teckcominco

SUSTAINABILITY
REPORT 2006

This is Our Future

CONTENTS

As Senior Environmental Supervisor at the Antamina operation, Carlos García coordinates the Antamina operation's environmental efforts and works closely with the Community Relations Department. With the Company for three years, Carlos is married with two young children, and likes to travel with his family throughout Peru.

Teck Cominco is a diversified mining and smelting company, headquartered in Vancouver, British Columbia, Canada. Shares are listed on the Toronto Stock Exchange under the symbols TCK.A and TCK.B and the New York Stock Exchange under the symbol TCK. We are a world leader in the production of zinc and metallurgical coal, and we are also a significant producer of copper, gold and specialty metals. Further information on the Company and our activities can be found at our corporate website at www.teckcominco.com.

We see clear value in operating our business in a socially just, environmentally responsible and economically sound way. Our sustainability strategy has five components that drive our sustainability performance: corporate governance; generating wealth and prosperity; demonstrating excellence in safety, health and environmental performance; driving technological innovation and resource stewardship; and fostering sustainable communities. Through this strategy, we are dedicated to maintaining our licence to operate and meeting our sustainability challenges.

This is
Our Commitment



Teck Cominco is an active member of, and contributor to, many industry associations devoted to improving sustainable development practices. We are signatories to the United Nations Global Compact and support its core areas on human rights, labour standards, the environment and anti-corruption.

This is Our Future

This is Our Future, our sixth annual sustainability report, aims to provide a balanced account of our social, economic and environmental performance. It is an update to our 2005 report, *The Value of Sustainability*, published at the end of 2006, and therefore strives to minimize repetition. Accordingly, our corporate governance policies and procedures and our management systems, which are fully disclosed in the 2005 report, have not been repeated here.

Why produce a sustainability report? We believe that reporting is an effective way to communicate with our various stakeholders on our performance, vision, strategy and commitments. It also provides us with an opportunity to describe our management practices and governance policies. We use the report as a management tool to help ensure that we achieve progress on our commitments and improve upon our performance. It demonstrates our accountability for long-term performance goals and helps us meet societal expectations.

The 2006 Teck Cominco Sustainability Report has been prepared by Teck Cominco Limited based on data drawn from internal sources (draft annual report, consolidated Group report, proprietary reports and other Company documents), applying the indicators and standards of the Global Reporting Initiative's G3 guidelines. The document has not been independently assured.

The matters discussed in this report may include forward-looking statements that involve risks and uncertainties. These forward-looking statements are based on estimates and assumptions made by management of the Company and are believed to be reasonable, though inherently uncertain and difficult to predict. Actual results or experience could differ materially from the forward-looking statements.

GRI has not verified the contents of this report, nor does it take a position on the reliability of information reported herein. For further information about GRI, visit www.globalreporting.org.

This report, prepared in accordance with the Global Reporting Initiative (GRI) Third Generation Guidelines (G3), discloses data from January 2006 to December 2006. The Technical Protocols, Indicator Protocols and the Mining Sector Supplement (G2) guided the development of this report. Historical data from the years 2004 and 2005 have been included for comparative purposes, where appropriate. We have also included performance highlights, successes and challenges that we continue to face. Tables addressing key indicators are presented at the back of each major section. Teck Cominco self-declares this report a level B in accordance with the criteria of the Global Reporting Initiative (GRI-G3).

Performance data are provided for the following operations:

- Trail Metallurgical Facilities
- Red Dog mine
- Highland Valley Copper mine
- Pend Oreille mine
- Williams and David Bell mines (the Hemlo mines)
- Pogo mine (opened 2006)
- Lennard Shelf mine (reopened 2006)*
- Quintette mine (closed 2000)
- Sullivan mine (closed 2001)
- Polaris mine (closed 2002)
- Bullmoose mine (closed 2003)

* *Not all performance data are applicable to Lennard Shelf as it only started production in 2007.*

In 2007, we intend to report on Elk Valley Coal Partnership's performance data.

Disclosures on management approach are provided for Elk Valley Coal Partnership and Compañía Minera Antamina when appropriate.

Numerical data are presented using the metric system, and all currency values are in Canadian dollars, unless otherwise noted.

