

2019 SUSTAINABILITY REPORT

OUR COMMITMENT TO RESPONSIBLE MINING



FROM THE PRESIDENT AND CEO



As I write this letter, the global pandemic has tested all of us in business, government and at home, challenging us in how we approach our business and daily lives. Taking the long-term view will help us successfully navigate these uncharted times. We are confident that our 129-year history will assist us in weathering this pandemic and we remain positioned to continue to provide the supply chain minerals that are fundamental to so many essential industries.

Central to all our actions is the ability to protect people and the environment. That is why I am extremely proud of the efforts of the team at the Lucky Friday Mine in Idaho, which was recognized this past year for earning the 2018 National Mining Association Sentinels of Safety Award, the nation's most prestigious award recognizing safety in the mining industry. In addition, the strike at the Lucky Friday has ended and as we begin the process of bringing it back to full production, the workers are returning to a mine with a stellar safety record.

Innovation is the key to many of the efforts that protect our people and reduce our environmental impact. The health and safety of our people is always our highest priority, and technology allows us to take "hands off the steel," which in turn mitigates risk and improves efficiency. Our strong safety culture combined with our commitment to technology is the reason that company-wide in 2019, we achieved our lowest All-Injury Frequency Rate (AIFR) in our history. Our 2019 AIFR was 33 percent below the national average and 70 percent lower than it was in 2014. And we will continue to push to do even better in 2020.

Hecla's values of being responsible, safe and innovative are an essential part of our social license to operate, and we have steadily expanded our communication activities around our sustainable practices, incorporating input from stakeholders on our Environmental, Social and Governance (ESG) efforts.

To that end, in 2019 we continued to benchmark against and increase our disclosures around the Sustainability Accounting Standards Board (SASB) metrics to ensure that our ESG reporting is transparent, consistent, measurable, and in accordance with recognizable industry standards. Hecla was an early adopter of the SASB standards, which have been recommended by investors such as BlackRock as a standard in ESG reporting. We also continued to do our part globally by embracing the United Nations Sustainable Development Goals (SDGs) that most closely align with our business and with our social investments. All of our efforts are guided by the Health, Safety, Environment, and Technical Committee of the Board of Directors.

Hecla promotes a culture of environmental stewardship by raising awareness of environmental priorities among our employees and seeking to take actions that protect the environment. Our Environmental Management System (EMS) strives to go beyond compliance while continuously improving our performance and reducing risk. A top priority for our industry is how we manage our tailings storage facilities. In 2019, 24 percent of our tailings company-wide were put back into our mines, which reduces the need for surface storage. In addition, we are phasing out our last active upstream constructed tailings facility, and we have updated our corporate tailings standard as part of our continuous improvement philosophy and recognized developing global tailings management initiatives.

COVER PHOTO

Downtown Wallace, Idaho, a community near our Lucky Friday Mine and our corporate headquarters in Coeur d'Alene.



As part of our effort to enhance biodiversity, once mining is completed, we return the lands to other productive uses. In 2019, we completed reclamation on 97 percent of the 330-acre Troy tailings facility in Montana and advanced closure of tailings pond 3 at Lucky Friday with goals at both sites to create a productive wildlife habitat in the post-mining landscape. Company-wide, we have more than \$180 million dedicated to ensuring our mines are reclaimed to post-mining productive uses. In addition, our Lucky Friday Mine received the Pollution Prevention Award from the State of Idaho for its environmental stewardship performance.

We took action toward our three-year goals to reduce freshwater use. Our first year included increased focus in these areas but we saw some minor increases due to the temporary reduction in hydropower at our Greens Creek Mine in Alaska, which affected company-wide energy use, and the acquisition of the Nevada assets affected both energy and water uses. However, Hecla's energy use and carbon emissions are relatively small compared to our peers.

Corporate responsibility also extends to the communities where we live and work. We provide good, high-paying jobs with an excellent benefits package, and contribute to the economic and social well-being of those communities through the taxes we pay, financial contributions, student scholarships, volunteerism, and sustainable career development programs. These efforts are never more important than during times like the COVID-19 pandemic, which is why the Hecla Charitable Foundation has made an additional commitment to support the communities in which we operate. This builds on our legacy of charitable contributions, which totals \$3.4 million since establishment of the Foundation in 2009. Overall, we have donated nearly \$6 million to education, youth activities, community programs, and health services over the past 10 years.

In addition, we always seek to pursue and deliver the highest standard of ethics and integrity in every aspect of our business. We continue to increase our transparency and communication regarding our ESG performance, and in the last four years, three new directors have been appointed to our Board of Directors, resulting in increased diversity and reduced average tenure.

As the disruption around the COVID-19 pandemic has emphasized, our country has become far too dependent on foreign sources for many of our key supply chain minerals. The metal and mineral resources we produce at Hecla are the first step in many supply chains and can be responsibly produced right here at home. As this local demand increases, our industry must continue to be vigilant about our environmental, health and safety, and community engagement performance. We will continue to adapt and improve our actions around our ESG efforts and will increase communication about our performance with our stakeholders.

Finally, I wish to thank all of our employees, our Board of Directors, and the communities in which we operate for their continued support in partnering with us in our corporate responsibility commitments.

A handwritten signature in black ink, appearing to read "P. Baker".

Phillips S. Baker, Jr.
President and Chief Executive Officer
June 10, 2020

**“
Innovation is the key
to many of the efforts
that protect our
people and reduce
our environmental
impact.”**

HECLA'S VALUES

HECLA BY THE NUMBERS

5 mines

U.S.: Alaska, Idaho, Nevada

Canada: Québec

Mexico: Durango

1,640+ employees

in North America

129 years

in operation

1891

Year founded with headquarters in Coeur d'Alene, Idaho and sister office in Vancouver, British Columbia

8 districts

Exploration properties and pre-development projects in 8 world-class silver and gold mining districts in the U.S., Canada and Mexico

4 metals mined

Silver, gold, lead and zinc



Responsible. Safe. Innovative.

Since 1891, the Hecla business strategy has been to take the long view: we operate long-lived mines and we establish deep connections to the communities in which we operate.

Hecla's corporate values of being responsible, safe and innovative reflect this business strategy. We are responsible stewards of the resources we mine and the associated environment because it's good for our communities and for our company. We set high safety performance standards as a safe mine is a productive mine, and our people are the key to our success. And we embrace innovations and technology that help improve safety, responsibility, and efficiency because it paves a path to a sustainable and successful future.

Watch our [video](#) to learn about Hecla's values of being responsible, safe and innovative.

OUR MINES



HECLA'S OPERATING PHILOSOPHY IS ROOTED IN RESPONSIBLE MINING

Responsible mining also means producing minerals that are essential for our modern world in a manner that is safe, environmentally responsible, and considers the input of our stakeholders. It begins with investing in training, technology, and management systems to ensure every person on every shift makes it home safely every day, while also improving production and enhancing our environmental performance. In 2019, we continued our strategic focus on achieving continuous improvement in our Environmental, Social and Governance (ESG) performance.



WORKFORCE

Employees at the Lucky Friday Mine take safety home.

Hecla's Environmental, Social and Governance (ESG) Commitment



We focus on delivering strong financial results that respect communities and the environment while improving accountability. 2020 will be our second year of benchmarking our ESG performance against key metrics of the [Sustainability Accounting Standards Board](#) (SASB) metals and mining protocol. SASB is a not-for-profit, independent standards-setting organization that establishes and maintains industry-specific standards that assist companies in disclosing financially material and decision-useful sustainability information to investors. Our SASB tables are included at the end of this report.

