Hecla's Safety and Health Policy:

At Hecla, safety and health is the basic value that underlines everything we do. We only achieve success if all our employees, contractors, and visitors return from our properties safe and healthy.

We will:

- Continually work to identify hazards and mitigate risks at our properties to the lowest possible levels in order to achieve zero occupational injuries and illnesses;
- Take a proactive approach toward creating a safe work environment for all employees;
- Be accountable for promoting continued safety and health education and training for all employees;
- Create, maintain, and assign responsibility for the safety and health management system;
- Review the safety and health management system to identify potential areas of improvement; and
- Ensure a thorough evaluation of all incidents.

In implementing the safety and health management system, Hecla shall take a fair and just approach. At- risk behaviors are not to be accepted and reinforcement of positive behavior and proactive approaches to safety and health are to be applied. Effective application of this SHMS will assist in:

- Providing a safe place of work;
- Minimizing injury and harm to employees;
- Minimizing damage and loss to property, equipment;
- Maximizing productivity; and
- At a minimum, meeting and preferably surpassing statutory obligations.

Hecla's safety values are based upon ethical conduct and teamwork. To ensure continuous improvement, standards will be tested, re-evaluated and continually reviewed. This SHMS is based on the belief that all injuries are unacceptable, and a total commitment from all personnel is necessary to perform all tasks safely to achieve zero injuries.

Hecla's Philosophy:

"Operate mines safely by promoting a deeply-rooted value-based culture, leveraging mining skills developed over the company's long history, and by innovating new practices."
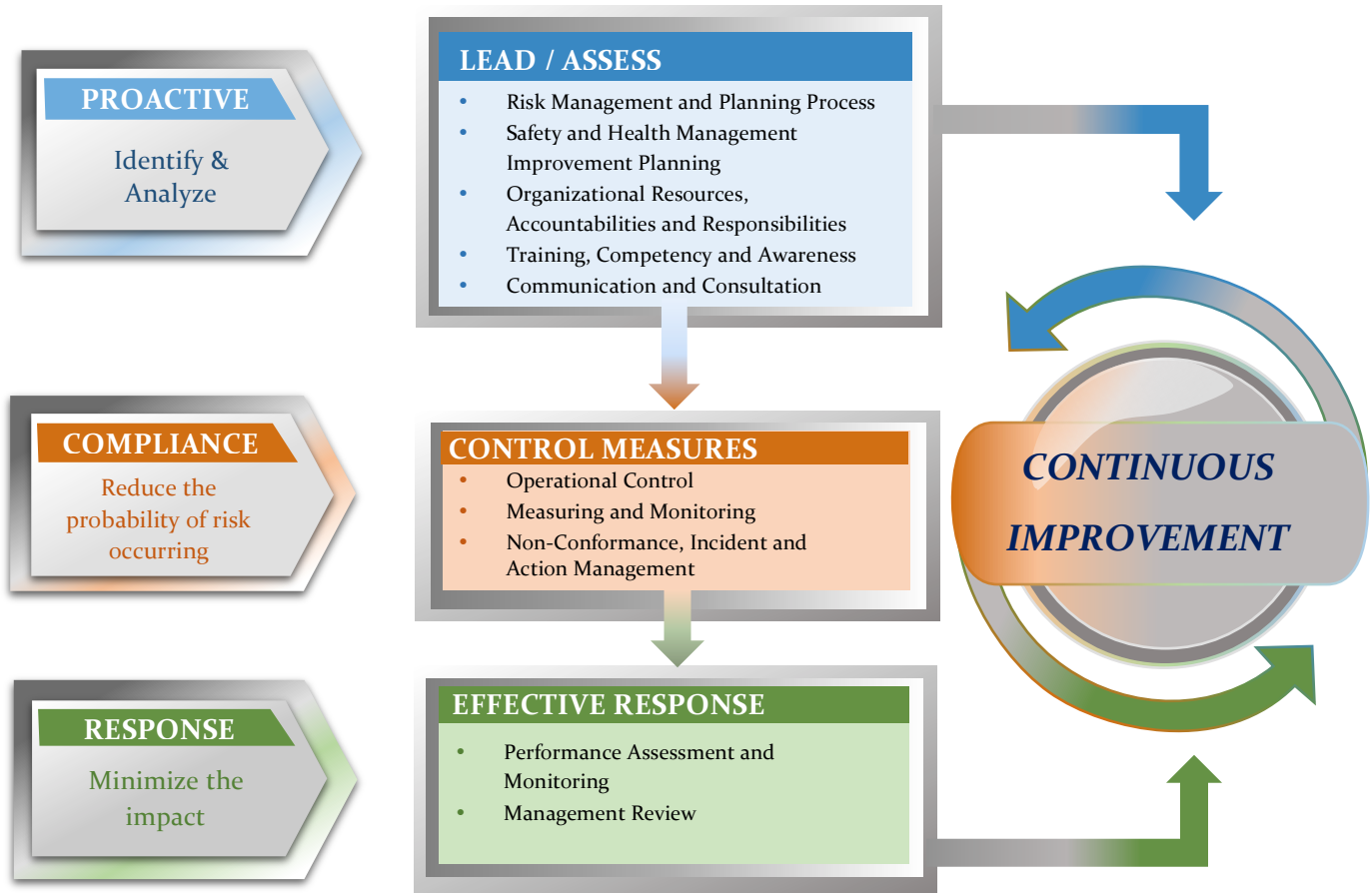
Elements of the Hecla's