In consistency with our annual report, we disclosed the same financial and safety and health data which therefore includes Elk Valley Coal Partnership, Antamina mine and Lennard Shelf mine. We have provided written narratives on material issues through some of the "Spotlight" sections that highlight individual activities at select sites. Some of the issues identified include:

- Eliminating major risk
- Climate change
- Human and ecological health
- Sustainable community development
- Maintaining our licence to operate

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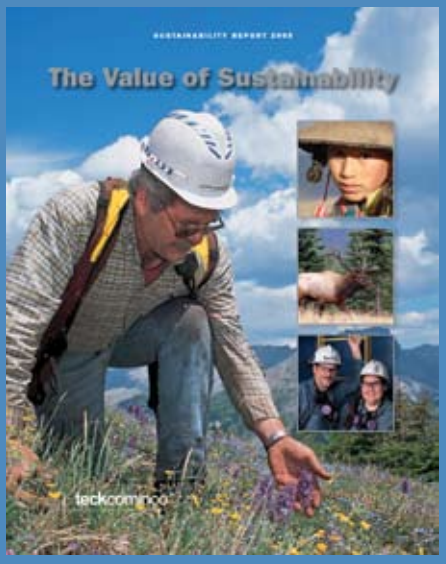
WHAT IS MATERIALITY?

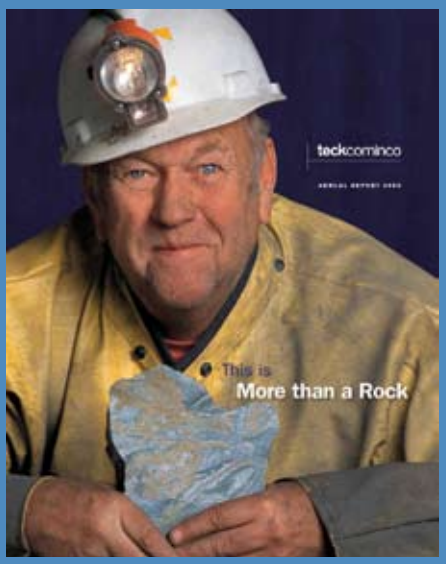
Recently, sustainability reports have grown in size due to the detail required for reporting. Practitioners and experts are now questioning the effectiveness of these lengthy reports, which defy their main purpose of being reasonably easy to read and understand. Reporting companies have therefore been requested to focus on their material, or most significant, sustainability issues.

For the purpose of this report, we define *materiality* to be information that has the potential to influence the perception of stakeholders who intend to make decisions and assessments about our company's commitment to sustainability.

TECK COMINCO REPORTS

The Value of Sustainability (our 2005 Sustainability Report) and *This is More than a Rock* (our 2006 Annual Report) are both available online at www.teckcominco.com.





In Pursuit of Sustainability

Donald R. Lindsay
President and
Chief Executive Officer

At Teck Cominco, the pursuit of sustainability is central to the core values that drive our approach to business. Our success depends on our ability to help establish healthy communities and safe environments for our workers in jurisdictions where good systems of governance and social infrastructure exist or can be built as a result of our presence. Over our long history, we have learned that our relationship with people, communities and society is one of mutual support or interdependence. Indeed, our success is clearly tied to the contributions we make to achieve sustainability, wherever we operate. This is our future.

In our business, we often operate in places where there is little or no infrastructure when we arrive. In many instances, our projects spur the first major economic investment in regions where poverty exists and essential infrastructure is limited or non-existent. In these circumstances, our challenge and opportunity is to determine how best to contribute to building sustainable, prosperous and healthy communities. The core of our business—exploration, mining and processing minerals—is more than our passion for rocks, it's also about our drive to unlock value and create prosperity for our shareholders and society by providing the utility of minerals and metals, which are essential elements of a sustainable world. Our stewardship and safe use of minerals and metals today will most certainly influence the ability of future generations to meet their own needs. That being said, at the end of the day, we want to always know that we've done the right thing.

At Teck Cominco, our capacity to make meaningful contributions to sustainable development is multi-faceted. Our sustainability strategy is focused on continuously improving our performance in five areas: generating wealth and prosperity; applying the best corporate governance practices everywhere we do business; demonstrating excellence in safety, health, and environmental performance; driving technological innovation and resource stewardship to optimize the utility of our products; and fostering sustainable communities.