Our reporting is already aligned with one of our largest investors, BlackRock, which has asked the companies they invest in to publish a disclosure in line with industry-specific SASB guidelines. In a January 2020 letter to CEOs, BlackRock CEO Larry Fink recommended using the SASB standards, saying they provide “a clear set of standards for reporting sustainability information across a wide range of issues, from labor practices to data privacy to business ethics.”



SASB standards ... provide a “clear set of standards for reporting sustainability information across a wide range of issues, from labor practices to data privacy to business ethics.”

United Nations Sustainable Development Goals

Hecla is also aligning with the [United Nations Sustainable Development Goals](#) (SDGs) that are most material to our business and have prioritized the following areas:



#4 Quality Education — obtaining a quality education is the foundation to improving people's lives and sustainable development.



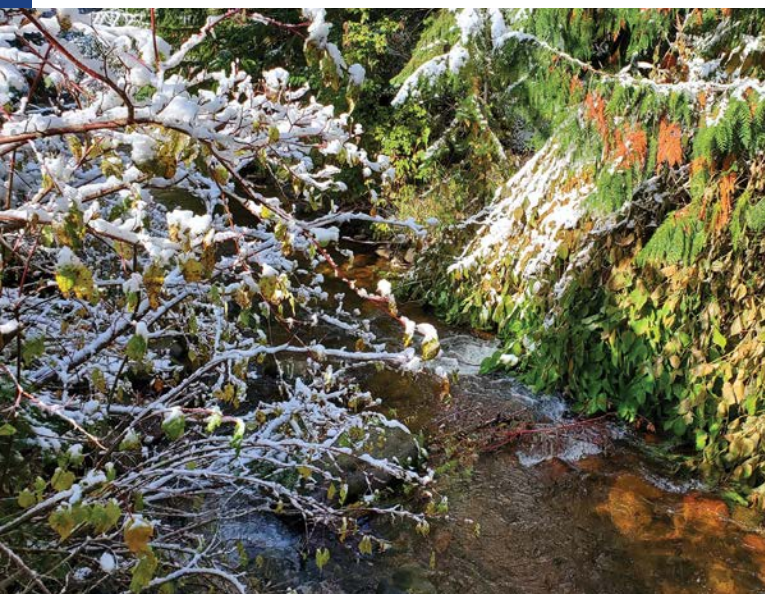
#6 Clean Water & Sanitation — clean, accessible water for all is an essential part of the world we want to live in.



#8 Decent Work and Economic Growth – sustainable economic growth will require societies to create the conditions that allow people to have quality jobs.



#15 Life on Land – sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.



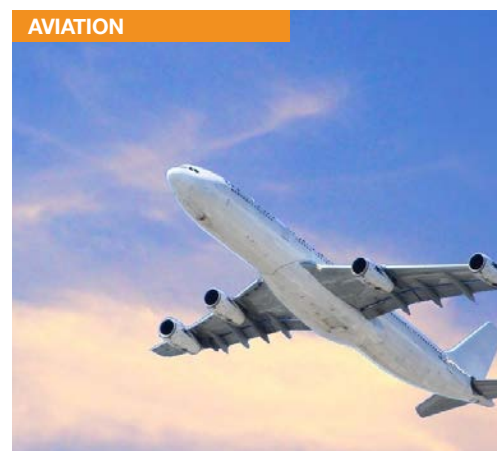
MINERALS AND METALS ARE ESSENTIAL FOR EVERYDAY LIFE

The recent events around COVID-19 have laid bare the dangerous vulnerabilities in the supply chain for numerous industries such as healthcare, renewable energy, and even our national security.

The materials produced from mining are at the very forefront of that supply chain and the minerals we mine are essential components to modern life. These materials are key to many of the medicinal innovations we see today and provide much-needed antimicrobial and antiviral protection; they are the foundation of renewable energy technologies; they are necessary for consumer technology such as cell phones, computers, and appliances; and they are a part of critical infrastructure, transportation, and aviation. Read more about the [medical and healthcare applications](#) of minerals and visit our [website](#) to learn about the many vital uses of these minerals.



Minerals Hecla mines are essential components to modern life.

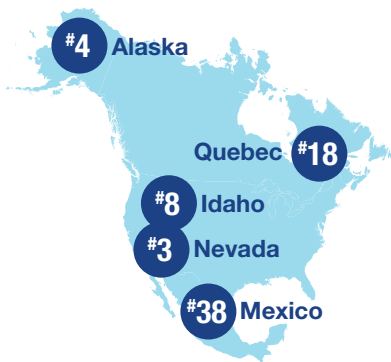


RESPONSIBLE MINING NOW AND FOR THE FUTURE

One of the keys to Hecla's long-term success has been our ability to identify and manage the activities and issues that maintain or enhance the ability of our company to create value over the long term.

To accomplish this, our Board of Directors actively oversees and monitors the most significant issues that could impact Hecla's operations, and ensures that necessary steps are taken to foster a culture of risk-adjusted decision making. We have in place robust, integrated risk management practices that address human, capital, and enterprise risks at appropriate intervals. Our risk management practices have evolved and expanded over the decades to reflect shifting business, regulatory, and political climates. Accordingly, our increased reporting of ESG efforts is a reflection of the need to quantify and express many of these same practices that we have implemented for years. Our priority areas are detailed in this report, including:

FRASIER INSTITUTE 2019 RANKING



Political Risk

Hecla's production mix is more than a portfolio of high-quality mines. All our mine sites are located in highly-rated regions by the Fraser Institute [survey](#) of mining companies' investment attractiveness, meaning that we operate in jurisdictions that require transparency, compliance with stringent environmental and safety laws, involve high levels of community engagement, and adhere to human rights' protections.

We also operate in areas with low corruption. Eighty-eight percent of our production comes from Canada and the U.S., which are rated #12 and #23 respectively in the Transparency International's Corruption Perception [Index](#).

Tailings Management

Tailings are the fine-grained material that must remain after the valuable minerals have been separated. Our tailings must be properly managed to protect the environment and our local communities, which is why tailings management is a top priority at Hecla and for our industry. Learn more about Hecla's [tailings management policies](#).

Climate Change

We understand that mining, like most human activities, plays a role in climate change. To help us reduce and manage these impacts, we have management systems and plans in place for addressing each of these issues. They are detailed in the next section of this report.

Workforce Development

The mining workforce of the future, like all industries, will see a continual change in the jobs and skill sets required as we adopt new technologies and make our workplace safer and more efficient. Hecla is committed to helping employees update their skills. For example, we are working with North Idaho College's Career Training Center to develop training curriculum to update the worker skill sets necessary to meet the changing mining workforce dynamic. In addition, we have long supported the Pathways to Mining Careers program, a career training partnership with the University of Alaska Southeast in Juneau.

Global Disruptions

The COVID-19 pandemic began in 2020, but we made the decision to include references to it in our 2019 report since at the time of publication, COVID-19 was an ongoing issue, and because a public health crisis could represent a future enterprise risk for many industries, including mining. Over the course of our 129-year history, Hecla has dealt with externally-driven disruptions (e.g. the Depression, two world wars, 9/11 and now this pandemic). Each situation is unique. For the current situation, we implemented very specific corporate and site-specific plans for COVID-19 in February and early March 2020 to protect our workforce and our home communities. Our plans included being flexible and quickly adapting to changing circumstances and government mandates. Even before mining was deemed an essential industry in the United States, we implemented procedures and policies to help keep our workers safe and ensure our supply chain such as limiting site access, adopting social distancing, enhanced cleaning practices, implementing temperature testing, and quarantining protocols.



Hecla has implemented very specific corporate and site-specific plans for COVID-19 to protect our workforce and our home communities.



