibility recognized our operations in Bolañitos, El Cubo and Guanaceví with this prestigious distinction.



Message from CEO Bradford Cooke



Dear Stakeholders,

“Lasting commitment” reflects our continuous focus on building a sustainable mining company that creates value for our stakeholders. It’s an all-hands-on-deck collaboration involving our employees, supply chain, governments, communities and other organizations.

We support the United Nations Sustainable Development Goals (SDGs), which offer a vision for addressing some of the planet’s most pressing social and environmental challenges. Last year we participated in the Silver Institute’s Sustainability Initiative to define and communicate how our industry supports the SDGs and contributes to a better society.

I’m pleased to announce that, as in past years, Endeavour Silver received the 2018 Socially Responsible Company distinction in Mexico for our efforts to maintain high standards in working conditions, business ethics, community engagement and environmental stewardship. This is among the top recognitions for CSR in Mexico.

We were also recognized last year as a Top 40 Future Responsible Corporate Leaders in Canada by Corporate Knights. This is a prestigious sustainability award for medium-sized businesses in Canada.

I would like to thank all our talented employees in Mexico and Canada for their commitment, loyalty and hard work in 2018. As well, I would like to express my appreciation to our shareholders for their patience and confidence in our company. We have many reasons to be optimistic about the future. Endeavour has one of the best organic growth profiles in the silver mining sector and is well positioned for years to come.

Bradford Cooke,
Chief Executive Officer & Director
May 2019

READ THE FULL REPORT

Each year we report on our sustainability performance – where we succeeded and where we fell short. This summary document provides highlights from the past year. You can read more on our website and in our 2018 Annual Review and Sustainability Report, at csr.edrsilver.com.



We Welcome All Feedback

Please get in touch with Galina Meleger, Director of Investor Relations at gmeleger@edrsilver.com.

Throughout this document, “Endeavour”, “we”, “our” and “us” refers to Endeavour Silver and its major subsidiaries. All monetary amounts are reported in U.S. dollars, unless otherwise noted.

Our Approach to Sustainable Development

Since our founding, we have recognized that sustainable development contributes to the long-term viability of our business and our host communities in Mexico.

For us, that means responsibly growing our business while operating safely, respecting our shared environment, supporting our people and contributing to the prosperity of local Mexican communities.

To prioritize our efforts, our sustainability strategy has five pillars (see visual, right). Within each pillar, we focus on topics that stakeholders care about most and are significant to our business.

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. Reflecting our pledge to social responsibility, we support a number of external sustainability initiatives and participate in industry associations that promote mining best practices.

SUSTAINABILITY PILLARS



Commitments to External Initiatives



- ▶ The Prospectors and Developer's Association of Canada (PDAC) E3 Plus Framework for Responsible Exploration
- ▶ The Organization for Economic Cooperation and Development Guidelines for Multi-National Enterprises
- ▶ International Finance Corporation Performance Standards on Social and Environmental Sustainability
- ▶ GHG Gas Protocol from the World Business Council for Sustainable Development
- ▶ The United Nations Guiding Principles on Business and Human Rights
- ▶ Voluntary Principles on Security and Human Rights
- ▶ Global Reporting Initiative

Key Memberships



Mexican Mining Chamber



Mining Task Force of the Canadian Chamber of Commerce in Mexico



Confederation of Industry Chambers



Canadian Investor Relations Institute

Good Governance

Running our business to the highest standards of responsible governance and conduct is imperative to earn the trust of our stakeholders and be a premier silver mining company.

Leadership and Accountability

- ▶ Our Board of Directors oversees the Company's business conduct and strategic planning and ensures that appropriate governance mechanisms, policies and procedures are in place, including the integrity of our internal controls and management information systems. The Board has four standing committees: Audit Committee, Compensation Committee, Corporate Governance and Nomination Committee, and Sustainability Committee.

practices that guide the performance and expectations of our employees, contractors and other partners.

- ▶ Compensation of the management team is tied to production and sustainability goals. In particular, safety and environmental criteria are incorporated into the annual pay structure.

Business Ethics

- ▶ Two of the Board committees oversee our 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, encourages a corporate culture that takes responsibility for sustainable development, and approves policies, standards and responsible work

Our Code of Business Conduct and Ethics (the Code) reflects our commitment to a culture of honesty, integrity and accountability. Reviewed and updated regularly, the Code establishes the essential standards we expect all employees and those doing business with us to uphold.

