

Hecla Canada Ltd.
Suite 970 – 800 W. Pender Street
Vancouver, BC V6C 2V6

Introduction

This Modern Slavery Report is Hecla Canada Ltd's annual report which has been produced in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act).

Hecla Canada Ltd. (Hecla Canada" or "we", "our", or "us"), a Federal Canadian corporation, is a wholly owned subsidiary of Hecla Mining Company, a Delaware (USA) corporation, and operates the Keno Hill Mine in the Yukon Territory. The company also holds various exploration projects in the Yukon, including the Rackla and Connaught projects. The company has operated in the Yukon since the acquisition of Alexco Resources in 2022. The company has 283 employees and is a member of the Mining Association of Canada, the Yukon Chamber of Mines, and the Canadian Institute of Mining, Metallurgy and Petroleum.

Hecla Canada utilizes innovative mining practices to produce metals safely and efficiently. We also innovate to continually improve our environmental and community impacts. The jurisdictions where we operate have stringent regulatory frameworks for health and safety protection, environmental compliance, community engagement, corporate governance, and adherence to human rights. Hecla Canada is committed to responsible mining operations that meet and exceed these regulatory frameworks, ensuring that our workers and communities are protected.

Our Commitment

Hecla Canada supports fundamental human rights in all our operations, including our supply chain, and in all jurisdictions in which we conduct business. We operate in countries where human rights laws are respected and promoted. Our Human Rights Statement discusses our commitment to conduct business in a manner consistent with the United Nations Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights.

This includes providing assurance that our operations will not support, benefit from, or contribute to unlawful armed conflict, human rights abuses, or breaches of international humanitarian law. The Hecla Canada Code of Conduct expresses our commitment to fair, ethical, and responsible business practices as we engage with our employees, vendors, and communities around our operations.

Hecla Canada expects our contractors and suppliers to uphold these same standards; this includes third-party contract security providers. Our Supplier Code of Conduct states that contractors and suppliers are expected to uphold the highest standards of human rights, and we ask them to commit to respecting fundamental human rights in their own companies and supply chains.

We regularly engage with our stakeholders including our local communities, Indigenous Peoples, and government agencies to identify, understand, and address potential impacts of our operations on human rights. To date we have not identified exposure to human rights risks in our operations.

We have implemented comprehensive governance practices for transparency in our reporting and fostering accountability for our Board of Directors and

management. Strong governance also ensures that Hecla Canada maintains robust programs to manage risks and uphold compliance with laws and regulations governing ethical business conduct. We are committed to acting ethically and with integrity, and we respect human rights wherever we operate and prohibit human trafficking, slavery, and child labour within our operations and supply chains.

We strive to provide a safe and healthy working environment that is free from harassment and discrimination. Our commitment to human rights is formalized in our Code of Conduct and Ethics and our People Policy. We also have a Supplier Code of Conduct and Ethics that sets standards for those who provide goods and/or services to Hecla Canada and states our expectation that they comply with all human rights, labour and employment laws in the countries where they operate.

Hecla Canada's Policies

Human Rights Statement

- Hecla Canada supports fundamental human rights and responsible workplace practices across the company and in all jurisdictions in which we conduct our business.
- We conduct business in jurisdictions where human rights laws are respected and promoted, and we are committed to respecting and observing all human rights and strive to conduct our business in a manner

consistent with the United Nations Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights.

- This includes providing assurance that our operations will not support, benefit from, or contribute to unlawful armed conflict, human rights abuses, or breaches of international humanitarian law.
- Our commitment to fair, ethical, and responsible business practices as we engage with our employees, vendors and communities around our operations is embodied in our Code of Conduct.
- We regularly engage with our stakeholders, including our local communities, indigenous peoples, and government agencies to identify, understand and address potential impacts of our operations on human rights.
- Our success as a company is driven by our people and we are committed to treating every employee with respect and dignity. We do not tolerate discrimination or harassment and seek to comply with all labour laws and regulations in the regions where we operate including those that address child labour, forced labour, equal pay, nondiscrimination, and harassment in our workplace.
- Hecla also strives to work with our vendors and contractors and have set out clear expectations for them in their management of human rights.

Supplier Code of Conduct

- We value our relationships with our Suppliers, as these partners are an essential part of our supply chain that provides the critical minerals and metals necessary for our modern world. We believe this joint commitment to ethical conduct and integrity is a strong foundation for trusted business relationships that create shared values.
- Hecla Canada's Suppliers are expected to uphold the highest standards of human rights, and are prohibited from engaging in human trafficking, forced labour, or child labour.
- We also ask our Suppliers to commit to respect these fundamental human rights both with their own employees and within any subcontractor operations and supply chains.
- Suppliers are expected to ensure timely and fair payments of wages and benefits to any employees, sub-contractors, and sub-suppliers and in full compliance with applicable local and national wage and hour laws.
- Suppliers should not discriminate against any employee because of race, color, religion, national origin, sex, sexual orientation, gender identity or expression, age, or physical or other disability. We expect our Suppliers to support equal employment opportunity policies and to adhere to all applicable laws, including applicable employment laws.

