



FORTUNA
SILVER MINES INC.

Our Environment Social & Governance Priorities

September 2021



SUSTAINABILITY

Integral to all our operations and relationships



16 years

generating sustainable
shareholder value



4

operating mines

3,200+

employees & contractors¹

Note:

1. 2020 headcount includes employees at Fortuna Silver Mines Inc. and employees/contractors at the Caylloma, Lindero, and San Jose mines



“ The acquisition of Roxgold in West Africa further reinforces the importance of good governance, risk management, and strong relationships with key stakeholders. Sustainability has always been, and continues to be, integral to our operations and we look forward to report ESG consolidated results for both regions in Q3 2021.”

Jorge A. Ganoza, President, CEO, and Director



STRATEGIC SUSTAINABILITY OBJECTIVES

Our Sustainability Framework is a way to transform our aspirations into actions and achieve our vision



GOVERNANCE

Create through corporate governance: high ethical standards, respect for human rights and promotion of diversity and equal opportunity.

- 1 **Financial Performance**
- 2 **Human Rights and Ethics**



OUR PEOPLE

Create a culture of health, safety and social responsibility, and maintain positive relationships with our stakeholders.

- 3 **Communities**
- 4 **Occupational Health & Safety**
- 5 **Human Resources**



OUR ENVIRONMENT

Mitigate our impact on the environment through the efficient use of our resources and the implementation of clean technologies

- 6 **Environment**



Note: Please refer to our [Sustainability Framework](#)

SUSTAINABILITY PERFORMANCE



Consolidating Fortuna as a leader among the industry standard



GOVERNANCE



OUR PEOPLE



OUR ENVIRONMENT

Starts at the Board level and permeates throughout organization

- 3.8 Score – Low ESG Risk in Governance Sustainalytics (2021)
- B+ in Corporate Governance and Business Ethics ISS-ESG (2021)
- 6.1 score in Corporate Governance MSCI (2021)

KEY POLICIES:

Human Rights | Diversity | Anti-corruption | Occupational Health and Safety | Business Code of Conduct and Ethics and Whistle-blower | Supplier Business Code of Conduct and Ethics

Pay special attention to their integrity and build positive relationships

- 0 fatalities
- 0 significant disputes with communities
- 17% women in management positions
- 69% of employees from local communities (Direct and indirect areas of influence)

NEXT STEPS:

- Behavior-based Corporate Program with Dupont
- Social Risk Analysis for Community Relations Procedure
- Enhance “Dialogue and Engagement with Communities” procedures

Minimize our impact, preserve and restore it for the future

- 0 significant spills
- 15% reduction of water used per tonne of processed ore
- B- in Eco-efficiency by ISS-ESG (2021)

NEXT STEPS:

- Alignment with Global Industry Standard on Tailings Management
- Climate Change Strategy

Note: Data highlights correspond to information pertaining to Fortuna Silver Mines Inc. in 2020, unless otherwise specified



SUSTAINABILITY REPORTING AND BENCHMARKS

“What gets measured, gets managed” – David Laing, Chair, Sustainability Committee of the Board

In 2019, we developed a five-year sustainability plan which contains short-, medium- and long-term commitments. As a result, we have integrated key performance indicators (KPIs) related to sustainability into the management of our business.



Participatory monitoring with the presence of the authority and neighboring communities at Caylloma

We measure our sustainability performance using the Global Reporting Initiative (GRI) guidelines, the Metals and Mining Industry Standard by Sustainability Accounting Standards Board (SASB) and are taking the first steps to develop a plan to align ESG reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