- ▶ We respect fundamental human rights, both in our workplace and in local communities. We are guided by global standards such as the United Nations (UN) Guiding Principles on Business and Human Rights and the Voluntary

Topics Covered in Our Code



- ▶ Compliance with laws, rules and regulations
- ▶ Conflicts of interest
- ▶ Confidentiality
- ▶ Protection and proper use of company assets
- ▶ Insider trading
- ▶ Gifts and entertainment
- ▶ Improper payments
- ▶ Environmental responsibility
- ▶ Health and safety
- ▶ Equal opportunity, discrimination and harassment
- ▶ Human rights
- ▶ Reporting of illegal or unethical behaviour

Principles on Security and Human Rights. We foster a work environment free from discrimination against gender, race, national origin, marital status, sexual orientation, or political/religious beliefs, and we do not tolerate any form of harassment.



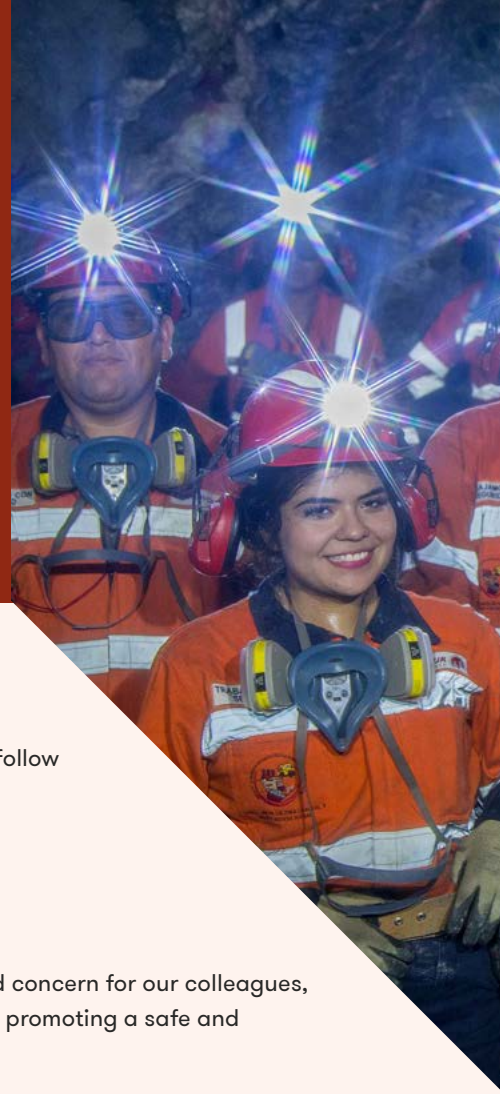
Corporate governance is not just what we say, it has to show up in our actions, so employees, communities and shareholders see leadership doing the right things. The Board's clear emphasis on sustainability issues, through dedicated committees and oversight, is an important demonstration of that. As Endeavour grows, the Board will continue working with management to drive sustainability best practices across the Company.

Geoff Handley, Independent Director, Board Chair and Corporate Governance and Nominating Committee Chair

Our Values

Our core values are a set of clearly-defined principles to guide our decisions, shape our everyday actions and interactions, and inspire us to do – and be – our very best, resulting in positive outcomes for all of our stakeholders.

In 2018, we engaged employees and management in a company-wide review and validation of these values and competencies. This important exercise helped us confirm the unique and enduring principles that embody the Endeavour culture and guide the collective behaviours of our people. We plan to launch the updated set of values and competencies in the spring of 2019.



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Integrity

- ▶ We are honest, ethical and trustworthy, and follow policies and procedures.
- ▶ We do what is right.

Care

- ▶ We display kindness and concern for our colleagues, embracing diversity and promoting a safe and healthy workplace.
- ▶ We respect and care for the environment, our local communities and all of our stakeholders.

Attitude

- ▶ We take pride in our jobs and are passionate about what we do.
- ▶ We are positive, act professionally, and take initiative in achieving our goals.

Reliability

- ▶ We do what we say we will do, and deliver on our promises and responsibilities.
- ▶ We welcome challenges and have the courage to admit mistakes and take corrective actions.

Excellence

- ▶ We dive in and deliver our best work every time.
- ▶ We are always learning and aspire to do better than we did yesterday.