Our financial results in 2006 were exceptional with cash flow from operations and earnings of $2.9 billion and $2.4 billion respectively, setting a record for a third consecutive year. At year-end, our cash balance was $5.3 billion, placing us on a solid financial footing as we look to the future. This success was due in large measure to the growth in demand for metals and other commodities that has resulted from economic growth in

China. This trend of increased demand and higher prices may be expected to continue as emerging countries strive to improve the standard of living of their citizens. On the supply side, virtually all of the known economic mineral deposits in secure jurisdictions have been developed, while the majority of recent important discoveries have been in jurisdictions that are less secure. At the same time, high prices have encouraged rising nationalism and even expropriation of resources. These circumstances underscore the importance of earning a social licence to operate and making meaningful contributions to sustainability in those jurisdictions where the need to develop social and economic infrastructure is most acute. To achieve this, we are driven by our core values of integrity, excellence, discipline, commitment, teamwork, innovation and respect.

In corporate governance, we reached an important milestone in 2006, achieving full compliance with the Sarbanes-Oxley Act. Other achievements over the last year included our commitment to the Extractive Industries Transparency Initiative, a comprehensive voluntary initiative between companies and host governments to promote transparency and report publicly on payments made to government. We also became signatories of the United Nations Global Compact, a voluntary corporate citizenship initiative to bring companies together with UN agencies, labour and civil society to support 10 principles in the areas of human rights, labour, the environment, anti-corruption and the advancement of the Millennium Development Goals.

While 2006 was a year of great successes, it was also a year of tragic losses as we were all deeply saddened by six fatalities at our operations. On behalf of all our employees, we wish to extend our deepest condolences to the families and friends of these individuals. The loss of anyone—a friend, a family member or a colleague—reminds each of us that we must, before anything else, focus on our safety and health. We continue to set our goal of zero injuries, and we believe this target is achievable as we continue to stress safety in the workplace.

In recent years, climate change has become an important focus area for Teck Cominco as our operations seek ways to reduce our greenhouse gas emissions and reduce our energy intensity. In 2007, we plan to conduct energy and GHG emissions assessments at our majority-owned, active operations. We will also continue to participate in international climate change initiatives such as the Carbon Disclosure Project.

Norman B. Keevil
Chairman

Key to our future success is our work in advancing technical innovations that will improve productivity and our ability to steward resources most efficiently. In 2006, we continued to develop our proprietary CESL hydrometallurgical technology. Although the technology has not yet been fully commercialized, there are indications that when applied at a minesite, it will help improve environmental performance relative to the conventional shipping of concentrates and subsequent treatment at smelters and refineries. Our Applied Research and Technology group, based in Trail, British Columbia, successfully worked with the Red Dog and Antamina mines to transfer and optimize new technologies that will improve resource recovery and efficiency in the future.

Many of the most significant advances in society have resulted from discoveries of new applications of metals. The pursuit of innovation is the mandate of our Product Technology Centre in Mississauga, Ontario, and together with key customers in the battery sector we are striving to improve the efficiency of metallic energy, particularly in the area of reducing the weight of batteries used in the automotive sector and developing new technologies like zinc air batteries, which have the potential to provide a zero-emission, reusable energy source. Our research in these areas has led to advances in design that have improved both environmental performance and resource efficiency, exemplifying the role of metals in contributing to a prosperous, sustainable society.

The ongoing development of our recycling businesses is a key aspect of our approach to resource stewardship. We have been engaged in the recycling of lead-acid batteries for many years at our Trail metallurgical operations, and in 2006 we continued pilot work to expand the recycling business in Trail to include processing of electronic scrap. On another front, we re-engaged with ZincOx Resources, a business focused on zinc recycling using a proprietary technology to process electric arc furnace dust. Through these initiatives, we advanced our sustainability performance in 2006 related to resource stewardship and life-cycle management of metals while identifying potential new sources of “urban ore” to supply our processing and refining facilities.