WORKFORCE

Employees at the Casa Berardi Mine in Québec.

HECLA SUSTAINABILITY PERFORMANCE

Our ongoing ESG efforts align with our on-the-ground sustainability programs. Here is our current performance and 2020 focus areas in each ESG category.



Between respect for the environment, working in the amazing pristine wilderness habitat, as well as our forward-thinking as far as innovation and where we're headed as a mine and a company, I think there's a lot of positives to be said for Hecla and the kind of atmosphere we're cultivating here.

AMY LAMONICA
Lab Superintendent

PERFORMANCE: ENVIRONMENT



APPROACH: Environmental Management System

Our Environmental Management System (EMS) is a framework that helps us achieve our environmental goals through consistent review, evaluation, and improvement in our environmental performance. It is a 13-key area plan-do-check-act approach to ensure continuous improvement around issues including obligation registers, management of change, air quality, water and waste management, energy management, training, and reporting, while promoting a culture of environmental awareness and innovation from our employees. Our EMS program complements Canada's [Toward Sustainable Mining \(TSM\)](#) program, which is a systematic approach that allows mining companies to turn high-level environmental and social commitments into action on the ground. Our performance is routinely reviewed with the Health, Safety, Environment, and Technical Committee of the Board of Directors.

Watch this video to learn more about Hecla's [responsibility to the environment](#).

CURRENT PROGRESS

- We have more than 90 percent of the key EMS elements in place company-wide as confirmed by internal and third-party reviews.
- We completed structured environmental aspect/impact risk assessments at all of our operational sites, identifying key aspects and developing management action plans.
- We refreshed our corporate environmental policy to refocus on our commitment to minimize our long-term environmental impacts while meeting the needs of the present, all without compromising the ability of future generations to meet their own needs.
- We more than doubled the hours of environmental training for site employees (from 2,441 hours in 2018 to 5,382 hours in 2019) and reduced by over 50 percent the number of reportable spills.





State of Idaho's Pollution Prevention Award — Lucky Friday

95%

reduction in average freshwater use in process — Lucky Friday

95%

reduction in concentration of lead and zinc in the water discharged — Lucky Friday

- We accomplished our 2018 goal at Casa Berardi of achieving or exceeding a Level A rating for elements of Canada's TSM program, which includes energy and greenhouse gas (GHG) emissions management, safety and health, indigenous and community relationships, crisis management, and communications planning.

Towards Sustainable Mining
Vers le développement minier durable

Environmental Recognition

Our Lucky Friday Mine was one of only four businesses to receive the State of Idaho's Pollution Prevention [Award](#) in 2019 for environmental stewardship practices at the mine.

Specifically, the Lucky Friday was recognized for:

- Implementing a water recycling program that reduced the average freshwater use in process by 95 percent.
- Investing in state-of-the art water treatment facilities that reduced the concentration of lead and zinc in the water discharged by over 95 percent.
- Reducing waste generation by minimizing hazardous waste, improving recycling, and repurposing.
- Partnering with the Idaho Department of Transportation to repurpose as capping material approximately 120,000 cubic yards of waste highway material as part of our tailings' impoundment reclamation project.

2020 ENVIRONMENTAL FOCUS AREAS

- Achieve Level A under Canada's TSM program for tailings management and biodiversity conservation management at the Casa Berardi Mine in Québec.
- Complete additional training on EMS elements and implementation.
- Complete third-party review of EMS implementation progress.
- Update internal EMS dashboard communication tool.



APPROACH: Climate Change — Energy Management and Greenhouse Gas Emissions

Reducing energy consumption through streamlined processes and adoption of technology is positive for the environment and for our operating efficiency.

In addition to creating efficiencies to reduce energy intensity consumption and greenhouse gas (GHG) intensity emissions, Hecla utilizes renewable energy sources whenever possible to further reduce our carbon footprint. Specifically, hydropower helps us reduce costs, minimizes our fossil fuel use and emissions, and in Juneau, Alaska, it even reduces the electrical bill for all ratepayers. In 2019, 81 percent of our electricity was from the grid.



CURRENT PERFORMANCE

- Renewable energy sources are an important part of our efforts to reduce our environmental impact. Our Lucky Friday Mine in Idaho gets power from the local electric company that includes hydropower and we purchase excess hydroelectric power from the local electric company at our Greens Creek Mine in Alaska when it is available. Since 2006, hydropower usage has been instrumental in decreasing our diesel fuel consumption at Greens Creek by 60 percent. However, Greens Creek was cut off from hydropower throughout most of 2019 due to drought conditions in Southeast Alaska, requiring more onsite diesel power generation, which increased our energy consumption as well as our GHG emissions at the site in 2019.
- The lack of available hydropower and the addition of our Nevada operations increased our energy intensity (kWh per tons of ore milled) 12 percent company-wide (from 217 in 2018 to 243 in 2019). In early 2020, wet conditions allowed Greens Creek to once again use hydropower. Our energy intensity numbers include the total kwh per ton of ore milled, which provides us with more useful information to make key decisions around energy management.
- Despite an increase in our overall energy intensity and GHG emissions, we exceeded our 2019 performance targets for energy consumption and GHG emissions at our Casa Berardi Mine in Québec. We installed timers on the underground mine ventilation system, which reduced electricity consumption by 23 percent and propane consumption by 7 percent by timing the ventilation needs and heating requirements.
- We track on-site consumption of carbon-based fuels at all operating properties. Our company-wide Scope 1 CO₂ equivalents measured 101,718 metric tons in 2019 and Scope 2 CO₂ equivalents measured 32,626 metric tons. This was higher than in previous years due to the acquisition of our Nevada operations in 2018.
- In 2019, we produced 47.2 million silver equivalent ounces, which equals 351 silver equivalent ounces per ton of CO₂ emitted. This compares to 2018 where we produced 43.6 million silver equivalent ounces but had lower CO₂.

Hear about how Lucky Friday's [Conversion to Biodiesel](#) reduced underground emissions.

2020 CLIMATE CHANGE FOCUS AREA

- Company-wide, Hecla has established a three-year energy intensity reduction target of 5 percent from the 2018 baseline year. Because our energy intensity increased in 2019 due to the addition of our Nevada operations and generated power at some of our mines, we are developing plans to further focus on energy reduction opportunities.

23%

reduction in electricity
consumption for underground
ventilation — Casa Berardi Mine

7%

reduction in propane
consumption for heating
ventilation underground — Casa
Berardi Mine

351

(Ag.Eq.Oz.)
1 Ton CO₂



APPROACH: Water Management

We take very seriously how our decisions and processes related to water management impact our overall operations and our communities. To protect shared resources and avoid negative impacts, all water discharged from our operations must meet applicable federal and state (or provincial) water quality permit conditions. We constantly monitor water through a robust program of sampling, quality analysis, and audits. These audits help us better understand usage, identify opportunities to reduce consumption and to increase recycling to reduce the associated volume of treated water to ensure that natural waters are protected.

Watch our video to learn how [water management](#) is critical to Hecla's operations and our communities.



WATER MONITORING

Hecla employees conduct water monitoring tests near the Lucky Friday Mine in Idaho.

CURRENT PERFORMANCE

- Efforts continue to decrease water use through recycling and reuse of water for milling and process make-up. For instance, more than 90 percent of the water was recycled from the tailings pond at the Casa Berardi Mine in Québec and 95 percent of the process water was recycled at the Lucky Friday Mine in Idaho.
- Company-wide, the volume of water recycled increased by 4 percent in 2019 from 1.177 to 1.229 billion gallons of water reused.
- With the addition of our Nevada operations, our operational freshwater demand increased by 22 percent in 2019 to 941 million gallons from 771.3 million gallons in 2018, and the total volume of water managed and treated increased by 30 percent from 1.89 to 2.46 billion gallons of water. When put into context with overall tons milled, overall water use intensity increased by 8 percent in 2019 from 307 gallons/ton ore milled in 2018 to 333 gallons/ton ore milled.