Safety & Health



Priority number one is the safety performance of each mine. It's the first thing we look at every day. We reinforce the message that "safety comes first" through constant training, face-to-face communication, safety talks, visible management support and by integrating safety in everything we do.

Nick Shakesby, Vice President, Operations

2018 HIGHLIGHTS

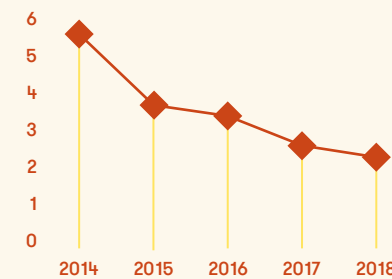
- ▶ Realized a 16.6% reduction in our reportable injury frequency rate (for both employees and contractors) from 2017. This result continues the downward trend in accidents over the past five years, driven by various initiatives – including additional training, greater employee involvement in safety processes and improvements to our Safety Management System.
- ▶ Strengthened the safety and health module in our induction training program to include greater focus on the “Mexican Norms” (the regulations for health and safety at work) and the key aspects of our Safety Management System. We also introduced a “re-induction program” at the start of each calendar year, to ensure that all workers get an annual refresher in addition to the technical and other safety training they receive each year.
- ▶ Carried out 28 health information campaigns across our sites that covered the most common ailments (respiratory issues and gastrointestinal problems) and other important issues (e.g., diabetes, breast cancer, prevention of addictions, dental hygiene and nutrition). We also provided over 930 flu shots for workers across all our operations, in partnership with the local Ministry of Health.
- ▶ Held training for local community members in Bolañitos and Guanaceví on topics such as first aid, prevention of diabetes, addictions, sexual education and treating children (e.g., fever remedies, giving injection).



1 Million Hours without a Lost-Time Injury in Guanaceví

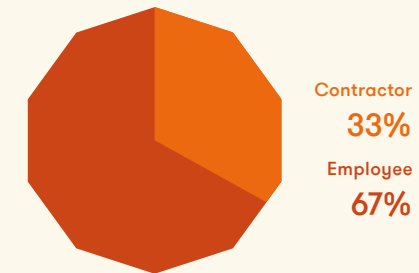
Last November, our team in Guanaceví reached a milestone of incredible value by recording one million hours worked without a lost-time injury. The occasion was celebrated with a staff recognition lunch, prizes and a “Commitment Wall” on which everyone marked their handprints as a sign of their continuous commitment to safety.

INJURY FREQUENCY RATE



Reportable injury rate is calculated as total number of recordable injuries (including fatalities, lost time injury, restricted work and medical treatment injury) x 200,000 hours/total worked hours

LOST TIME ACCIDENTS



16% Reduction

in reportable injury frequency rate from 2017 to 2018

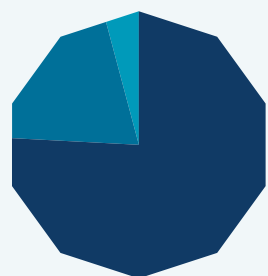
Endeavour Recognized with Training Award

The International Forum of Training and Education in Mining is a specialized training forum in Mexico, bringing together some of the country's most renowned academic institutions, the Mining Chamber of Mexico, the State Government through the Ministry of Economy and mining companies.

At the 2018 event held in Zacatecas, Endeavour was awarded the "Merit in Mining Education in Mexico", for demonstrating excellence in employee learning and development. This coveted recognition attests to the work we've done in the last few years to enhance our training program.



TOTAL TRAINING HOURS



Safety
76%
Production
20%
People
4%

Our People

Our people are key stakeholders so creating a sustainable workplace is imperative for us. The Company works hard every day to create a working environment in which employees are proud to work for Endeavour, have a sense of belonging and therefore act like owners and are accountable for their own results.