As we look forward to the future and take stock of the events that unfolded in 2006, we are reminded of the importance of community in our lives. If sustainability is about living in the present without compromising the ability of our children and future generations to meet their needs, then the places we must look to first are our homes and the communities in which we live and work. Teck Cominco has experienced an unprecedented level of prosperity over the last three years, and we are determined to give back to society in ways that will foster sustainability long into the future. In 2006, we formalized our commitment to spend one percent of pre-tax profits (on a rolling five-year average) on voluntary giving intended to support and share our success in the communities where we operate. Over the year, we supported initiatives in health care, education, conservation and biodiversity, arts and culture, sport and recreation and sustainable communities. Ultimately, our community programs are intended to create shared value that provides meaningful benefits to our host communities and the ongoing viability of our business.

This is the second year that we have applied the Global Reporting Initiative guidelines to report on our performance, and our goal is to report on those aspects of our activities that matter most to the pursuit of sustainability. This report is a companion to our 2006 Annual Report, which provides greater detail on our operations’ production and financial performance. We invite you to assess our performance for yourself and encourage readers to provide any comments and advice that may help us improve our contributions to sustainability and help create a better company in the future.

2006 was a great year, and the results we achieved were due to the skill, creativity and collective efforts of our people. To them, we express congratulations for a job well done, and we look forward to making further progress on sustainability as the future unfolds.

Donald R. Lindsay
President and Chief Executive Officer

Norman B. Keevil
Chairman

May 25, 2007

Our Goals in Sustainability

Sustainability Goals and Targets		
Aspects	**2006/2007 Targets**	**Progress**
Foster corporate governance and quality in the workplace		
Goal: To be a leader in corporate governance and quality of the workplace		
Professional Development and Education	Track Company training corporately	■
	Assess completeness of training programs in relation to the Code of Sustainable Conduct	■
Generate wealth and prosperity		
Goal: To understand and measure our indirect economic impacts		
Indirect Economic Impacts	Assess and report on our indirect economic impacts in communities of interest	■
Demonstrate excellence in safety, health and environmental performance		
Goal: To incur zero harm to people, have zero accidents and improve environmental performance		
Safety and Health	No fatalities	■
	Less than one lost-time injury per 200,000 hours of work	■
Energy Use	Set targets for energy efficiency and implement strategies to meet targets	■
	Appoint a corporate energy leader as part of the Towards Sustainable Mining Initiative	■
GHG Emissions	Set targets for GHG intensity reduction	■
	Continue to identify and implement measures to improve energy efficiencies	■
Biodiversity and Conservation	Include biodiversity and conservation in policies and standards	■
	Assess ICMM Good Practices Guidance for Mining and Biodiversity	■
Recycling	Identify best practices and implement across operations	■
Emissions and Effluents	Achieve 100% permit compliance and achieve targets for emissions and effluents reductions	■
Spills	Reduce the number of spills	■
Goal: To improve and implement management systems		
Management Systems	Extend the use of electronic management systems to all operations	■
Verification	Achieve ISO 14001 certification at remaining operations	■
Drive technological innovation and resource stewardship		
Goal: To effectively manage and improve the utility of our products		
Product Stewardship	Seek out new business opportunities and partnerships to expand the recycling operations	■
Technology Improvement	Commission CVRD plant and complete feasibility study for Highland Valley Copper mine plant	■
Product Development	Develop commercial applications for zinc-air battery technology	■
Foster sustainable communities		
Goal: To engage effectively with our stakeholders		
Stakeholder Engagement	Engage national and international stakeholders	■
	Secure stakeholder critique of Company performance	■
Goal: To foster sustainable communities wherever we operate by contributing to their socioeconomic needs		
Indigenous Rights	Assess and document best practices for engagement with indigenous peoples	■
Community Investment	Develop corporate donations guidelines and articulate policy and strategy to sites	■
Human Rights	Formally support the principles of the UN Declaration of Human Rights	■
	Measure and report on compliance with international human rights obligations	■

■ *Completed* ■ *Partially completed* ■ *For 2007* ■ *Did not achieve*

Our Commitment

Teck Cominco's Charter of Corporate Responsibility

Teck Cominco is committed to conducting its business in an honest and ethical manner. We are committed to protecting the health and safety of our employees and the environment in the communities where we work.

We are committed to providing a workplace free of discrimination where all employees can fulfill their potential based on merit and ability.