Safety and Health Management System

1 **Safety and Health Policy**

2 **Legal and Other Requirements**

3 **Risk Management and Planning Process**

    3.1 Risk Management Framework

    3.7 Supplier and Contractor Management

    3.8 Documentation & Document Control

    3.10 Engineering and Design Controls

4 **Safety and Health Management Improvement Planning**

5 **Organizational Resources, Accountabilities and Responsibilities**

6 **Training, Competency and Awareness**

7 **Communication and Consultation**

8 **Operational Control**

9 **Measuring and Monitoring**

10 **Non-Conformance, Incident and Action Management**

    10.1 Injury and Illness Management

    10.4 Incident Reporting and Investigation

    10.6 Emergency Management / Crisis Communication Plan

11 **Performance Assessment and Auditing**

12 **Management Review**

HECLA SAFETY & HEALTH SYSTEM

PROACTIVE
Identify & Analyze

LEAD / ASSESS
- Risk Management and Planning Process
- Safety and Health Management Improvement Planning
- Organizational Resources, Accountabilities and Responsibilities
- Training, Competency and Awareness
- Communication and Consultation

COMPLIANCE
Reduce the probability of risk occurring

CONTROL MEASURES
- Operational Control
- Measuring and Monitoring
- Non-Conformance, Incident and Action Management

RESPONSE
Minimize the impact

EFFECTIVE RESPONSE
- Performance Assessment and Monitoring
- Management Review

CONTINUOUS IMPROVEMENT

This diagram shows how the elements of the Hecla Safety and Health Management System work together to ensure high performance and facilitate continuous improvement. The elements are consistent with best practices in the field. They are designed to provide consistency in direction across the company in terms of specifying requirements and responsibilities, but are not intended to be prescriptive.

⮞ 1.0   Safety and Health Policy

At Hecla, safety and health is the basic value that underlines everything we do. We only achieve success if all our employees, contractors, and visitors return from our properties safe and healthy.

We will:

- Continually work to identify hazards and mitigate risks at our properties to the lowest possible levels in order to achieve zero occupational injuries and illnesses;
- Take a proactive approach toward creating a safe work environment for all employees;
- Be accountable for promoting continued safety and health education and training for all employees;
- Create, maintain, and assign responsibility for the safety and health management system;
- Review the safety and health management system to identify potential areas of improvement; and
- Ensure a thorough evaluation of all incidents.

All employees and contractors should be familiar and follow Hecla's Safety and Health Guidelines. In terms of safety, everyone has to lead at least one person, themselves. Adherence to safety and health practices and standards is a condition of employment or contractor continuance.

This policy and the safety and health management system manifests the core value that Hecla has for safety and provides guidelines for responsibility, accountability, training, communication, resources, engineering design, performance measurement, and sustainable development.

⮞ 2.0   Legal and Other Requirements

Regulatory and permitting requirements will take precedence over Hecla's standards, except in those cases where the Hecla policies, standards, procedures, commitments or codes of practices are more stringent.