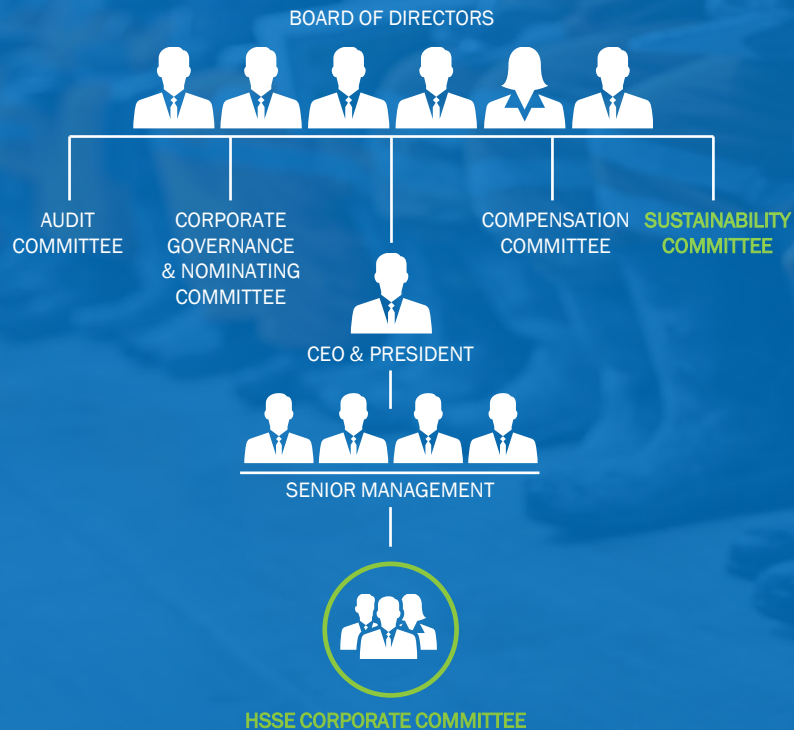


Note: Please refer to our [2020 Sustainability Report](#); page 15



CORPORATE GOVERNANCE

Maintain a sound financial position while creating shared value



Governance In Brief

Board independence	67%
Key committee independence	100%
Separation of Chair and CEO	✓
Independent Chair of the Board	✓
Average age of directors	56 years
Average director tenure	8.71 years
Representation of women on the board	17% / 29%*
Board Diversity Policy	✓
Share ownership requirements	✓
Clawback Policy	✓
ESG metrics in executive compensation	✓
Single share class (one share, one vote)	✓

* In July 2021, Kate Harcourt joined the Board increasing female participation



Note: Please refer to our [2020 Sustainability Report](#); pages 26 and 28

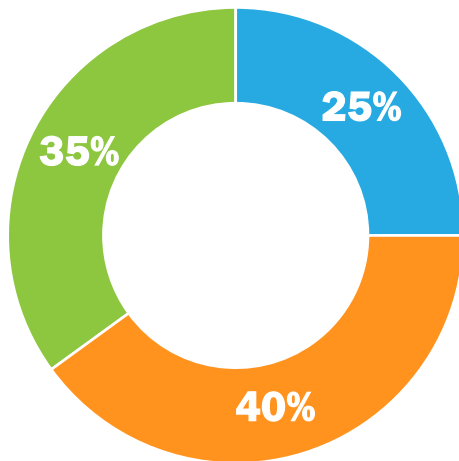
CORPORATE GOVERNANCE

Executive compensation linked to ESG

Annual Incentives Corporate Performance Indicator

ESG

- 15% Safety
- 5% Environmental
- 5% Social
- 10% Implementation of ESG Framework



- ESG
- Financial
- Operational

“...we remain focused on taking care of our people and listening to our stakeholders. We aim to enhance our ESG risk mitigation processes and develop a more comprehensive approach to addressing climate-related risks and capturing opportunities.”