We strive to deal with everyone in a fair and open manner, and our employees strive to conform to the spirit and intent, as well as the technical requirements, of all contracts we enter into and all laws, regulations and rules that govern us.

We support sustainable development, and we willingly accept our obligation to constantly improve our methods of harvesting the world's resources to the benefit of our shareholders, employees, customers, local communities and all others who use or enjoy nature's bounty.

We value our reputation and the trust and confidence placed in us. If a problem arises, we will deal with it in a lawful and proper manner, we will act to alleviate it, and we will respond with support to those affected. Our mandate is to create value for our stakeholders while continually improving our performance as a good corporate citizen and a leader in our industry.

We take these commitments seriously, and our management and Board of Directors will make every effort to foster a culture at Teck Cominco to support and honour them. We will communicate to all our employees, officers, directors and other representatives that Teck Cominco expects and requires that their actions and conduct comply with this Charter and policies undertaken to further its objectives.

Donald R. Lindsay
President and CEO

Norman B. Keevil
Chairman

February 2007

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Our Standard

Teck Cominco's Code of Sustainable Conduct

To implement its Charter of Corporate Responsibilities, Teck Cominco will:

1. Obey the law and conduct business in accordance with Teck Cominco's Code of Business Ethics;
2. Ensure that no discriminatory conduct is permitted in the workplace. Decisions on job selection, advancements and promotions will be unbiased, based on merit and ability, and in keeping with commitments to local communities;
3. Foster open and respectful dialogue with all communities of interest;
4. Recognize the rights and aspirations of indigenous people affected by our activities;
5. Support local communities and their sustainability through measures such as development programs, locally sourcing goods and services and employing local people;
6. Continually improve safety, health and environmental policies, management systems and controls and ensure they are fully integrated into each company activity;
7. Promote a culture of safety and recognize safety as a core value;
8. Continually reinforce company-wide efforts to achieve zero safety or health incidents;
9. Ensure programs that address workplace hazards are applied to monitor and protect worker safety and health;
10. Conduct operations in a sound environmental manner, seeking to continually improve performance;
11. Integrate biodiversity conservation considerations through all stages of business and production activities;
12. Design and operate for closure;
13. Promote the efficient use of energy and material resources in all aspects of our business;
14. Practise product stewardship and promote research to enhance the benefits of our products to society;
15. Conduct regular audits to ensure compliance with this code.

Peter G. Kukielski
Executive VP and COO

Donald R. Lindsay
President and CEO

February 2007

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Governance, Commitments and Engagement

GOVERNANCE

Our governance practices, policies and procedures were detailed in the 2005 Sustainability Report. A brief explanation of some of the key elements of corporate governance is provided below.

Nine of the 14 members of the Board of Directors in 2006 were independent. (An independent Director of the Board is: (a) non-executive, or not a member of management, and is free of any interest and any business, family or other relationship that could reasonably be perceived to interfere with the Director's ability to act with a view to the best interests of the Company other than interests and relationships arising solely from holdings in the Company, and b) is not considered to have direct or indirect material relationship with the Company.) A brief biography of each director is available on our website. All the key Board committees—Audit, Compensation, Corporate Governance and Nominating—are comprised entirely of independent Directors.

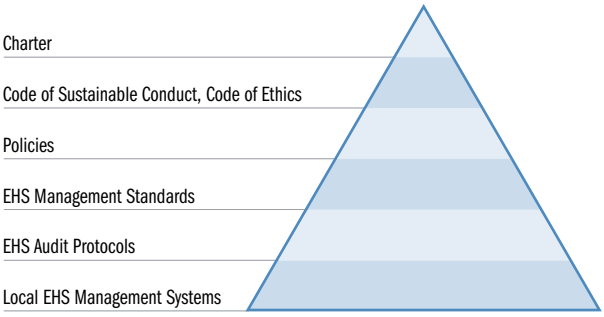
During 2006, there were several changes in the Board's composition. Derek Pannell, former CEO of Falconbridge prior to its takeover by Xstrata, joined the Board. David Thompson, who retired as CEO in 2005, and Dr. Lloyd Barber have decided not to stand for re-election at the 2007 Annual General Meeting. Their dedication and contributions to Teck Cominco have been substantial and are very much appreciated.