WATER RECYCLED FROM TAILINGS PONDS



2020 WATER MANAGEMENT FOCUS AREAS

- Advance efforts to meet our 3-year freshwater intensity (gallons/ton ore milled) reduction of 5 percent from the 2018 baseline year in 2021. Because there were lower tons milled at the Nevada operations in 2019, we are developing a more focused plan to further reduce freshwater use per ton milled.
- Initiate an aggressive discharge reduction strategic planning effort at Lucky Friday with a goal of reducing site-wide discharges by 35 percent in 3 years.
- Complete water treatment system upgrades at Fire Creek in Nevada.



APPROACH: Tailings Management

Tailings are the fine-grained material that remain after the valuable minerals have been separated from rock. We design and operate in a manner that ensures tailings are responsibly managed. We work to continually improve the management and closure of these facilities. Our comprehensive [tailings management](#) standard provides procedures and protocols to ensure the safe operation and monitoring of tailings facilities. These measures align with industry best practices. Hecla was an early adopter of the dry-stack method of tailings management at the Greens Creek Mine in Alaska.

CURRENT PERFORMANCE

- In 2019, we updated our Tailings Management Standard as part of our continuous improvement process and in anticipation of Global Tailings Management Standards, which are currently in development.
- At our Greens Creek (Alaska) and Lucky Friday (Idaho) mines, nearly 55 percent of the volume of tailings produced in the milling process is returned to the underground mine as structural fill. This increases stability, improves safety, and reduces surface storage requirements.
- In 2019, 24 percent of the total tailings produced company-wide were returned to the mine as backfill rather than stored on the surface.
- We completed a review and update to the Operations, Maintenance and Surveillance manuals and emergency response plans at each site.

2020 TAILINGS MANAGEMENT FOCUS AREAS

- Roll out structured internal tailings, water and waste technical teams, and senior management engagement at our Greens Creek and Lucky Friday mines that mirror the ongoing approach at the Casa Berardi Mine.
- Select members of an independent review board to advise on company-wide tailings management systems, risks, and provide recommendations to the highest level in the organization.



TAILINGS MANAGEMENT

Dry-stack method of tailings management at the Greens Creek Mine in Alaska.



APPROACH: Responsible Use and Materials

CURRENT PERFORMANCE

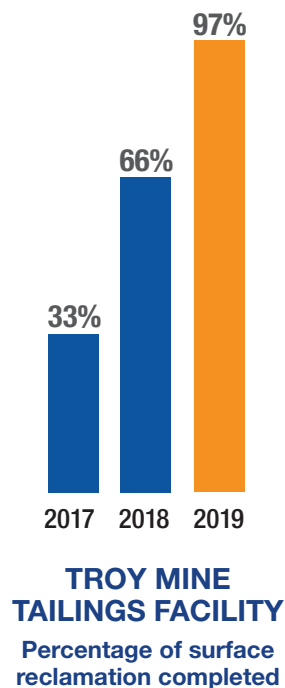
- Hecla strives to reduce waste output on all fronts specific to each operation, and we continuously explore the environmentally responsible use of resources, products, and materials. All sites have active programs for reuse, recycling, and recovery of specific waste sources.



APPROACH: Biodiversity Impacts— Mine Closure and Reclamation

Before we even begin, we think of the end. After mining has ended, the goal is to return the mined lands to other productive land uses such as wildlife habitat or grazing. To accomplish this, mine reclamation is fully integrated into the earliest stages of development and operations. Hecla requires all sites and subsidiaries to develop and maintain current plans for reclamation and ultimate closure. These plans are reviewed annually and include updating the financial assurance requirements. Hecla has committed more than \$180 million in financial assurance for such efforts.

CURRENT PERFORMANCE



Troy Mine Tailings Storage Facility (TSF)

2017

Workers began process of moving and placing almost 450,000 cubic yards of soil over 308 acres.



2018

66 percent of surface reclamation completed; partnered with tribal nursery to collect native plant seedlings.



2019

Final reclamation completed; more than 200,000 trees and shrubs planted.

Learn more about our [reclamation efforts](#) at the Troy Mine.



- At the San Sebastian Mine in Mexico, reclamation efforts include backfilling the open pits with rock and soil. In 2019, we placed 1.76M tons of waste rock material in backfilling the Middle Vein open pit. To date, approximately 2.4M tons of material have been backfilled. Once reclamation of the pits is completed, the land will return to the owners and its previous agricultural use.
- Hecla Québec continues to be a major partner of the Industrial Research Chair NSERC-UQAT on northern biodiversity in a mining context. Their mission is to work toward developing strategies that reduce the potential impacts of development throughout the mine life cycle, including climate change.
- Hecla Montana continues to support grizzly bear/human conflict reduction in northwest Montana by contributing funding to Montana Fish Wildlife and Parks in support of their Grizzly Bear Conflict Management Program.

2020 MINE CLOSURE AND RECLAMATION FOCUS AREAS

- Complete annual review and update asset obligation registers for mine closure and reclamation.
- Obtain agency concurrence with reclamation progress at the Troy Mine in Montana.

PERFORMANCE: SAFETY



APPROACH: A Commitment to our People

Our goal is to achieve world-class mine safety and health performance by promoting a deeply-rooted value-based culture of safety and utilizing technology and innovation to continually improve safe operations. At Hecla, we know that instilling the behavior of safety awareness is fundamental to making our workplace as safe as possible. So, we invest in our people with training and the latest technology and workforce development programs that focus on safety first.

We also ensure a safe workplace by establishing, following, and improving safety standards; investigating accidents, incidents, and losses to avoid recurrence; reporting near misses; involving employees in the establishment of safety standards; and participating in the National Mining Association's CORESafety program. Continuous improvement for safety means providing training, interactive meetings and regular briefings on updated regulations, guidelines, and techniques for management and workers. Each operation has its own unique safety challenges and solutions, but we all have the same goal: to bring every worker and every contractor home safe, every shift, every day.

Watch our video about Hecla's [commitment to safety](#).



Safety comes first no matter what. They'll tell you that in every meeting, no matter what. Production is well below safety out here.

ALEX SWEAT
Tech V Mine Trainer

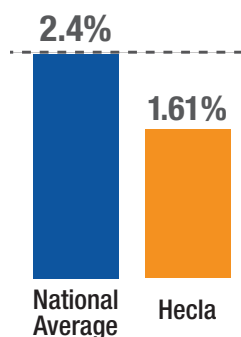


2018 Sentinels of Safety Award
— Lucky Friday



SAFETY TRAINING

In 2019, our employees received more than 59,000 hours of health and safety training.



LOWEST AIFR IN COMPANY HISTORY

33% below the national average

CURRENT PERFORMANCE:

Safety Recognition

- Our Lucky Friday Mine was recognized for earning the 2018 Sentinels of Safety Award, the industry's most prestigious safety award, from the National Mining Association (NMA). The award is presented annually to mines with the best safety records and those that have worked the most employee hours without experiencing a lost-time injury. The Lucky Friday won the small underground metal mine category for achieving 114,829 injury-free hours. To be considered for the award, a company must have a minimum of 4,000 injury-free hours and the data must be provided to the Federal Mine Safety & Health Administration (MSHA).