Hecla will communicate with and oversee contractors; these contractors should understand the relevant requirements and have an approved plan that addresses these requirements.

A system shall record all applicable legal and other requirements on a register and record all non-conformance and non-compliance issues identified and monitor remedial action plans through to completion.

Hecla takes regulatory requirements very seriously and with the upmost amount of care possible. An extreme amount of effort is put in to ensure that all requirements are being met and that no issues are going unnoticed.

Effective use of risk assessment tools applies at all levels of the organization, whether it's an enterprise-wide risk assessment, formal risk assessment at the overall site level, or a field level risk assessment for a specific task. Hecla strives to instill the risk assessment approach across the organization as part of the safety culture.

As part of its responsible mining philosophy, Hecla believes that sound safety and occupational health management practices are in the best interests of its business, employees, shareholders, and the communities in which it operates. Hecla is committed to compliance with all permits, laws, rules and regulations, and Hecla honors its agreements with communities. Poor performance in these areas increases risk, increases cost in the long term, and can jeopardize a company's license to operate.

➡ 3.0 Risk Management and Planning Process

All Hecla and contractor personnel shall continually strive to systematically identify and assess all risks associated with work activities. This shall be achieved and maintained through the development and use of safety and health hazard/risk registers, site inspections, audits, Take 5's, job hazard analysis (JHAs), standard operating procedures (SOPs), standard work procedures (SWPs), and incident investigations. The overarching Hecla process for hazard identification and risk management is detailed in the *Hecla Tiered Risk Assessment Methodology.*

The risk management process should seek to protect:

- Safety and health of employees and contractors; and
- Plant, equipment, and property

The risk management process relies on individuals with adequate knowledge and experience in conducting the appropriate level of risk assessment and the tasks to be assessed.

The Risk Assessment Matrix depicted in Figure One below will be applied for all pre-task and qualitative risk assessments.

Figure one: Risk Assessment Matrix

Likelihood	Consequence				
	1 - Minor	2 - Medium	3 - Serious	4 - Major	5 - Catastrophic
A - Almost Certain	Moderate	High	Critical	Critical	Critical
B - Likely	Moderate	High	High	Critical	Critical
C - Possible	Low	Moderate	High	Critical	Critical
D - Unlikely	Low	Low	Moderate	High*	Critical
E - Rare	Low	Low	Moderate	High*	High*

Note: All risks that have a Critical risk classification from a qualitative analysis (using the risk determination matrix) must be re-evaluated using a Level 3 quantitative analysis.
*Consideration must be given to escalate all risks with a consequence of Major or Catastrophic and a classification of High to a Level 3 quantitative analysis.

3.1   Risk Management Framework

The intent of Hazard Identification and risk management is to ensure that hazards are identified, and their resulting risks to people, property, assets, and the environment are evaluated and managed.

A site risk register will be produced to catalogue high and critical risk across the mine site.

A three tiered risk approach has been adopted by Hecla and is depicted in Figure Two below. Level 1 – Pre-task, Level 2 – Qualitative, and Level 3 – Quantitative. For a sneak peek into our approach, below on the right you will find a "Take 5" Pre-Task, hazard identification card that acts as a simple and effective hazard and risk evaluation tool to be completed prior to commencing work, or when the workplace changes. Where an individual undertakes a Take 5 that identifies a hazard or risk not previously identified in a JHA or SOP, the supervisor shall be notified to ensure the existing JHA or SOP is revised and amended through the risk management mitigation process. Hazards and controls reported shall be reviewed by the supervisor and safety and health personnel. For further information or to see a more detailed breakdown of Hecla's approach, please look at our Health and Safety Management System
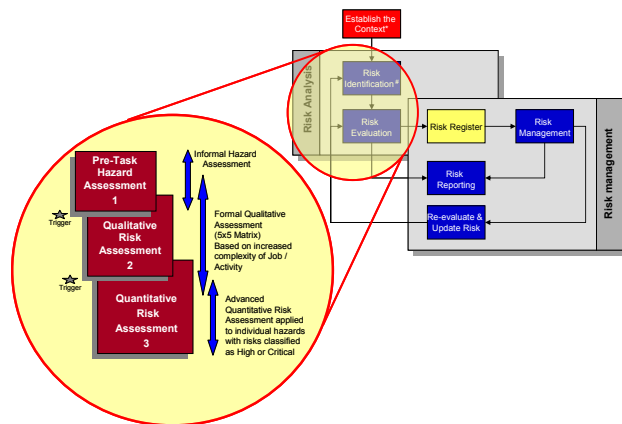
document (link on health and safety's main page).