EHS Governance

The Environment, Health and Safety (EHS) Committee of the Board of Directors provides policy direction and monitors the Company's environmental, social and safety performance. The Corporate Environment and Risk Management Committee (CERMC), chaired by the CEO, is a senior management committee that sets priorities and direction for EHS programs, tracks performance and measures results.

The Charter of Corporate Responsibility is a set of principles related to business ethics, environment, safety, health and community that govern Teck Cominco's operating practices. Teck Cominco has two Codes; the Code of Sustainable Conduct and the Code of Ethics.The Code of Sustainable Conduct (officially adopted in February 2007) outlines the Company's commitments to sustainable development. The Code of Sustainable Conduct was created at the end of 2006 to include biodiversity, conservation and energy management commitments. Our Code of Ethics sets out the Company's commitment to uphold high moral and ethical standards and specifies the basic norms of behaviour for those conducting business on its behalf. The Environmental, Health and Safety Management Standards (EHSMS) put our Charter and Codes into practice and were modelled after the International Standard Organization's ISO 14001 management standards, OHSAS 18001 standards and EPA compliance-focused EMS guidance. During 2007, we will be evaluating our conformance with the new Canadian Z1000 occupational safety management performance standards as well as the International Finance Corporation's (IFC) Social and Environmental Performance Standards.

Teck Cominco's Policy Hierarchy



More information on the web:
- *Board of Directors' Governance*
- *EHS management process*

OUR COMMITMENTS TO EXTERNAL INITIATIVES

International Council on Mining and Metals (ICMM)

The vision of the International Council on Mining and Metals is to ensure a viable mining, minerals and metals industry that is widely recognized as essential for modern living and a key contributor to sustainable development. The ICMM is a CEO-led organization representing the mining and metals industry internationally and includes in its membership regional, national and commodity associations. We joined ICMM in October of 2006.

The ICMM Sustainable Development Framework comprises four major elements: a set of 10 principles, supported by commitments to public reporting, independent assurance and sharing good practices. We are in the process of incorporating these elements

into our existing sustainable development policies and practices. In addition to the Sustainable Development Framework, the ICMM has adopted a number of policy statements, including: position statements on climate change, mining and protected areas, the Extractive Industries Transparency Initiative, and mining and indigenous peoples. We are currently in the process of ensuring consistency of our policies and procedures with those of ICMM. For more information on the policy statements, visit www.icmm.com.

Towards Sustainable Mining (TSM)

As a member of the Mining Association of Canada (MAC), we participate in the Towards Sustainable Mining Initiative. Conceived in 2000, the initiative is designed to improve the industry's environmental, social and economic performance. Our 2006 performance, as measured against detailed criteria on crisis management planning, tailings management, energy use and GHG emissions management and external outreach, will be subject to external verification for our Trail operations and at the Highland Valley Copper mine during 2007. A discussion of our achievements and goals in these performance areas is provided in the Operations and Site Performance section of this report. The TSM Initiative is expanding with the addition of protocols related to biodiversity protection and on the interactions between mining developments and Aboriginal communities. It is anticipated that these will be adopted during 2007. The TSM Annual reports can be viewed at www.mining.ca.

Environmental Excellence in Exploration (E3)

The Environmental Excellence in Exploration project of the Prospectors and Developers Association of Canada (PDAC) continues to evolve. The e-manual of leading environmental practices, accessible at www.e3mining.com, will soon also be available in French, Spanish and Portuguese. New sections on good practices in uranium exploration and cultural heritage and archaeological protection will soon be incorporated. The community consultation guidelines have been adapted into an on-line course offered through Edumine (www.edumine.com). Our exploration personnel are encouraged to access the e-manual.

Lead Development Association International (LDAI)

Lead is an essential metal; over 6 million tonnes are used annually (70% in lead-acid batteries), and approximately 85% of all products that contain lead metal are recyclable. We recently joined the Lead Development Association International, an organization that endeavours to promote the responsible use of lead throughout its life cycle, to coordinate sustainability initiatives for the benefit of the lead industry and society and to identify ways in which to manage risks to health and the environment related to lead use.