Jorge A. Ganoza
President, CEO and Director



Note: Please refer to our [2020 Sustainability Report](#); page 31

HUMAN RIGHTS AND ETHICS

Be a responsible producer

Our Performance in 2020

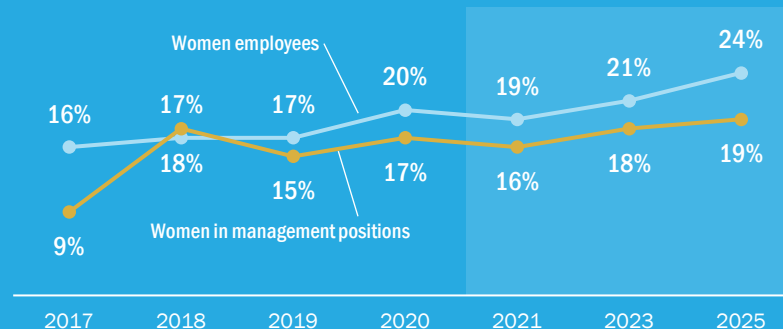
Zero cases of discrimination or violations of human rights, freedom of association, child labor, youth labor with exposure to high-risk work, or forced labor involving our employees.

Zero incidents related to violations involving the rights of Indigenous Peoples.

100% of our internal and external security personnel received formal human rights training.



Performance and Goals to Increase Gender Diversity



Note: Please refer to our 2020 Sustainability Report, pages 21, 52, and 66



COMMUNITIES

Be a catalyst for sustainable development

SUSTAINABLE DEVELOPMENT GOALS



Education			✓				
Health		✓					
Support programs for local entrepreneurs	✓				✓		✓
Capacity-building in agricultural activities	✓				✓		✓
Public Social Services		✓	✓		✓		✓
Other	✓			✓	✓		✓

Notes:

1. Please refer to our [2020 Sustainability Report](#); pages 69 and 70
2. Approximately 30% invested in economic development programs and 20% in infrastructure



COMMUNITIES

Partnering for sustainable communities



Caylloma Mine, Peru

Childhood Anemia Program

Early childhood anemia can impact intellectual development, with lifelong economic and social consequences

In 2020, our Childhood Anemia Program at Caylloma screened 216 children and 140 children diagnosed with anemia received treatment.

Impact: 1.42% reduction in anemia in children from six months to three years old (July-December 2020)



Lindero Mine, Argentina

Internet for local school and community center

The nearest community to our Lindero mine is Tolar Grande, where most inhabitants are members of the Kolla indigenous community.

Since 2018, we have provided internet access to the local schools and community center.

Impact: Enabled remote learning for students during pandemic



San Jose Mine, Mexico

Ocotlan de Morelos Grey Water Treatment Plant

In January 2010, Fortuna refurbished the grey water treatment plant in Ocotlan de Morelos; treated grey water is pumped to the San Jose Mine to be used in the production process

Impact: Since 2010, the plant has provided water for public services in Ocotlan de Morelos and to the San Jose Mine. Residual grey water is no longer discharged directly into any body of water, reducing contamination.



Caylloma Mine, Peru

Alpaca Productive Improvement Program

Peru is the world's leading producer of alpaca fiber and Arequipa Province is the biggest source of fiber for export.

In 2020, our Alpaca Productive Improvement Program reached hundreds of families including 46,912 animal care interventions.

Impact: Since 2019, our program has reduced animal mortality by 4.7%.



Lindero Mine, Argentina

Solar Panels

At our Lindero mine in the Salta Province of Argentina, we receive about 150 hours of sunshine each month

A portion of our electricity is provided by solar panels at our Lindero and Caylloma mines.

Impact: 10.9% of the electricity consumed at Caylloma in 2020 came from renewable sources.



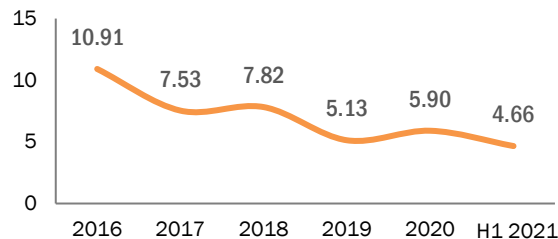
Note: Please refer to our [2020 Sustainability Report](#); pages 13, 42, 71, and 72