- We expect our Suppliers to promote a positive and productive work environment in which every employee and contractor feels respected and valued.

Code of Business Conduct

Our Code of Business Conduct guides how we uphold our value of integrity. The Code applies to all employees, executives and members of Hecla Canada's board and subsidiary boards and sets out our principles and guidelines for ethical behaviors at Hecla Canada and with our shareholders, communities, and stakeholder groups.

- Supporting and respecting the protection of human rights and share the values reflected in international proclamations about human rights, such as the Universal Declaration of Human Rights.
- Providing a safe and healthy working environment that is free from harassment and discrimination.
- Acting to eliminate racism wherever it exists.
- Promoting an inclusive and diverse workplace and respect cultural traditions in communities where we operate.
- Respecting the right to freedom of association.

Our Supply Chain

The Hecla Canada mine site Controller group is responsible for the sourcing and delivery of inputs (goods and services) required for operation of the mine and

exploration sites in the Yukon. In 2023, Hecla's supply chain management department sourced materials from approximately 627 suppliers globally with total payments to vendors of CDN\$147.3 Million (US\$107.5 Million). A significant majority of the direct suppliers (90.5%) to our Yukon operations in 2023 were based in Canada, of the remaining suppliers (9.1%) were based in the United States. Hecla Canada therefore considers the risk of forced labour or child labour among this supplier group to be low due to their geographic location. We are committed to using local suppliers to the extent practical wherever we operate.

Hecla Canada does not directly purchase any goods or materials from the countries identified on the U.S. Department of Labor's Lists of Goods produced by Child Labor or Forced Labor or from the ten countries identified by Walk Free, in its Global Slavery Index, as having the highest prevalence of modern slavery in 2023.

At our operations, our supply chain management department sources a wide variety of goods and materials. Industrial equipment and machinery, personal protective equipment, and other items required to support conventional mining operations; chemicals, reagents, and packaging materials for the refining and conversion of mined material and fuel manufacturing; and furniture, equipment, and consumables to support both our camps and office-based operations are examples of these goods and services that are generally sourced from our direct suppliers. As a result, Hecla Canada may not have full line of sight into the risk of forced labour and child labour beyond our direct suppliers. Given the wide variety of goods and materials that Hecla Canada purchases, we recognize that Hecla Canada may procure items that contain components or raw materials that,

at some point during the production of that item, utilized child labour or forced labour. This risk exists particularly in areas where we do not have full line of sight into components from indirect suppliers.

Assessment of Modern Slavery Risks Operations

Hecla Canada recognizes that the risk of modern slavery being used in operations varies by industry and jurisdiction and that those risks are elevated in the manufacturing and mining sector. The jurisdictions in which Hecla Canada controls producing operations, conducts exploration work, and has advanced projects are all jurisdictions with relatively lower risks of modern slavery.

As a result, Hecla Canada regards the risk that forced labour or child labour exists within our controlled operations as low due to the geographical location of these operations and the well-established labour laws in those jurisdictions. Hecla Canada believes that these risks are further mitigated by the policies and processes that Hecla Canada has adopted.

Training

All new salaried employees of Hecla Canada are required to read and acknowledge our Code of Business Conduct. Although this training does not discuss forced labour or child labour, it does reaffirm Hecla Canada's commitment to supporting and respecting human rights and creating a work environment that is free from violence or discrimination. We provide specific training on the right to refuse a task that threatens safety and the right to know what hazards are present on the job as required in Yukon Territory.

Specific to our Keno hill Operations, Hecla Canada has adopted:

- Internal guidelines to reinforce compliance with the Territory's minimum age requirements for working within the mining sector; and
- The establishment of employees' right of refusal, which is exercisable regarding unsafe situations in the workplace.

Mitigation, Remediation, and Measuring Effectiveness

Hecla Canada has not identified any instances of the use of forced labour or child labour within our operations or supply chain. Therefore, there are no remediation measures in place, nor have we remediated the loss of income to the most vulnerable families that results from the use of forced labour or child labour in our activities or supply chains.

Hecla Canada maintains several paths for reporting incidents or concerns that have ethical or human rights implications. We encourage our employees to speak to their manager, or to the human resources, legal, or internal audit groups regarding any ethics concerns they have. An anonymous ethics hotline, managed by a third-party service provider, is available to all employees, contractors, and suppliers across our operations. Information about the ethics hotline is broadly communicated to employees and is included in our Supplier Code of Conduct and Ethics to let suppliers know they can communicate concerns to us in this way. To date, Hecla Canada has not received any reports relating to forced labour, child labour, or other human rights abuses being used in our operations or supply chain.

Approval and Attestation

This report was approved by the board of directors of Hecla Canada Ltd. on May 28, 2024 in accordance with section 11(4)(b)(ii) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above. For clarity, I am providing this attestation in my capacity as a director and officer of Hecla Canada Ltd. and not in my personal capacity.

Robert D. Brown
President & Director, Hecla Canada Ltd.
May 28, 2024

A handwritten signature in black ink, appearing to read 'R. Brown', with a long horizontal flourish extending to the right.

"I have the authority to bind Hecla Canada Ltd."