Lorena Aguilar, Director, Human Resources



2018 HIGHLIGHTS

- ▶ Delivered 119,611 hours of training, up from 100,664 in 2017. On average, our employees each received 54 hours of training, exceeding our goal of 50 hours. We also provided an average of 34 training hours per contractor, up 32% from 2017.
- ▶ Supported 60 Mexican employees in obtaining skills certification through government programs that recognize the skills people have mastered through hands-on experience, even if they lack formal education. This was our largest group in the past four years, and most of the employees were from Guanacevi where the program was introduced in 2018.
- ▶ Achieved an 8% decrease in turnover (voluntary and involuntary). In recent years we have also lowered absenteeism. From 2017 to 2018, it fell from 2.52% to 2.31%. We believe these positive trends are a reflection of increasing employee engagement.
- ▶ Provided \$41.8 million in total wages and benefits for our workforce, up from \$40.7 million in 2017. Our entire workforce in Mexico earned at least 60% more than the minimum salary mandated by local laws.
- ▶ Received 123 complaints from employees and contractors through our Internal Grievance Mechanism, up from 88 the previous year. While usage of this feedback channel increased, it is not generating the results or participation we were expecting. We are evaluating ways to improve usage of the mechanism, including through greater awareness-building, as well as exploring other ways to gather feedback from employees so that we can understand and respond to issues in a proactive way.

2018 WORKFORCE SNAPSHOT



1,601
Employees



99%
On-site Personnel
from Mexico



1,080
Contractors



11%
Women Employees



73%
Unionized
Employees



85%
Senior Management
from Mexico

Community



One of the biggest things I enjoy seeing is how our mines generate spin-off activity in local towns, with people making an honest living from opening corner shops, grocery stores and all sorts of small businesses. Since these are small towns you see the impact to the community because the economic wealth impacts everybody.

Godfrey Walton, President and Chief Operating Officer

2018 HIGHLIGHTS

- ▶ Invested US \$387,284 across Mexico (41%) and Canada (59%). This is down from \$517,000 the previous year as a result of low metal prices that impacted the financial performance of the silver and gold mining sectors.
- ▶ Contributed \$160,080 in Mexico to support local communities, with approximately 18% of that directed to our two priorities of education and employability.
- ▶ Hosted six skilled trades workshops in Bolañitos for community members. These sessions were led by a professional trainer from the Institute for Continuous Education of Adults, a government agency that helps adults prepare for the workforce or become self-employed. The workshops helped 109 participants build skills as pastry chefs or hair stylists.
- ▶ Sponsored the 4th edition of the mining race in the City of Guanajuato to promote sports in the community. The race was funded by Endeavour and COMINVI, one of our contractors, and was organized in collaboration with the Municipal Commission for Sports and Youth Support.
- ▶ Commissioned an external consulting firm to help us perform a social impact assessment for our development project, Terronera in Jalisco state. The Terronera project will be Endeavour's first "new mine" (i.e., built from scratch), employing approximately 350 employees and contractors during the 18-month construction phase. While the social impact assessment is not a regulatory requirement, we wanted to be proactive to analyze community needs, identify relevant stakeholders and assess potential social consequences, both positive and negative.



Endeavour Scholarship Program Offers Life Changing Opportunities

Education is vital for social and economic progress in today's world. Unfortunately, financial barriers prohibit many Mexican students from continuing their studies.

For this reason, Endeavour created a scholarship program to provide greater access to educational opportunities for students in nearby communities, including remote areas. First launched in Bolañitos in 2017, last year we expanded the program to the El Cubo area, and also formed a partnership with the Universidad de Guanajuato to administer the scholarships to students undertaking studies at that university.

In 2018, 77 students from junior high school to university received the scholarships. With this financial assistance from Endeavour, school-related costs including registration, uniforms, books and transportation are covered, enabling students to further their education and increase their career opportunities.



Environment

We take our environmental responsibilities seriously. Our production and exploration departments review all aspects of the mining process to make sure Endeavour is sensitive to any environmental impacts. At the same time, we're trying to be an inspiration for contractors, partners and communities to be environmentally conscious.

Luis R. Castro Valdez, Vice-President, Exploration

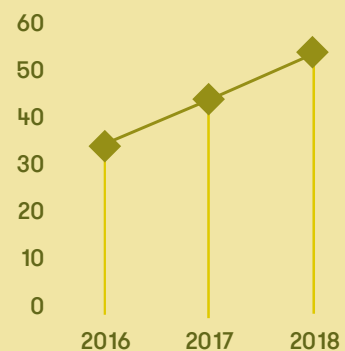


53,000+ Trees Planted

We are committed to protecting and preserving ecosystems where we operate. While none of our sites are legally required to have biodiversity management plans, all of our operations have nurseries to grow local flora and programs in place for replanting disturbed areas.

In 2018, we planted 53,410 trees in reforestation projects, up from nearly 44,000 trees last year, with an average survival rate of 82%. The vast majority of trees (84%) were planted around our exploration projects. The rest were planted at our operations or in the surrounding communities.

