



**WORKPLACE HARASSMENT PREVENTION
AND COMPLAINT HANDLING POLICY**

For officers, employees and all other people associated with

MONARCH MINING CORPORATION
and its subsidiaries

March 9, 2021

Policy of Monarch Mining Corporation and its subsidiaries adopted by the Board of Directors of Monarch Mining Corporation:

Workplace Harassment Prevention and Complaint Handling Policy

History of the Policy:

Adopted on:	March 9, 2021
Entry into force on:	March 9, 2021
Modified on:	

The use of the masculine gender to refer to individuals in this document serves only to lighten the text and refers to both women and men. Unless the context in which a particular word is used clearly indicates otherwise, words importing the singular include the plural and vice versa.

WORKPLACE HARASSMENT PREVENTION AND COMPLAINT HANDLING POLICY

1 OBJECTIVES

Monarch Mining Corporation (“**Monarch**” or the “**Corporation**”) wants to provide a harassment-free workplace in order to protect the dignity as well as the psychological and physical integrity of individuals.

To this end, Monarch has adopted this Policy to affirm its willingness to prevent and, where necessary, take appropriate corrective actions to put an end to any situation of psychological and sexual harassment, including all forms of discriminatory harassment¹ within its organization. This Policy also aims to establish the principles of intervention applicable within the organization when a harassment complaint is filed or when harassment is reported to the Corporation or one of its representatives.

This Policy is in addition to harassment legislation, it does not replace it.

2 SCOPE

This Policy applies to all officers and employees of Monarch and its subsidiaries, and at all hierarchical levels, including in the following locations and contexts:

- a. workplace;
- b. common areas;
- c. any other place where individuals are in the course of their employment (e.g., meetings, training, travelling, social activities organized by the employer);
- d. communications by any means, technological or otherwise.

3 DEFINITION

The *Act respecting labour standards* defines psychological harassment as follows²:

« any vexatious behaviour in the form of repeated and hostile or unwanted conduct, verbal comments, actions or gestures, that affects an employee’s dignity or psychological or physical integrity and that results in a harmful work environment for the employee. For greater certainty, psychological harassment includes such behaviour in the form of such verbal comments, actions or gestures of a sexual nature.

¹ Discriminatory harassment means harassment based on any of the grounds listed in section 10 of the *Charter of Human Rights and Freedoms*. These grounds of discrimination are listed in Appendix A of this Policy.

² See Appendix A of this Policy for more details.

A single serious incidence of such behaviour that has a lasting harmful effect on an employee may also constitute psychological harassment. »

The definition includes discriminatory harassment related to a ground set out in section 10 of the *Charter of Human Rights and Freedoms*³.

The notion of harassment must be distinguished from other situations such as interpersonal conflict, work-related stress, difficult professional constraints or the normal exercise of management rights (management of attendance at work, work organization, disciplinary measures, etc.).

4 POLICY STATEMENT

Monarch does not tolerate or admit any form of psychological or sexual harassment within its organization, whether it be:

- a. by managers towards employees;
- b. between colleagues;
- c. by employees towards their superiors;
- d. by any person associated with it: representative, customer, supplier, visitor or other.

Harassment-related behaviour may result in disciplinary action up to and including dismissal. Such conduct by a representative or other person associated with Monarch may also result in serious action up to and including termination, or non-renewal, of contracts.

To this end, Monarch wishes to prevent and, where required, put an end to harassment situations by:

- a. inviting any person who has questions about understanding and complying with this Policy to contact one of the designated responsible persons⁴;
- b. promoting respect between individuals;
- c. establishing a procedure for handling complaints and reports of psychological or sexual harassment; and
- d. supporting anyone who in good faith reports harassment.

³ See Appendix A of this Policy for the list of such grounds.

⁴ See Appendix B of this Policy for the list of designated responsible persons.

5 EXPECTATIONS TOWARDS EMPLOYEES

It is everyone's responsibility to adopt behaviour that promotes a work environment free of psychological and sexual harassment.

6 HANDLING OF COMPLAINTS AND REPORTS

Whenever possible, a person who believes that he is being subjected to psychological or sexual harassment should first inform the person concerned that his behaviour is undesirable and that he must put an end to it. He should also note the dates and details of the incidents and the steps taken to try to resolve the situation.

If this first intervention is not desired or if the harassment continues, the person who believes that he is being subjected to psychological or sexual harassment should report the situation to one of the responsible persons designated by the employer in order to identify the problematic behaviours and the means of intervention. The names of the designated responsible persons, as well as details on their role, are listed in Appendix B of this Policy. If the person is a union member, he should also inform the accredited association representing him.

A complaint may be made orally or in writing. The behaviour complained of and the details of the incidents should be described as precisely as possible, so that an intervention can be carried out quickly to bring the situation to an end.

The person who witnesses harassment is also encouraged to report it to one of the designated responsible persons.