A Take 5 is required:

- Always at the start of a job or task
- If something changes
- If you are assisting someone else
- If you don't feel comfortable
- If you are not focused
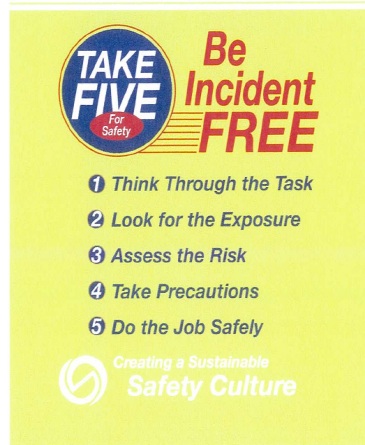
3.8   Documentation & Document Control

Hecla will have in place a document and records management and control system that ensures the secure and traceable flow of electronic and hard copy information which can be easily retrieved and archived. Documents shall be uniquely identified, appropriately authorized, and approved prior to use. Retention periods for all documents must be established and recorded.

3.7   Supplier and Contractor Management

There must be a process in place for the selection and management of suppliers and contractors.

Prior to contractors arriving at the property, they will be required to satisfy all Hecla contractor mobilization requirements.

Local-hire contractors are assessed in-field to determine safety and health suitability for work scope execution. Local hire contractors that do not have a sufficient safety management system are required to work under the Hecla SHMS.

Hecla shall frequently monitor the contractor's compliance with all safety and health requirements and ensure an appropriate standard of work is maintained. The contractor qualification status is subject to routine review, as measured by compliance audits.

There must be a process to identify and evaluate risks associated with the planned procurement of materials, equipment, services and labor.

3.9   Management of Change

The Hecla SHMS will address planned or unplanned and sudden or gradual changes through the Management of Change process (MOC).

The MOC process sets out the required protocols for control of changes in the workplace to ensure that changes do not give rise to unacceptable risk. All proposals for change should be entered onto an MOC form using the following format:

- Brief description of change;
- Change details;
- Change classification;
- Change assessment;
- Authorization;
- Implementation;
- Environmental analysis; and
- Audit change impact/results.

All MOC documents will be reviewed and signed-off in accordance with the MOC standard. A tiered approach with approvals commensurate with the changed is recommended in the standard.

Examples where the MOC process should be applied, but are not limited to:

- Plant and equipment;
- Design and construction;
- Engineered mine planning and the ground control management plan;
- Layout of mine, plant or facilities;
- Operating procedures (new or revised process, work method); and
- Standards.

Hecla personnel are to be trained in the MOC process to enable them to identify situations where Management of Change is necessary and to adequately follow and fulfill the requirements of the process.

3.10   Engineering and Design Controls

Systems shall be maintained for the management of projects and the design of facilities, plants, equipment, and processes.

Design and engineering shall be performed in accordance with relevant Hecla engineering practices and with local and federal codes and regulations.

Relevant studies shall be conducted in order to eliminate hazards where possible and to reduce risk to "as low as reasonably practicable."

4.0 Safety and Health Management Improvement Planning

Objectives and targets must be established for the management of safety and health (SH) performance and annual SH improvement plans developed.

All employees will continuously improve their effectiveness by accepting their individual levels of responsibility within the company and in making the workplace a safe environment. Documented annual personal or team-based SH improvement plans shall be developed.

Establish a formal process to reinforce and recognize employee SH performance, involvement in proactive activities, and reinforcing safe behaviors.

By focusing on continually improving our safety and health management system Hecla is taking steps toward a safer and healthier tomorrow. Our employees are valued and we do everything we can to improve their quality of life by implementing and improving our systems and processes.

5.0 Organizational Resources, Accountabilities and Responsibilities

All personnel, including contractors and visitors to site, have a duty to work in accordance with the Hecla SHMS.