OCCUPATIONAL HEALTH & SAFETY

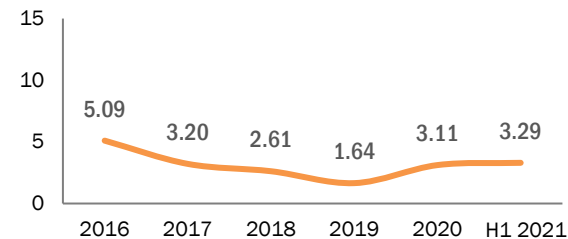
Demonstrate commitment in everything we do



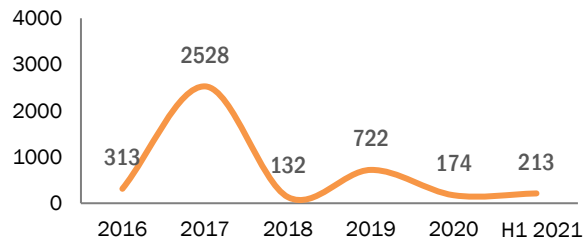
Total Recordable Injury Frequency Rate¹



Lost Time Injury Frequency Rate²



Lost Time Injury Severity Rate³



Notes:

1. Total Recordable Injury Frequency Rate = (lost time + medical treatment injuries) x 1,000,000 / man hours
2. Lost Time Injury Frequency Rate = (lost time injuries x 1,000,000) / man hours
3. Lost Time Injury Severity Rate = (days lost because of lost time injuries x 1,000,000) / man hours Includes all employees and contractors of Fortuna and subsidiaries.

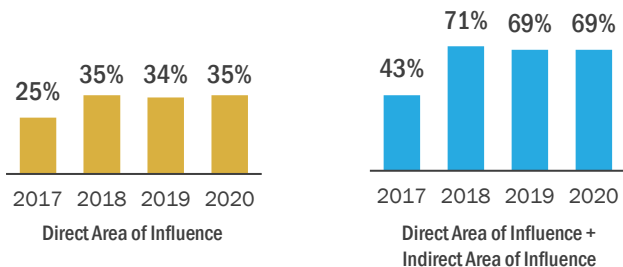


HUMAN RESOURCES

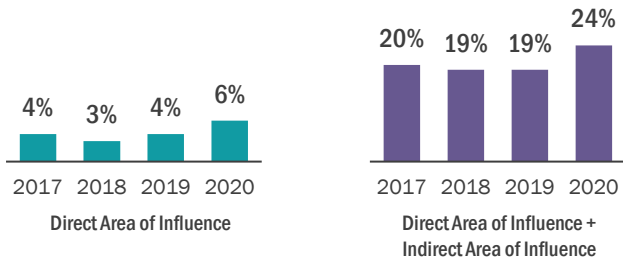
Attract and train a workforce which draws on the local stakeholder community

We source the majority of our workforce from our area of influence and are making progress toward increasing the percentage of local suppliers.

Local employment as a percentage of the workforce



Local suppliers as a percentage of the workforce



Note: Please refer to our [2020 Sustainability Report](#); page 70

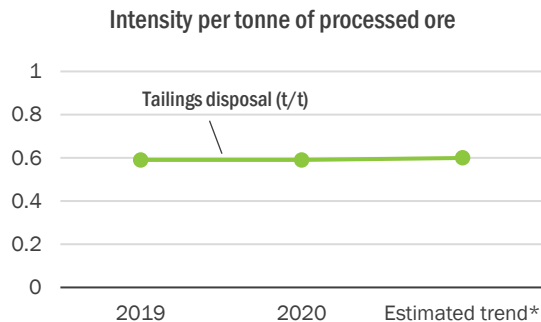


ENVIRONMENT

Minimize our impact on the environment to preserve it for future generations

Our operations include tailings storage facilities (TSFs) and heap leach facilities (HLFs). They are managed under our Tailings and Heap Leach Management Standard, which is based on the guidelines of the Mining Association of Canada and the Canadian Dam Association

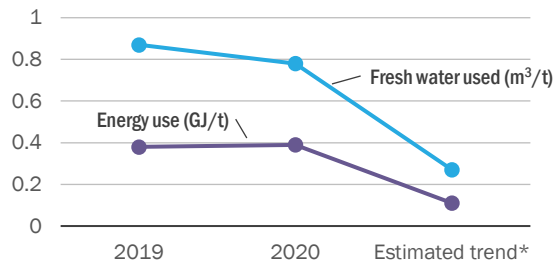
At our underground mines, we reuse the heavy solid component of tailings as paste fill. This allows us to reduce tailings disposal in our TSFs, which extends their holding capacity over time, reduces tailings dam risks and impacts.