Health and Safety

- The Hecla Take 5 Safety Focus continuous improvement initiative is designed to improve job site awareness and decrease exposures to high and critical risks at each site.
- In 2018, the Casa Berardi Mine was the first international mine to receive certification under the CORESafety system.

Health and Safety Training

- In 2019, our employees worked more than 5.7 million man-hours and received more than 59,000 hours of health and safety training.
- Our training complies with the MSHA regulations in the United States; Occupational Health and Safety in Mines regulations in Québec; and the Federal regulations for Occupational Health, Safety and Work Environment in Mexico. Employees also participate in ongoing training designed to develop skills in performing their assigned tasks in a safe, healthy, and environmentally responsible manner.
- As part of our commitment to safety, we track a variety of safety performance indicators, including injuries, near misses, observations, and equipment damages. Our goal is to reduce safety incidents and improve upon the previous year's performance. In 2019, we conducted over 14,000 safety observations and employee interactions (up from more than 8,600 in 2018) and corrected in advance of a possible incident over 7,000 site conditions.

Safety Record—Best in Company History

- In 2019, we reduced our 2019 company-wide All Injury Frequency Rate (AIFR) by 20 percent to 1.61 — the lowest level in the company's history and 33 percent below the national average.

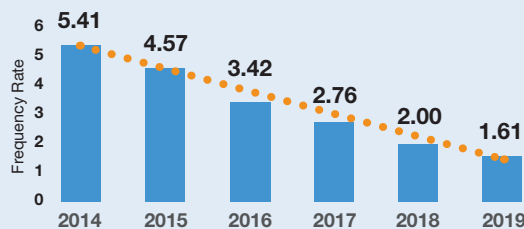


SAFETY COMPETITION

For the second year, the Hecla Lucky Friday Mine Rescue Team (top) earned first place in the 2019 Central Mine Rescue Competition, with the Hecla Greens Creek Mine Rescue Team (bottom) taking second.

- Our safety and behavior focus have reduced the AIFR by 70 percent over the past 6 years.

All Injury Frequency Rate (AIFR) 2014-2019



- We continued courageous safety leadership training for the supervisory and hourly workforce at each site.

Excellence in Mine Safety Competitions

- For the first time, the San Sebastian Mine in Mexico entered the Mexico South-Central Regional Mine Rescue Competition. As a result, in 2019, four of Hecla's operations participated in their respective area's mine rescue competitions. These training contests help train and prepare our mine rescue teams and individual members for treacherous emergency response operations.



San Sebastian Mine Rescue Team

Wellness Programs

- Our employees benefit from company-sponsored health and wellness programs that cover education, health interventions, and disease management. Our responsibility to ensure a safe workplace extends to providing opportunities for employee wellness.

COVID-19

- In order to reduce the risk of exposure to COVID-19 among Hecla's workforce, each of our mines implemented specific plans consistent with our health and safety standards as well as with directives and guidelines from our local, national, and global health and governmental authorities. Learn more about what we are doing to [protect our workers](#) and our local communities.

Hear from Hecla's employees about the company's [safety culture](#) and learn more about the steps Hecla takes [to keep their workers safe](#).

2020 Health and Safety Focus Areas

- Implement plans at each site to manage COVID-19 to protect worker health with minimal disruption to operations.
- Update our company-wide fatigue management program.
- Achieve a further 5 percent AIFR reduction from 2019 performance.



APPROACH: Industry Leader in Innovation

Hecla is an industry leader in adopting the latest technologies to enhance the health and safety of our employees, improve environmental performance, and maximize mine-operating efficiency and productivity. Specifically, we seek to increase safety and productivity by automating certain mining tasks. This automation allows the miners to do more planning and problem solving and machines to do more of the repetitive work tasks.



Teleremote LHD



Remote Vein Miner

CURRENT PERFORMANCE

- Our early testing of battery-operated load, haul, and dump (LHD) equipment provided helpful feedback on safety and health benefits coming from zero-emission power, noise, and heat reduction, and more responsive machine controls. Technology advances will bring improved battery life for more effective deployment of these machines as production workhorses.
- Early adopter of the Teleremote battery-operated LHD equipment that is remotely administered and reduces energy use and heat output. This technology significantly lowered levels of noise and improved worker safety by moving employees away from the mine face. The Teleremote LHD allows one operator to run up to three machines from the same station.
- The autonomous 24-hour truck operation at our Casa Berardi Mine has increased safety, increased payloads by 8 percent, and decreased energy use by 17 percent per vehicle. The expected cost savings from just two trucks is around \$3 million per year.
- At our Casa Berardi Mine, we installed timers on the mine ventilation systems and reduced electricity consumption for underground ventilation by 23 percent.
- We utilize an automated jumbo stope drill at Casa Berardi that allows drilling during shift changes and improves drill accuracy while also increasing productivity and efficiency.
- We continued to advance development of the innovative Remote Vein Miner that is slated for deployment at the Lucky Friday Mine and would incorporate the multiple steps of underground mining into a continuous operation.



INNOVATION PRIZE

Hecla Québec was awarded an Innovation prize by the Cnesst.

Innovation Recognition

Employees at the Casa Berardi Mine in Québec proposed innovative ideas to optimize their operations and enhance safety. As a result, Hecla Québec was awarded an Innovation prize by the Cnesst, an organization that promotes and respects labor rights and obligations with respect to workers and employers in Québec.

Initially, the replacement of the drilling bar (head) of the drill was carried out according to the manufacturer's manual. Thanks to a new, more efficient and less laborious procedure, workers perform this task in a better posture position with much less effort. The entire operation is carried out horizontally, without hydraulic operation, and no part remains above the worker. In addition, a single lockout now replaces the six that were previously required.

Learn about Hecla's leadership on [innovation](#).

2020 INNOVATION FOCUS AREA

- The Remote Vein Miner is currently undergoing acceptance testing at the manufacturer's test mine in Sweden. It is expected to arrive at the Lucky Friday upon successful completion of testing, which we estimate will be at the end of 2020.

PERFORMANCE: COMMUNITY AND SOCIAL INVESTMENTS



APPROACH: Community Engagement and Economic Contributions

Responsible mining starts with the health and safety of our employees and local communities, protecting the environment, and developing partnerships to support the economic and social framework of our host communities.

Hear more about Hecla's [impact on the community](#).

CURRENT PERFORMANCE

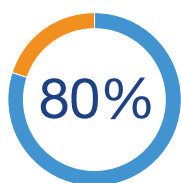
Stakeholder Engagement

Relationships are the heart of business success, and every day we strive to develop and strengthen relationships with our primary stakeholders through frequent, transparent communication, and open feedback mechanisms. Training sessions, community meetings, and social engagement enable us to listen and respond to employees, contractors, communities, and shareholders. For example, at Casa Berardi, we have established an advisory committee that facilitates citizen



Hecla is a good corporate citizen. Not only do they step up directly and it doesn't matter whether it's the Aware Shelter, the food bank, a rotary event, baseball, they're quick to contribute to the local community.

CRAIG DAHL
Executive Director, Greater Juneau Chamber of Commerce



80%
of our workers are
local to our operations.

participation in operational activities. As a result of the feedback we received during previous stakeholder engagement, in 2019, we increased our focus and efforts on incorporating ESG factors into our long-term business strategy and incentive compensation programs and communicated our ESG practices and performance with investors and other stakeholders.

Learn more about our Integrated Corporate Responsibility [Policy](#).



Workforce and Economic Impact

Our corporate business strategy, developed over our 129 years of operation, is based on taking the long view—we operate long-lived mines, which allows us to invest both in the mines and in developing deep connections and mutual benefits between our company and the communities in which we operate.