All personnel shall comply with relevant statutory requirements and with Hecla requirements; all personnel shall ensure that no work is undertaken if it is considered unsafe to do so. In instances where there is immediate or impending danger, it is the responsibility of the person who identified the situation to take immediate and practical action, without endangering themselves or others.

Management committee(s) comprising of various organizational levels and work areas must be established to support the management of SH performance.

A specific management representative must be appointed to ensure the implementation of the SH management system.

All roles with SH accountability and responsibilities must be documented in role descriptions and identify positive reinforcements and negative consequences specific to each role.

All Hecla personnel shall strive to achieve best practice in safety and health, and assist in the control of incidents, injuries and loss. Duties include, but are not limited to:

- Complying with all necessary requirements put in place to prevent incidents, injuries or losses;
- Ensuring the safety and health of themselves and others in the workplace by being responsible for their actions and taking due care while performing their work;
- Identifying, eliminating, and reporting hazards as soon as practicable;
- Reporting incidents and accidents as soon as practicable;
- Disclosing all information regarding incidents and cooperating in incident investigations;
- Assisting in the resolution of health and safety matters in a positive and timely manner;

- Using and maintaining PPE;
- Providing suggestions for improving work processes;
- Assisting Management by supporting change to achieve desired targets;

At Hecla, every employee is responsible, in some way, for their safety, as well as those around them. If a task is deemed hazardous and the proper actions are taken to allow an employee to continue working on that task, not only is the safety of that one employee improved, but the safety of any future employee performing that task will also be improved. Safety isn't necessarily easy, but we hold it to an incredible standard here at Hecla because it's important; we know our employees think so too.

6.0   Training, Competency and Awareness

Hecla is responsible for providing workers with a safe and healthy work environment and for ensuring they have the skills and knowledge, including knowledge of applicable legislation, to work in a safe and reliable way. This means providing opportunities for learning, as well as reinforcing and monitoring the application of learned skills and knowledge on the job.

Hecla will ensure all personnel have relevant and current qualifications, training and competencies for the work they are required to perform. The Hecla SHMS process Training and Orientation below reflects the training matrix minimum requirements, as depicted in Table One below:

Table One: Minimum Training Requirements

WORK/EXPOSURE GROUP	TRAINING COURSE TITLE
All Operating Employees	MSHA or Required Governmental Training Risk Assessment Training Level 1 Site Orientation Task Training
Managers, Superintendents, General Foremen	First Aid Fitness for Work Training MSHA or required Governmental Training Risk Assessment Training Level 1 & 2 Safety and Health Leadership Training Safety and Health Personal Development Training Site Orientation
Safety and Health Professionals	First Aid Fitness for Work Training MSHA or required Governmental Training Risk Assessment Training Level 1 & 2 Safety and Health Leadership Training Safety and Health Personal Development Training Site Orientation
Foremen/Supervisors (Shifter)	First Aid Fitness for Work Training Safety and Health Leadership Training Safety and Health Personal Development Training MSHA or required Governmental Training Risk Assessment Training Level 1 & 2 Site Orientation

With the proper training and awareness our employees are equipped with the tools necessary to help themselves be safe and healthy while both off site and on. We aspire to empower our employees with the proper knowledge required to make sure that any safety concerns are not only identified, but addressed and handled accordingly.

7.0 Communication & Consultation

Safety lives in conversation. The more people that talk it, the more safety performance improves. One of the most important forms of communication is collaboration involving managers, miners, other workers and stakeholders in the safety decision-making and problem-solving process.

- Fostering effective two-way communication and involvement among all employees in safety and health decision making and problem solving.
- Ensuring that all relevant safety and health information is shared through open, transparent and frequent communications.

Management will actively encourage employees to raise, discuss, and resolve where possible, any issues which are related to their work area. Any safety and health issues which are unresolved shall be raised and addressed through an issue resolution process.

To extend ownership of safety and health systems and processes to all personnel, Hecla employees shall be encouraged and actively involved in the development, implementation, and review of procedures and other operational documents and processes, as appropriate.

Personnel will also be required to contribute to the successful implementation of task awareness via the Take 5 risk assessment, which will be undertaken as an inherent part of a day-to-day approach towards achieving the zero-injury target.