United Nations Global Compact (UNGC)

Teck Cominco supports the United Nations Global Compact and its 10 principles on human rights, labour, environment and anti-corruption. As new signatories to the UNGC, we will look at opportunities to further align the principles with our policies, standards and business activities. Our Code of Ethics, Code of Sustainable Conduct, and EHS Management Standards outline our commitments to the following UNGC core value areas:

- **Human Rights**
  Teck Cominco supports and promotes a work environment within which individuals are treated with respect, provided with equality of opportunity based on merit and kept free of all forms of discrimination. We support the principles defined in the Universal Declaration of Human Rights.
- **Labour Standards**
  We recognize the right of our employees to freely associate and join trade unions, and we comply with local labour laws at all times.
- **Environment**
  We conduct all activities at our operations in an environmentally sound manner, seeking to continually improve performance.
- **Anti-Corruption**
  Teck Cominco opposes corruption of any kind and will take any steps it can to prevent it.

Extractive Industries Transparency Initiative (EITI)

Teck Cominco supports the Extractive Industries Transparency Initiative (EITI) to increase greater transparency and accountability over payments by companies to governments of resource-rich countries and to government-linked entities, as well as transparency over revenues by those host country governments.

More information on the web:
- *Membership associations*

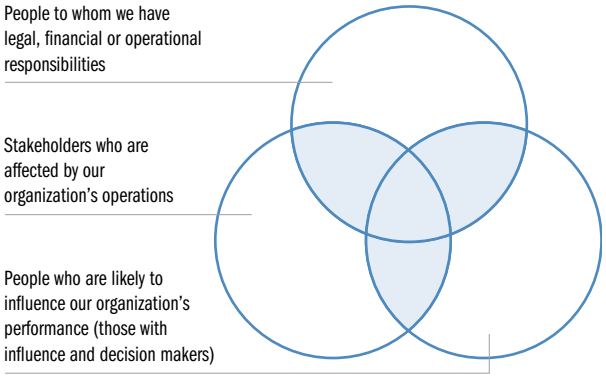
STAKEHOLDER ENGAGEMENT

We define a stakeholder as any person or group of people that may be affected positively or negatively by the financial, environmental (including health and safety) and social aspects of our operations, and those who have an interest in, or those who have an influence on our activities. Stakeholders are also referred to as communities of interest (COI). At Teck Cominco, stakeholder engagement has primarily been managed at the operational level and has focused on specific issues such as the environmental assessment process for new projects, mine closure planning and community relations. Our aim for the coming years is to develop a more diverse and far-reaching stakeholder engagement program to enhance our sustainability performance.

Our Approach to Stakeholder Engagement

Using guidance from the AccountAbility 1000 Stakeholder Engagement Standard and the *Stakeholder Engagement Manual: From Words to Action*, we conducted a stakeholder mapping process and a preliminary identification and assessment of which stakeholders are likely to be most concerned about which issues. This issues matrix will evolve as we further engage with stakeholders and receive input and feedback. The intent is to ensure that we address the issues that are most material to Teck Cominco and to our stakeholders.

Mapping Teck Cominco's Stakeholders



Teck Cominco Stakeholder Map	
Stakeholder Category	**Subgroups**
Employees/Contractors	Staff
	Trade unions
	Retirees
	Contractors
	Potential employees
	New employees
Investors	Shareholders
	Potential investors
	Bond holders
	Other investment firms
Local Communities	Neighbours
	Local authorities
	Local schools
	Environmental groups
	Community committees
	Indigenous peoples
Suppliers	Suppliers of materials
	Consulting firms
	Suppliers associations
Business Partners	Operational partners
	R&D partners
	Customers
Indigenous People	Local
	National
Special Interest Groups	Environmental NGOs
	Human rights groups
	Human ecological health groups
Academia and Thought Leaders	Universities
	Researchers
	Students
Government and Regulators	Provincial, federal, foreign
Associations	Industry
	Sustainability/corporate responsibility
	Business

The intent is to ensure that we address the issues that are most material to Teck Cominco and to our stakeholders.