Hecla is often among the largest private-sector employers in the communities in which we operate. We provide direct and indirect jobs and an economic impact that can average over \$800 million over a 5-year period in wages, benefits, payment of taxes and license fees, purchase of goods and services, and local donations and contributions. But being a good community partner and responsible mining company is as important as the economic benefits we bring to our local communities.

Examples of our Economic Contributions

- Company-wide, employee earned total compensation increased in 2019 to more than \$192 million.
- More than one indirect job is created by each Hecla job, leading to over 3,300 workers in the local communities.
- We're the largest private-sector employer in Juneau, Alaska.
- The average Greens Creek employee's annual total compensation of \$122,800 is more than two times the average non-mining private sector salary in Juneau, Alaska's capital.

2020 COMMUNITY ENGAGEMENT FOCUS AREA

- Refresh our community advisory committees in each of our locations in light of conditions post COVID-19 to further understand how our mines can be integral partners.



APPROACH: Social Investments



Hecla supports youth hockey team in Québec.



Many people in Juneau never have the opportunity to see the mine in operation. Yet, when you look around the community and you see the investment that Hecla makes in our community—the support they provide for sports teams, for the university, for K-12 education and in so many ways. The wages that people earn at the mine and what that brings to our community of Juneau is huge.

RICK CAULFIELD
Chancellor, University of Alaska Southeast

Hecla and our employees strengthen our communities and our company by partnering and contributing in meaningful ways to the economic and social well-being of our host communities. Our company makes it a priority to provide financial contributions toward education, youth activities, community programs, and health services activities.

Our employees give back to our communities in a variety of ways such as serving as volunteer firefighters and EMTs, volunteering to provide education about health and safety, coaching sports teams, fundraising for local causes, serving on civic and education boards, and promoting mining education at the local and state levels. For example, in 2019 Jeff Rosser, Director of Continuous Improvement, was appointed by the Idaho Governor to the State of Idaho's STEM Action Center Advisory Board, whose mission it is to engineer innovative opportunities for educators, students, communities, and industry to build a competitive Idaho workforce and economy through STEM and computer science education. Mr. Rosser also sits on the Board of Gizmo-Coeur d'Alene, a non-profit makerspace where art, design, technology, and tools are connected by the hands and minds of the people of this community.



Hecla participates at the Idaho STEM event.

CURRENT PERFORMANCE

Education Partnerships



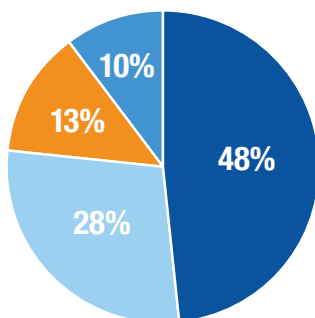
Hecla recognizes that trade jobs are going to continue to be important in the future, and that is why we created programs and job site visits to educate students in middle and high school about mining careers or to help them in their pursuit of higher education.

- **Pathway Program and University of Alaska's Southeast Center for Mining Training, Greens Creek**—Hecla created the Pathways to Mining Careers program in 2011 by donating \$300,000 to the University of Alaska Southeast (UAS) Center for Mine Training to develop a unique approach to engage local high school students and to educate and train them for future employment in the mining industry. Since then, the program has expanded to include adults who may be new to the mining industry. Since 2011, Hecla has donated more than \$1 million toward supporting sustainable career development programs for the UAS Mine Training Center and the Pathways program. In 2019, we hired two graduates of the Pathways program.
- **Hecla-Québec Global Development Fund (UQAT Foundation)**—Hecla Québec has partnered with the University of Québec in Abitibi-Témiscamingue to create the Hecla-Québec Global Development Fund (UQAT Foundation). As a leading partner of the UQAT Foundation, we aim to actively participate in the development of university teaching and research and to support students in their academic journey. We support initiatives such as the "Gala de la persévérance



Hecla hires graduates from the James Bay Vocational Training Center.

\$3.4M
in Foundation contributions
since 2009



Community Youth
Education Health

scolaire Hecla Québec,” the CRSNG-UQAT Industrial Chair on biodiversity in the mining context, and excellence scholarships for students in support of work-life balance, returning to school, perseverance, and success-training programs. Since 2009, more than \$ 1.7 million has been donated to the UQAT Foundation.

- **Mineral Extraction Program in Québec**—In 2019, Hecla Québec hired twelve graduates of the 20th cohort from the Mineral Extraction program at the James Bay Vocational Training Center. The program allows students to perform the practical part of their training at the Casa Berardi Mine.
- **Mine Education**—Casa Berardi hosted several visits from students of different levels and programs to help promote school perseverance and introduce young people to the mining field. The students visited the surface and underground facilities and talked to different employees (mechanic, electrician, geologist, miner, etc.) to learn more about their jobs.

Employee Education Support

- Hecla offers a reimbursement program to assist with educational expenses for employees who are interested in furthering their education. Advanced education can improve job performance and increase advancement opportunities for the employee, while providing flexibility to our company by increasing the employee’s knowledge base and skillset.
- We will continue to work with the North Idaho College’s Training Center to finalize a training curriculum that can to be offered to our employees.

Hecla Charitable Foundation



The Hecla Charitable Foundation’s mission is to enhance the quality of life – and to promote the social, environmental, and economic sustainability and development – in those communities where Hecla has operations and activities.

In the past 10 years, Hecla has contributed nearly \$6 million to education, youth activities, community programs, and health services, \$3.4 million of which was donated by the Hecla Charitable Foundation.

COVID-19 Contributions

During the ongoing 2020 COVID-19 pandemic, we are working with our local communities to identify immediate needs to help mitigate the impact of the coronavirus. In 2019, our Charitable Foundation contributed more than \$300,000, and in 2020 has made an additional initial commitment specifically for COVID-19 response and recovery efforts in the communities in which we operate. We are initially focusing our community efforts on our seniors, the unemployed, and the homeless, who are in greatest need of our support. These funds will go toward providing food supplies at food banks and for other basic necessities.



Donations from San Sebastian

Learn more about Hecla’s [community efforts](#) around the pandemic.

2020 SOCIAL INVESTMENT FOCUS AREAS

- Complete discrimination training program for managers and supervisors.
- Improve opportunities for female employees in operations, engineering, and geology.



APPROACH: Diversity and Inclusion

As of December 2019, Hecla employed more than 1,640 employees world-wide, with women comprising 9.3 percent of Hecla's entire workforce. Creating more opportunities for women in a predominantly male industry is among the priorities of Hecla in the coming years. In addition, as Hecla adopts more technology and automation (e.g., in the form of driverless trucks and equipment), we will need to recruit a more technologically-savvy workforce.

CURRENT PERFORMANCE

Women at Hecla

Nineteen percent of our salaried positions, which includes our management team, is women and company-wide, women comprise 9.3 percent of the workforce.



2020 DIVERSITY AND INCLUSION FOCUS AREA

- Management is working to continue to increase diversity throughout the workforce.



**Women comprise
9.3 percent of
Hecla's workforce.**



APPROACH: Rights of Indigenous Peoples

We have partnerships and agreements with the Indigenous Peoples in many of the areas where we operate. Some of those are outlined below.

CURRENT PERFORMANCE

- Hecla Québec and the Gitanyow Band in upper British Columbia have entered into an exploration agreement that addresses mutual benefits from future exploration activity, including employment, contracting, environment and permitting, as well as additional considerations.
- Hecla Québec has also signed with the Abitibiwinni First Nation a Memorandum of Understanding that could guide development of a collaboration agreement and continues in discussions on a collaboration agreement.
- In Nevada, we're working with the Western Shoshone Tribe and the Te-Moak Council on a number of cultural and environmental matters, including siting and reclamation of exploration drill sites.
- Our Greens Creek Mine, in partnership with the University of Alaska Fairbanks, hosted one community workshop to educate and address questions on sustenance fisheries and the impacts of global mercury that may impact the local environment.