Effective communication can be the difference between losing an employee and saving a life. Having the proper channels in place for employees to share their thoughts or concerns is essential to maintaining a work environment that works best for those working in it. Because this environment is seen most by those not in management and supervisory roles, we find it crucial to incorporate and include our employees ideas from the ground up – to help build a specialized system and process that flows efficiently and provides many opportunities for an employee's voice to be heard.

8.0 Operational Control

Based on the findings of the risk assessment, operational controls and procedures are designed to ensure work activities can be performed safely. Controls protect people and assets from harm. A mine, like any industrial workplace, has a host of control measures and procedures in place to eliminate or mitigate risk. A few common examples include:

- Standards that provide a framework for safe operation
- Written procedures that explain how to perform a task safely
- Inspections to identify and correct unsafe conditions
- Controls such as alarms, wheel chocks, flags on vehicles to improve visibility, berms and barriers, etc.

- Personal protective equipment such as hard hats, safety boots, high visibility shirts, safety glasses, hazmat suits, gloves, and respirators, etc.
- Fall protection harnesses, special equipment and procedures
- Access control systems
- Lockout/tag out to identify machinery under repair that should not be used
- Isolation requirements for power supplies
- Pre-start-up inspections on mobile equipment
- Site speed limits, signage and in-vehicle mentoring systems

Rules and regulations are implemented and enforced with one thing in mind – keeping our employees safe while they work. Within the SHMS there are guidelines for the appropriate actions to be taken to perform various tasks and procedures. From setting up scaffolding to driving a vehicle, we do our best to inform our employees of the DO's and most importantly of the DON'T's of the job. This means it's crucial, though, to regularly measure and observe the rules and regulations implemented to ensure they are utilizing the most advanced, modern techniques available to us in order to be as proactive as possible in concern to safety.

➡ 9.0   Measuring and Monitoring

Hecla has in place a process for regularly measuring and monitoring the site SHMS and compliance standards for compliance. Periodically, Hecla reviews and updates the corporate Safety and Health policy, management system, standards, guidelines, and processes to ensure they continue to reflect sound practices and meet the company's high standards.

Health risks and their assessment are based on specific hazard types and are not task based. Health exposures are then characterized into exposure risks based on Similar Exposure Groups (SEGs), those being employee groups that undertake similar tasks and are inherently exposed to the same health hazards.

Identified occupational hygiene hazards, and especially those that may exceed Hecla Action Levels and Statutory Occupational Exposure Limits (OELs), must be assessed. Identified health hazards shall be documented in the workplace health risk register in accordance with Hecla requirements, where risks are ranked for their inherent and residual risks (after controls are in place). Health hazards that require consideration include noise, dust, metals, chemicals, stressors, manual handling/ ergonomics; and naturally occurring asbestos.

Where a possible increased health risk is identified through the project workplace health monitoring and assessment program, Hecla personnel will participate in a medical surveillance program.

As we stated before there must be a system in place to ensure the successfulness of the other processes; checks and balances. So when, for instance, an area is rather noisy, it needs to be measured and found within compliance with regulatory standards. If that system were to be found out of compliance then the appropriate measure(s) need to be taken to once again ensure our employees are working in a healthy, safe environment. Again, by successfully measuring and monitoring our surroundings Hecla can be as proactive as possible about keeping our most valued asset, our employees, safe and secure.

10.0 Non-Conformance, Incident and Action Management

10.1 Injury and Illness Management

Hecla shall ensure that injured personnel have appropriate medical management from the time the injury occurs to the time the employee returns to work.

The Injury Management System will:

- Nominate a person to implement and manage the Injury Management System;
- Monitor the management of injuries and the implementation of a safe return to work program in collaboration with Hecla management and medical practitioners (e.g., regarding diagnosis, treatment, work status, expected timeframes, progress and finalization);
- Ensure all relevant personal medical and employment information necessary to accurately classify injuries and illnesses is readily available;
- Provide documentation of normal duties including physical requirements and conditions;
- Provide return-to-work plans, as required for injuries that involve restricted duties;
- Ensure documentation of case notes/progress recording; and
- Develop a process for the finalization of claims/cases.

As part of the continuous improvement process, corrective and preventative actions are to be identified, documented and implemented as appropriate.