7 INTERVENTION PRINCIPLES

Upon receipt of a complaint or report under this Policy, the employer shall:

- a. deal with the complaint or report as soon as possible;
- b. preserve the dignity and privacy of the persons concerned, i.e., the person who made the complaint, the person who is the subject of the complaint and witnesses;
- c. ensure that all persons concerned are treated humanely, fairly and objectively;
- d. protect the confidentiality of the intervention process, including information related to the complaint or report;
- e. offer to the persons concerned to hold, with their agreement, a meeting with them to resolve the situation;

- f. if necessary, conduct a prompt and objective investigation, or assign responsibility to an external party. The persons concerned will be informed of the outcome of this process. If the investigation does not establish unacceptable behaviour, all physical evidence will be retained for two years and destroyed thereafter;
- g. take all reasonable steps to resolve the situation, including appropriate disciplinary measures.

Any person who commits a breach of this Policy will be subject to appropriate disciplinary measures. The choice of the disciplinary measure will take into account the seriousness and consequences of the acts committed, as well as the previous record of the person who committed them.

A person who files a false complaint with the intent to cause harm is also subject to appropriate disciplinary measures.

In dealing with and resolving a situation involving harassment in the workplace, no reprisals will be tolerated against any employee who, in good faith, files a complaint or report under this Policy.

8 COMPLIANCE

This Policy will be disseminated to all employees. As part of the hiring process, a copy of this Policy will be given to new employees, who will be required to sign an initial declaration to the effect that they have read this Policy and agree to abide by it. The Corporation may require all employees to sign a similar declaration on an annual basis, or at such other frequencies as it may decide. A copy of the initial declaration can be found in Appendix C of this Policy.

9 UNDERSTANDING

An employee who has questions regarding this Policy may consult with a designated responsible person.

APPENDIX A

RECOGNIZING HARASSMENT

Psychological and Sexual Harassment

The *Act respecting labour standards* provides criteria for determining what can be considered psychological or sexual harassment, being:

- a. vexatious (hurtful, humiliating) behavior;
- b. that manifests itself repeatedly or in a single serious act;
- c. in a hostile (aggressive, threatening) or unwanted conduct;
- d. that violates the dignity or integrity of the person;
- e. resulting in a harmful (noxious, detrimental) work environment for the individual.

These conditions include words, acts or gestures of a sexual nature.

For example, the following behaviours could be considered vexatious behavior constituting harassment if they meet all the criteria of the law.

Behaviours that may be related to psychological harassment:

- a. intimidation, cyberbullying, threats, isolation;
- b. offensive or defamatory words or gestures about a person or the person's work;
- c. verbal abuse;
- d. bashing.

Behaviours that may be related to sexual harassment:

- a. any form of unwanted attention or advance with a sexual connotation, for example:
 - insistent solicitation;
 - suggestive looks, kisses, or touching;
 - sexist insults, foul language.
- b. sexually suggestive comments, jokes or images by any means, technological or otherwise.

Discriminatory harassment

Discriminatory harassment, i.e., harassment based on a personal characteristic listed in section 10 of the Charter of Human Rights and Freedoms, is included in the definition of psychological harassment. These personal characteristics are race, colour, sex, gender identity or expression, pregnancy, sexual orientation, civil status, age except as provided by law, religion, political convictions, language, ethnic or national origin, social condition, a handicap or the use of any means to palliate a handicap. Discriminatory harassment is a practice prohibited by the Charter of Human Rights and Freedoms.

APPENDIX B
RESPONSIBLE PERSON DESIGNATED BY THE EMPLOYER

The following persons are designated to act as responsible persons for the application of the Workplace Harassment Prevention and Complaint Handling Policy:

For the Abitibi Region

Jean-Marc Lacoste, President and Chief Executive Officer
jm.lacoste@monarchmining.com

For the head office of Monarch, located in Saint-Sauveur

Alain Lévesque, Chief Financial Officer and Vice President, Finance
a.levesque@monarchmining.com

Designated responsible persons must primarily:

- a. answer questions from employees about this Policy;
- b. intervene informally to try to resolve situations;
- c. receive complaints and reports;
- d. recommend actions to be taken to stop the harassment.

APPENDIX C
EMPLOYEE'S INITIAL STATEMENT REGARDING THE
WORKPLACE HARASSMENT PREVENTION AND COMPLAINT HANDLING POLICY

Name and surname: _____
(please print)

Title/Function: _____

Employer: _____

I have received a copy of the Workplace Harassment Prevention and Complaint Handling Policy (the "**Policy**") of Monarch Mining Corporation and its subsidiaries on _____. I have read and understand the Policy and agree to abide by it.

I understand that I will, at the request of the Corporation, be required to renew my commitment to abide by the Policy.

I understand that if I fail to comply with the Policy, my conduct may result in disciplinary action, including dismissal.

Signature

Date

[To be kept in the file of the employee]