TREES PLANTED (THOUSAND)



2018 HIGHLIGHTS

- ▶ Recycled and reused more than 90% of water at all sites to reduce our reliance on fresh water, which is comparable to prior years.
- ▶ Achieved a 12% reduction in hazardous waste intensity (tons of hazardous waste/tons of mineral processed) from 0.133 in 2017 to 0.117 in 2018.
- ▶ Experienced no reportable spills involving hazardous waste at any of our operations.
- ▶ Realized considerable improvement in urban solid waste management, with an overall 65% reduction of waste generated. This is due to the efforts put in place at Bolañitos and El Cubo to separate, divert and recycle waste.
- ▶ Experienced an increase in water consumption from 5.13 million m³ to 5.17 million m³, with the rise mostly in fresh water (from 274,122 m³ to 319,638 m³). This was largely a result of challenges with ore grade in Bolañitos, that required more water in the plant processing to achieve the targeted silver and gold recovery rate.
- ▶ Recorded a 3% increase in energy consumption, from 627,595 GJ in 2017 to 646,867 last year, due to the new El Compas site commencing production. We sourced 5% of our energy from renewable sources, in line with a new Mexican requirement introduced in 2018 for all industries. We buy all our energy from the Mexican electrical utility Comision Federal de Electricidad (CFE).

\$1.71 Million

Spent on environmental protection, which included environmental studies, responsible waste management, green awareness campaigns and more.



Economic Value

In the mining space, you have to be able to handle market swings either way. We focus on being prepared for volatility and what we control, which is ultimately the long-term growth of the company.

Dan Dickson, Chief Financial Officer



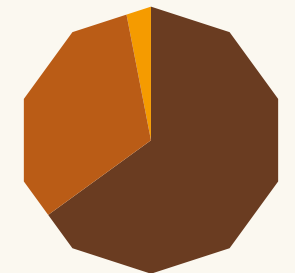
2018 HIGHLIGHTS

- ▶ Spent \$181.1 million to procure goods and services. Roughly 97% of our total procurement came from national or local suppliers within Mexico, comparable to prior years.
- ▶ Reinvested \$12.4 million into exploration, primarily to advance the Terronera project and to explore the Parral properties, where both projects had significant additions to reserves and resources, respectively in 2018. We completed an Updated Pre-feasibility Study at the Terronera project and subsequently increased Terronera Mineral Reserves.
- ▶ Completed the development of the El Compas mine and initiated commissioning of the plant.
- ▶ Contributed 32,514,473 MXP (US\$1,692,410) to the Mining Fund in Mexico. The federal government created the fund in 2014 to collect a special tax from operating mines in the country, with the purpose of using the money to improve the quality of life in areas impacted by mining extraction and support local communities through social infrastructure projects. In Guanaceví, for instance, money from the Mining Fund has helped pave roads within and outside the town, expand school facilities and bring electricity to rural districts.
- ▶ Supported 11 officially-recognized artisanal miners in Guanaceví, who contributed 6% of the total material processed in 2018, a year-over-year increase to 18,663 tonnes in 2018 from 14,649 tonnes in 2017.

\$12.4 Million

Reinvested in exploration activities

PROCUREMENT OF GOODS AND SERVICES



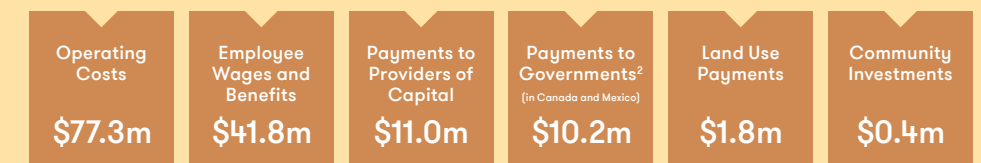
65% State Where the Mine Operates
32% Local Neighborhoods
3% International

ECONOMIC IMPACTS

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.



Breakdown of Economic Value Distributed



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.