Actions shall be identified from, but not be limited to:

- Safety and Health risk registers;
- Risk assessment activities (e.g., JHAs, Take 5s);
- Monitoring and sampling;
- Management of Change;
- Improvement suggestions;
- Inspections and audits (i.e., internal and external); and
- Incidents and investigations.

Actions are to be documented in one central register which is to remain current at all times and which includes accountabilities for action implementation, completion dates and sign off.

10.4 Incident Reporting and Investigation

All Hecla personnel shall be instructed in the incident reporting process and be trained to the appropriate level of incident investigation as required by their role description.

At a minimum, the following incidents must be reported and investigated:

- Incident resulting in a first-aid treatment to any person;
- Incident resulting in any person having to seek medical treatment;
- Illness reputedly attributable to the workplace;
- Incident which has or could have resulted in damage to property and/or the environment; and
- Incident that had the potential to result in any of the above (e.g., near miss).

Any incident involving medical treatment shall be managed through the Injury Management System in accordance with statutory requirements. All reports of incidents resulting in personal injury or occupational illness will be submitted for inclusion in the monthly performance statistics for injury and illness.

10.6 Emergency Management / Crisis Communication Plan

Each mine will develop and maintain written, site-specific emergency response and crisis communication plan. All personnel shall ensure that they are familiar and comply with the requirements detailed in this plan.

The plan shall include an assessment and acquisition of adequate foreseeable emergency resources, e.g., warning devices, first aid supplies, rescue equipment, and communication aids.

Emergency response drills should be conducted with sufficient frequency and intent to assure confidence in the event of a real emergency.

By learning from the past and better preparing for the future Hecla hopes to mitigate any injuries that employees might sustain from working on the job. When our injury management system is used it provides a plan of action for those who might otherwise make emotional decisions instead of rational ones. We hope to provide our employees the best resources possible to handle incidents and non-conformance in order to allow the most appropriate plan of action to be taken. Additionally, as part of this process, we keep our door open to any new ideas or thoughts on how to improve this system. By examining our past, present, and future Hecla adopts the best ideas and processes to ensure that our employee's health and safety is well maintained and protected.

11.0   Performance Assessment and Auditing

Hecla assesses its safety and health performance in numerous ways to evaluate progress toward the goal of zero incidents and to establish plans for continuous improvement.

Measurement of the effectiveness of safety and health systems will be carried out through the use of monitoring techniques including audits and inspections, which will contribute to complying with legislation and requirements of this SHMS and in so doing achieving set KPIs.

Inspections and audits will take the form of, for instance, including, but not limited to:

- Daily plant and equipment pre-start checks;
- Weekly site inspections;
- Internal safety and health systems and performance compliance audits; and
- External safety and health systems and performance compliance audits.

Hecla will develop an inspection and internal auditing schedule and undertake those inspections and audits as detailed in the schedule. Line management is encouraged to participate in inspections and audits.

Where gaps are identified either through internal or external audits, these gaps will be seen as opportunities for improvement. Any actions which arise from inspections and checks need to be entered into a formal process for closure tracking.

As part of the continuous improvement process, corrective and preventative actions are to be identified, documented and implemented as appropriate.

Actions shall be identified from, but not be limited to:

- Safety and Health risk registers;
- Risk assessment activities (e.g., JHAs, Take 5s);
- Monitoring and sampling;
- Management of Change;
- Improvement suggestions;
- Inspections and audits (i.e., internal and external); and
- Incidents and investigations.

Actions are to be documented in one central register which is to remain current at all times and which includes accountabilities for action implementation, completion dates and sign off.

Periodically, Hecla reviews and updates the corporate Safety and Health policy, management system, standards, guidelines, and processes to ensure they continue to reflect sound practices and meet the company's high standards.

12.0   Management Review

Management will ensure the effectiveness of the site SHMS through evaluating the need for changes and establish actions to improve the system, audits, and resources.

Management will identify safety culture characteristics and promote culture enhancements.

The Corporate Hecla Management Team will annually review the Hecla SHMS in accordance with the CORESafety Management System. This is to ensure that the overall SHMS meets the requirements of the Hecla objectives and the CORESafety requirements.

The SHMS is intended to be a living document, used by a learning organization. Sections may become obsolete, over time, and will need to be removed. Changing standards and new technologies may require additions. Annual reviews are intended to keep the document as concise and as effective as possible.