Partners of the forest biomass heating project installed at the Casa Berardi Mine met to discuss the project that is scheduled to begin in fall 2020. Participants include representatives from La Sarre, the biomass supplier; the Cree Community of Wemindji; the Cree Community of Waswanipi; Hecla Québec, and the Algonquin Community of Pikogan.

2020 RIGHTS OF INDIGENOUS PEOPLES FOCUS AREAS

We will seek to solidify work of recent years, as well as expand community engagement in the following areas:

- Advance a collaboration agreement which demonstrates a commitment by both parties to work together to create employment, training, and business opportunities for Québec's Abitibiwinni First Nation.
- Develop a mining machine mechanics program that will be held at Casa Berardi in collaboration with the James Bay Professional Training Center.
- More workshops to educate and address questions on sustenance fisheries and the impacts of global mercury that may impact the local environment were planned for 2020, but had to be cancelled due to COVID-19. We hope to continue them once we are able to host workshops again.
- Restart the biomass heating project that heats downcast air into the mine. This project consists of replacing part of the propane energy source with forest biomass. Operation of the system would be carried out in collaboration with the local community and First Nations.

PERFORMANCE: GOVERNANCE



APPROACH: Business Ethics and Transparency

For 129 years, Hecla has distinguished itself as a respected precious metals producer. As a publicly traded company listed on the New York Stock Exchange (NYSE), Hecla's management is held to an especially high set of ethical standards as described in our [Code of Ethics](#).

Our Board of Directors has adopted [Corporate Governance Guidelines](#) and a [Code of Conduct](#) in accordance with NYSE corporate governance standards. The Corporate Governance Guidelines were adopted by the Board to ensure that they are independent from management, that they adequately perform their function as the overseer of management, and to help ensure that the interests of the Board and management align with the interests of our stakeholders. We believe that operating with honesty and integrity has earned trust from our shareholders, credibility within our communities, and dedication from our employees.



Hecla's Board of Directors

CURRENT PERFORMANCE

Code of Conduct

Hecla's [Code of Conduct](#) demonstrates our commitment to seeking and delivering best practices in ethics and integrity in every aspect of our business. Our directors and employees are required to abide by our Code of Conduct to promote the conduct of our business in a consistently legal and ethical manner. We expect our leaders to set the example by being positive role models in every respect, and all those with supervisory responsibility should exercise that responsibility in a manner that is caring, receptive, considerate, and respectful.

The [Governance Committee](#) has adopted procedures to receive, retain, and react to complaints received regarding possible violations of the Code of Conduct, and to allow for the confidential and anonymous submission by employees of concerns regarding possible violations. Our employees may submit any concerns regarding apparent violations of the Code of Conduct to their supervisor, our General Counsel, the Chair of the Governance Committee, or through an anonymous telephone hotline.

Board Committees and Governance

The Board of Directors, directly and through the [Governance Committee](#), seeks to maintain corporate governance practices that are aligned with our strategic, financial and operational goals. We do this by conducting processes at least annually to evaluate, optimize, and update governance guidelines, including a director resignation policy and majority voting for director elections. Our Corporate Governance Guidelines also provide shareholders with the best-practice principles of our corporate governance program and board framework. With the exception of our Executive Committee, Board committees have written charters that clearly establish their respective roles and responsibilities and are composed exclusively of independent directors.

The [Governance Committee](#) oversees and conducts an annual performance evaluation of the Board. The [Health, Safety, Environment and Technical Committee](#) oversees associated risks and strategic plans and progress to ensure the sustainability of our operations and social license.

Executive Pay

The primary responsibility of the [Compensation Committee](#), which consists entirely of independent members of the Board of Directors, is to oversee executive compensation decisions. The pay-for-performance philosophy of Hecla's executive compensation program plays a significant role in its ability to produce strong operating, exploration, strategic, and financial results. Review our [proxy statement](#) to learn more.

Board Engagement

Hecla is actively engaged with state and federal trade associations via membership and leadership roles. Our President and CEO, Phillips S. Baker, Jr., is currently chairman of the National Mining Association's Board of Directors, and Hecla has representatives on governing committees of the Alaska, Idaho, Nevada, Mining Association of Canada and Québec Mining Associations.

Shareholder Outreach/Rights

Common stockholders are allowed to vote on important issues, and we actively seek their feedback. In addition, during 2019, Hecla reached out to 50 of our top shareholders to help us understand expectations of performance, maintain transparency and share corporate governance and compensation policies. Some tangible examples of the results of our 2019 shareholder outreach activities include:

- Enhanced disclosure on our pay-for-performance;
- Continued to update and strengthen our ESG reporting and metrics on our website and in other publicly available materials, and enhanced disclosure on our ESG efforts; and
- Included more disclosure on enterprise risk management for Board and Committee oversight.

Board Diversity

Other corporate governance topics discussed in our shareholder outreach program included board diversity and refreshment. In response, we added two new directors in 2016, and one new director in 2017, thereby reducing the average tenure of the Board. We also have several directors who are within one to two years of retirement age and will not be standing for reelection at the end of their respective terms, thus allowing us to refresh the Board further within the next few years.

Ethics, Integrity and Human Rights

Hecla is committed to respecting and observing all human rights along the value chain. We do not tolerate any infringement on the human rights of our employees, workers in our supply chain and members of the communities where we operate. We also expect everyone who works for us, either as an employee, contractor or as a supplier to respect the highest standards of environmental and social responsibility throughout our supply chain and to act responsibly and ethically to respect each individual's human rights when doing business on our behalf. We regularly engage with our stakeholders, including members of our local communities and indigenous peoples, to address any concerns, including human rights.

Our operations are based in North America and we operate in jurisdictions that are highly rated by the Fraser Institute's annual [survey](#) of mineral and mining companies for following the most stringent regulatory frameworks for environmental compliance, health and safety protections, community engagement, and corporate governance. We also operate in areas that have been rated by the Transparency International's Corruption Perception [Index](#) for low corruption. In addition, our operations are not located in or near areas of conflict, and have low risk for child labor, human trafficking, and modern slavery. We fully support child labor laws and do not hire anyone not above the minimum required age to be employed in each jurisdiction in which we operate. Our human rights commitment and performance is governed by Hecla's Board of Directors.

Internal Controls

The [Audit Committee](#) assists the Board of Directors in fulfilling its oversight responsibilities – the integrity of the financial statements, the independent auditor's qualifications and independence, the performance of the internal audit function, compliance with legal and regulatory requirements (including disclosure controls and procedures), and the effectiveness of the internal controls over financial reporting.

Whistleblower Policy

We have a [Whistleblower Policy](#) adopted by our Audit Committee that encourages our employees to report to appropriate Company representatives, without fear of retaliation, certain accounting information relating to possible fraud. Our employees may submit any concerns regarding financial statement disclosures, accounting, internal accounting controls or auditing matters to the Audit Committee, our General Counsel, or through an anonymous telephone hotline or website. The goal of this policy is to discourage illegal activity and business conduct that damages Hecla's reputation, business interests, and our relationship with shareholders.

2020 GOVERNANCE FOCUS AREA

- Add a new director and identify two potential directors with one or more being a woman.