Note: Data does not include Lindero

Our enduring goal is to optimize energy use in our operations and reduce the water intensity in all our operations by identifying improvement opportunities.

Intensity per tonne of processed ore



Notes:

1. Please refer to our [2020 Sustainability Report](#); pages 38, 41, and 46
2. 2019 and 2020 includes the Caylloma and San Jose mines; estimated trend includes Caylloma, San Jose and Lindero mines



2020 Funds for Mine Closure

US\$6.22 M

San Jose

US\$9.7 M

Caylloma



CLIMATE RESILIANCY

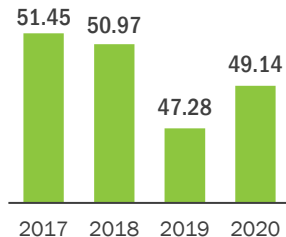
Corporate climate strategy under development

We are embarking on a process to explore the climate risks and opportunities facing the Company in order to develop a climate strategy in response.

We have begun to align our climate disclosure to the four pillars of the TCFD recommendations.



GHG emissions intensity per thousand tonnes of processed ore (tonnes CO₂ equivalent/kt)



Note: Please refer to our [2020 Sustainability Report](#); page 44



SUSTAINABILITY PLAN



Focus our efforts on the issues with the greatest potential to impact company value and stakeholder's interests

Sustainability Plan KPIs and Targets

We have integrated a prioritized set of KPIs to our business strategy and committed to short-, medium- and long-term targets

This process was led by our senior management, and the targets were approved by the Board

KPI	2021E	2023E	2025E
Number of employee and contractor fatalities as a result of work-related injuries	0	0	0
Employees – Lost Time Injury Frequency Rate (LTIFR)	1.37	1.31	0.96
Employees – Total Recordable Injury Frequency Rate (TRIFR)	3.77	3.60	2.56
Employees – Severity Rate (SR)	31.89	27.18	23.36
Contractors – Lost Time Injury Frequency Rate (LTIFR)	1.60	1.36	1.07
Contractors – Total Recordable Injury Frequency Rate (TRIFR)	5.60	4.89	4.53
Contractors – Severity Rate (SR)	106.93	59.98	39.94
Number of significant spills	0	0	0
GHG emissions intensity per thousand tonnes of processed ore (tCO ₂ eq/kt)		To be defined	
Energy use intensity per tonne of processed ore (GJ/t)		To be defined	
Water use volume intensity per tonne of processed ore (m ³ /t)		To be defined	
Tailings disposal intensity per tonne of processed ore (t/t)		To be defined	
Number of significant disputes with local communities	0	0	0
% of employees from local communities (Direct Area of Influence – DAI)	26%	27%	28%
% of local suppliers (Direct Area of influence – DAI)	4.43%	4.65%	4.66%
% of women employees	19%	21%	24%
% of women in management positions	16%	18%	19%

Note: Please refer to our [2020 Sustainability Report](#); page 21



SUSTAINABILITY INFORMATION



Note: Please click on the image to access information

CONTACT

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APPENDICES



SENIOR MANAGEMENT



JORGE A. GANOZA

President, CEO and Director

Co-founder of Fortuna. Peruvian geological engineer with over 25 years of experience in mineral exploration, mining and business development throughout Latin America. Has led Fortuna's growth and acquisitions since inception.



LUIS DARIO GANOZA

Chief Financial Officer

Over 16 years of experience in the operations and financial management of public mining companies. Luis also serves as Chairman of the Board of Atico Mining Corporation.



