

# Sustainability Accounting Standards Board (SASB) Metal and Mining Protocol



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

TOPIC	METRIC	REPORT	SASB CODE
<b>Green Gas Emissions</b>	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
<b>Air Quality</b>	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
<b>Energy Management</b>	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
<b>Water Management</b>	1) Total fresh water withdrawn, 2) Total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	1) 941 million gallons of fresh water was withdrawn and over 1.2 billion gallons recycled (includes mine waters recycled). 2) Hecla did not specifically measure total fresh water consumed in 2019 but plan to do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
<b>Waste &amp; Hazardous Materials Management</b>	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
<b>Biodiversity Impacts</b>	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
<b>Security, Human Rights &amp; Rights of Indigenous Peoples</b>	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
<b>Community Relations</b>	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
<b>Labor Relations</b>	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
<b>Workforce Health &amp; Safety</b>	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
<b>Business Ethics &amp; Transparency</b>	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
<b>Production of 1) metal ores and 2) finished metal products</b>	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
<b>Total number of employees, percentage contractors</b>	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