APPENDIX

TABLE 1: Sustainability Disclosure Topics & Accounting Metrics (SASB)

TOPIC	METRIC	REPORT	SASB CODE
Green Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Scope 1 was 101,718 Metric tons CO2-e. The total of Scope 1 and 2 was 134,344 Metric tons CO2-e. Both Scope 1 and Scope 2 GHG emissions are covered under EPA and State reporting requirements but not otherwise covered under reference emission limiting regulations including Quebec Cap and Trade. Our largest GHG emissions are from Greens Creek, the associated air permit strictly limits the total annual amount of fuel combustion, including GHGs.	EM-MM-110a.1
	Description of long-term and short-term strategy to manage Scope 1 emissions, emission reduction targets, analysis of performance against those targets	CO2-e emission reduction efforts tied closely to our targeted 5% direct energy intensity reduction over 3-year initiatives using Environmental Management System (EMS) to focus attention on energy savings, automated and semi-autonomous haulage, mucking, and drilling, along with on-demand-ventilation. Goal is 5% direct energy reduction over 3 years using 2018 as baseline year. In 2019, energy intensity increased by 12% due to full year with Nevada operations and increased diesel use at the Greens Creek Mine.	EM-MM-110a.2
Air Quality	Air emissions including CO, Nox, Sox, PM10, Mercury, lead, VOC's	Hecla's predominately underground mines have very low air quality emissions and so this factor is not material to our environmental performance.	EM-MM120a.1
Energy Management	1) Total energy consumed, 2) percentage grid electricity, 3) percentage renewable	Direct electricity consumed was 308,565,000 kwh; 81% from grid electricity; 55% estimated from renewable sources of utility providers.	EM-MM-140a.1
Water Management	1) Total fresh water withdrawn, 2) Total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	1) 941 million gallons of fresh water was withdrawn and over 1.2 billion gallons recycled (includes mine waters recycled). 2) Hecla did not specifically measure total fresh water consumed in 2019 but plan to do so. No Hecla sites operated in regions of high or extremely high-water stress. Fresh water use reduction target is 5% over 3 years with 2018 as baseline year. In 2019, freshwater use intensity (gallons/ton ore milled) increased to 333 from 307 in 2018; an 8% increase, due to a full year with Nevada operations.	EM-MM-140a.1
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	In 2019, company-wide there were 150 minor non-compliance reports and 2 Notices of Violation. There was 1 formal enforcement action during the year.	EM-MM-140a.2

TABLE 1: continued

TOPIC	METRIC	REPORT	SASB CODE
Waste & Hazardous Materials Management	Total weight of tailings waste, percentage recycled	Over 1.8M tons of tailings produced and 589,472 tons or 24% company-wide returned and recycled as backfill in the underground.	EM-MM-150a.1
	Number of tailings impoundments, broken down by MSHA hazard potential	8 active or semi-active tailings facilities all rated significant due to potential environmental effects. Greens Creek dry stack is not considered a dam.	EM-MM-150a.3
	Total weight of mineral processing waste, percentage recycled	Company-wide, 1,336 tons of used batteries, antifreeze, oil, paint/solvents, metal, paper, and cardboard were recycled in 2019. The largest weight recycled was metal at 1,121 tons followed by oil at 158 tons.	EM-MM-150a.2
Biodiversity Impacts	Description of environmental management policies and practices for active sites, see pages 9-15 of this report.	Hecla EMS conforms to scope of IFC 5.1 Standard 1 as it includes: policy, identification of risks and impacts, management programs, organizational capacity and competency, emergency preparedness, stakeholder engagement and monitoring and review.	EM-MM-160a.1
	Percentage of mine sites where acid rock drainage is: 1) predicted to occur, 2) actively mitigated, and 3) under treatment or remediation	1) One of ten actively managed sites (10%) Greens Creek Mine has long-term potential for acid generation and these materials are being actively managed through selective handling and ultimate placement within lined containment with covers to minimize and control any potential seepage. 2) One of ten (10%) mine sites is being actively mitigated. The Hollister Mine's waste rock is being selectively handled and placed within lined containment with covers. 3) One of ten mine sites (10%) are under treatment or remediation. Grouse Creek, a closed property, is treating acid drainage from legacy underground mine workings under a water discharge permit.	EM-MM-160a.2
	Percentage of 1) proven and 2) probable reserves in or near sites with protected conservation status or endangered species habitat	None of Hecla reserves are within designated conservation areas or IUCN Red List designated endangered species habitat. Greens Creek Mine has nearly 131M AgOz and 932K AuOz of proven and probable ore reserves. The mine is located partially within the Admiralty Island National Monument.	EM-MM-160a.3

TABLE 1: continued

TOPIC	METRIC	REPORT	SASB CODE
Security, Human Rights & Rights of Indigenous Peoples	Percentage of 1) proven and 2) probable reserves in or near areas of conflict	None of Hecla's current ore reserves are within or near Uppsala designated conflict areas.	EM-MM-210a.1
	Percentage of 1) proven and 2) probable reserves in or near indigenous land	62% of our proven and probable gold reserves are at Casa Berardi — a site where the indigenous rights were extinguished but a new claim has been made by the local First Nations.	EM-MM-210a.2
	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	See page 24 and 27 of this report.	EM-MM-210a.3
Community Relations	Discussion of process to manage risks and opportunities associated with community rights and interests	See pages 15-17 and 19-22 of this report for how Hecla is complying with IFC Standard No. 4 (community, health, safety and security). IFC Standard No. 5 is not applicable as Hecla is not involved in any voluntary resettlement. Company complies with IFC Standard No. 8 because cultural heritage assessments are completed during project permitting and prior to any land disturbance.	EM-MM-210b.1
	Number and duration of non-technical delays	No such delays occurred in 2019.	EM-MM-210b.2
Labor Relations	Percentage of active workforce covered under collective bargaining agreements, broken down by US and foreign employees	Lucky Friday Mine is covered by a collective bargaining agreement and represented approximately 11% of the 2019 workforce.	EM-MM-310a.1
	Number and duration of strikes and lockouts	Lucky Friday Mine strike was resolved, and a new collective bargaining agreement entered in January 2020. Mine is ramping production back up.	EM-MM-310a.2
Workforce Health & Safety	1) MSHA all incident rate, 2) fatality rate, 3) near miss frequency rate (NMFR) and 4) average hours of health, safety and emergency response training for a) full-time employees and b) contract employees	1) AIFR = 1.61 was 33% below US national average for metal and nonmetal mining. 2) fatality rate = 0. 3) Near miss incidents are tracked but NMFR is not a useful comparison given the highly variable number of hours worked between sites and companies. 4) 59,267 total hours of health, safety and emergency response training for a) 33,861 hours for full-time employees (57%) and b) 24,406 hours for contract employees (43%).	EM-MM-320a.1

TABLE 1: continued

TOPIC	METRIC	REPORT	SASB CODE
Business Ethics & Transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	Hecla complies with the Canadian Extractive Sector Transparency Act. Annually, Corporate legal provides training on corruption and bribery throughout the value chain.	EM-MM-510a.1
	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	No production came from the 20 lowest rated countries on the index. 88% of 2019 production came from Canada and US which are rated #12 and #23 respectively in the Transparency International's Corruption Perception Index.	EM-MM-5101.2

TABLE 1: Activity Metrics (SASB)

METRIC	REPORT	SASB CODE
Production of 1) metal ores and 2) finished metal products	1) 2.5M tons of ore 2) 12.6M silver ounces; 272.9K ounces of gold; 24.2K tons of lead and 58.9K tons of zinc in 2019.	EM-MM-000.A
Total number of employees, percentage contractors	Average end of year number of employees and contractors was 2,705 of which 1,642 were employees and 1,063 were contractors. The percentage of contractors was 39%.	EM-MM-000.B