CESAR VELASCO

Chief Operating Officer – Latin America

A skilled executive with over 22 years of global experience in the mining and manufacturing industry, Cesar has been with Fortuna since 2018 and is the designated leader for the Fortuna-Roxgold integration.



PAUL CRIDDLE

Chief Operating Officer – West Africa

Over 20 years of operating and project management experience developing and operating mines in West Africa, East Africa, Australia and Papua New Guinea.



LINDA DESAULNIERS

Corporate Counsel and Chief Compliance Officer

Over 20 years of legal experience in private practice acting for a broad range of Canadian and foreign public companies, primarily in the mining industry; specializing in corporate finance, corporate and commercial law.



MANUEL RUIZ-CONEJO

SVP Mining

Over 25 years of experience in the execution of multi-million dollar mining projects and the implementation of community relations programs in Latin America.



DAVID VOLKERT

Vice President, Exploration - Latin America

A mine finder with a long, successful career in the mining industry; instrumental in the discovery of Barrick's Lagunas Norte gold deposit and the acquisition of the Pierina gold deposit in Peru; spearheaded the discovery of Bear Creek's Corani and Santa Ana silver-lead-zinc deposits in Peru.



PAUL WEEDON

Vice President, Exploration - West Africa

Over 29 years of international mining industry experience in exploration, development and production in Africa and Australia spanning junior to major mining companies.



ERIC CHAPMAN

Vice President, Technical Services

A geologist with over 20 years of experience who has provided technical guidance to Fortuna since 2011. Previously Eric was a Senior Consultant to Snowden Mining Industry Consultants working on a variety of mine and exploration projects in Africa and the Americas.



JOSE PACORA

Vice President, Project Development

Over 30 years of experience in the mining industry working for both engineering firms and mining companies developing strong capabilities in engineering, construction and project management.



CARLOS MANRIQUE

Vice President, Operations – Latin America

Over 20 years of industry experience related to operational, project management and technical services, Carlos has been with Fortuna since 2010 and has held senior management positions at each of the company's three mines in Latin America.



ERIC GRATTON

GM External Relations - West Africa

Over 29 years of management experience in the mining industry in finance, operational support and government relations in West Africa and Canada.



BOARD OF DIRECTORS



DAVID LAING

Chairman of the Board

Mining engineer with 40 years of experience in the industry. David is an independent mining consultant. He was formerly the COO of Equinox Gold, with gold projects in Brazil and California, COO of True Gold Mining which developed a gold heap leaching operation in Burkina Faso, and COO and EVP of Quintana Resources Capital, a base metals streaming company. David was also one of the original executives of Endeavour Mining, a gold producer in West Africa.



JORGE A. GANOZA

President, CEO and Director

Co-founder of Fortuna. Peruvian geological engineer with over 25 years of experience in mineral exploration, mining and business development throughout Latin America. Has led Fortuna's growth and acquisitions since inception. Director of Ferreycorp.



DAVID FARRELL

President of Davisa Consulting, a private consulting firm working with junior to mid-tier global mining companies. Successfully negotiated, structured and closed more than \$25 billion worth of M&A.



KYLIE DICKSON

Executive with over 14 years of experience in the mining industry. Kylie has worked with companies at various stages of the mining lifecycle including playing a key role in multiple financings and M&A transactions. Kylie was most recently the VP of Business Development at Equinox Gold Corp.



MARIO SZOTLENDER

Co-founder of Fortuna. Financier, businessman and Director of Atico Mining Corporation, Endeavour Silver Corp. and Radius Gold Inc.



KATE HARCOURT

Sustainability professional with over 27 years of experience, principally in the mining industry. Kate has worked with a number of mining companies and on behalf of Equator Principles signatory financial institutions and has performed a number of consultancy assignments for International Finance Corporation.



ALFREDO SILLAU

Managing Partner, CEO and Director of Faro Capital, an investment management firm that manages private equity and real estate funds.