About Endeavour

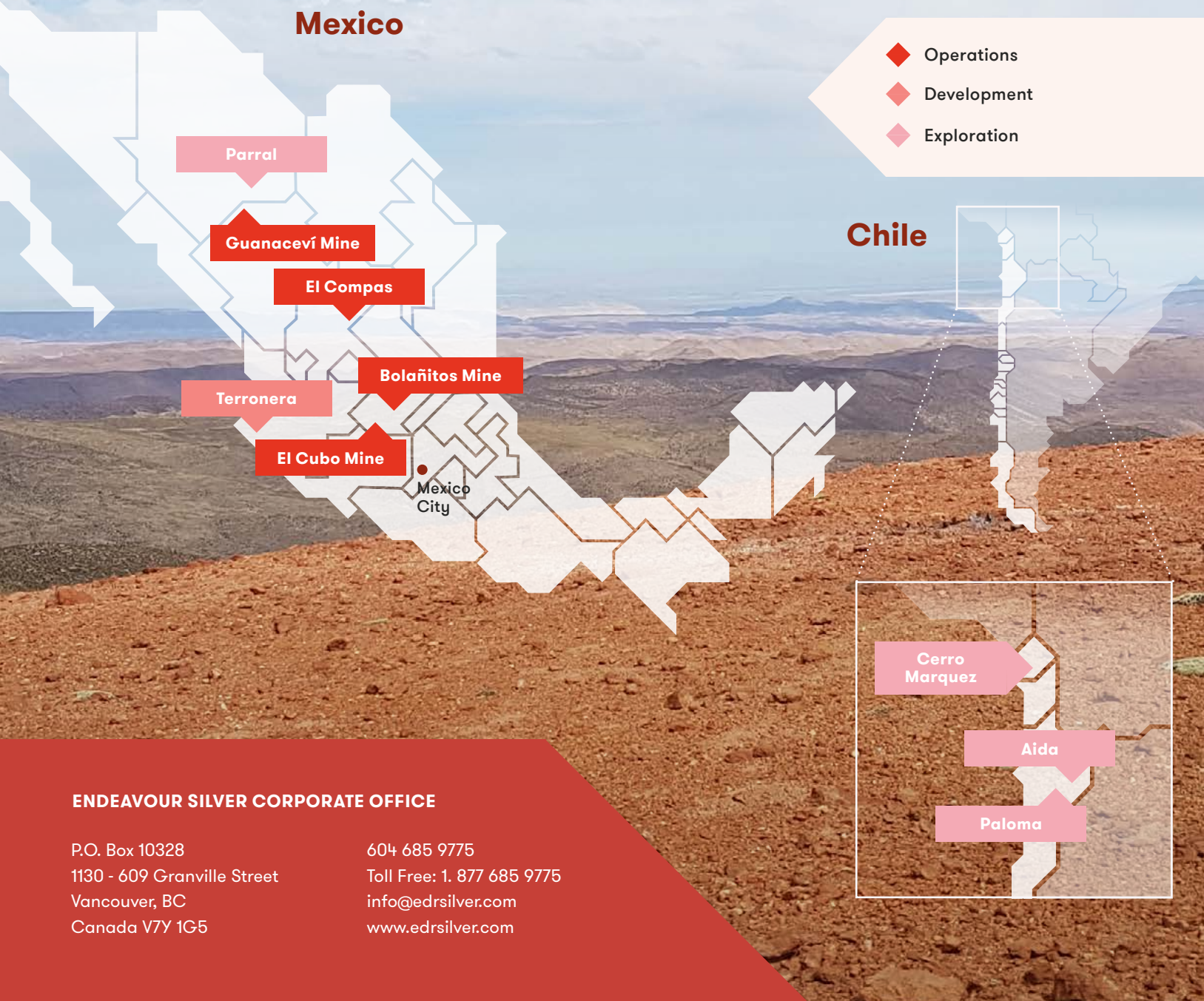
Endeavour Silver Corp. is a mid-tier precious metals mining company listed on the NYSE:EXK and TSX:EDR. The Company is headquartered in Vancouver, Canada, and is engaged in the evaluation, acquisition, exploration, development and exploitation of precious metals properties in Latin America. Our philosophy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

Operations

We operate four high-grade, underground, silver-gold mines in Mexico; the Guanaceví mine in the state of Durango, the Bolañitos and El Cubo mines in the state of Guanajuato and the El Compas mine in Zacatecas.

Development & Exploration

We own one development project in Mexico, the Terronera project in Jalisco state, which is awaiting final permits and a production decision to initiate construction; and the prospective Parral Project in Chihuahua state, which is targeting an initial PEA ("Preliminary Economic Assessment") in 2019. In addition, we hold several other exploration properties in Mexico and Chile.



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