ENGAGING OUR STAKEHOLDERS

Use of Indigenous Knowledge, Community Consultation and Evaluation of Mine Closure Options at the Red Dog Mine, Alaska

At the Teck Cominco Red Dog mine, located in the NANA region of Northwestern Alaska, and operated under an agreement with NANA Regional Corporation Inc. (NANA), an Alaskan native corporation, we've conducted a series of community engagement activities aimed at utilizing indigenous knowledge and local interests to provide guidance to support the mine's Reclamation and Closure Plan. Although closure is not planned until 2031, state law requires that Red Dog prepare a Closure Plan and provide financial assurance. The Closure Plan must be updated every five years. Community consultation helps to ensure that the final Plan accommodates subsistence use and the health and socioeconomic needs of the 7,300 Inupiat people in the region.

In April and June of 2006, two independent workshops were convened with over 100 participants, including NANA region members, government, NGOs, mine staff and consultants. Attendees reviewed information related to ecological risks and technical options for the selection of the preferred closure methods for mine facilities, specifically, the tailings pond, the open pits, and the waste rock facilities. "Our ability to make informed decisions today will impact not only our future but the future of generations to come," observed Roland Ashby, NANA elder and June workshop participant. "We are evaluating mine closure solutions which will be in place for the next 100 years or more, and preferred solutions will protect our Arctic wildlife such as caribou, fox and ptarmigan and the quality of our water. Everyone is at the table with eyes and ears open to the options."

Scientists worked for more than three years prior to the workshops to assess current and post-closure impacts of lead, cadmium and zinc on wildlife species. Moreover, engineers reviewed over 100 closure methods in order to identify the top four to five methods for each of the tailings and mine area facilities. Workshop participants considered research findings and systematically reviewed the top closure methods in light of environmental, socioeconomic and physical criteria.

"The true value of a workshop like this is that the combined experience of both scientific and indigenous knowledge creates new insights for the selection of the best closure solutions," noted Gary Coulter, project manager and Manager, EHS Management Systems, Teck Cominco. "The inclusion of local and traditional knowledge is key to the development of a successful closure plan. For example, subsistence hunters observed that migrating caribou will cause deep ruts to form on any soil covers that we place over the waste rock facilities. Our team will now design a cover system that will be capable of withstanding the wear and tear of migrating caribou."

Indigenous knowledge is also being applied to validate scientific knowledge. Historically, Red Dog is located in a continuous permafrost environment. The NANA people have observed that temperatures are steadily increasing. Measurement of ground and surface temperatures at the site between 1995 and 2000 indicate that mean annual surface temperatures have warmed by approximately 1.2°C compared to historic averages. Consequently, the scientific team has proposed closure methods that do not rely on freezing conditions.

Based on community feedback, closure options for the mine area and tailings area were recommended for selection and approval to NANA and Teck Cominco senior staff, the NANA Lands and Natural Resources Committee and the NANA Board. In late 2006, the NANA Board formally approved the recommended closure options. The Closure Plan will be submitted to the State of Alaska for approval in 2007 and will be subject to another round of public review and comment.

Mike Ohata, Environmental Field Supervisor at Highland Valley Copper, is a golfer, windsurfer, water skier, snowboarder, gardener, builder, hunter and fisher and an active contributor to the Company and community. A 23-year employee, Mike has coached and refereed minor hockey, taught golf, coordinated fundraising fishing derbies and volunteered for the United Way.

In 2006, we formalized our community giving program by committing to Imagine Canada's recommended giving goal of 1% of pre-tax profits. By supporting community initiatives, we aim to create lasting legacies that help ensure the long-term viability of our business.

This is
Our Contribution



Our donations in 2006 were broad-based and significant and focused on support for health care, nutrition and medical research; education and training; arts, culture, athletics and recreation; sustainable communities; and environment, conservation and biodiversity.

Our Socioeconomic Contributions

Creating Wealth and Prosperity

Creating long-term value for our shareholders, employees, local communities and governments, suppliers and other stakeholders is an integral component of sustainability.

We play a role in the sustainability of a larger economic system by contributing to our stakeholders' wealth and prosperity at the local, national and global level through the payment of taxes and royalties and through direct and indirect employment and the creation of broader economic opportunities.

Economic Policies

Our mandate, outlined in our Charter of Corporate Responsibility, is "to create value for our stakeholders while continually improving our performance as a good corporate citizen and a leader in our industry." Teck Cominco's new Code of Sustainable Conduct has a number of elements that describe the Company's commitment to sustainable economic performance. They include:

- Obeying the law and conducting business in accordance with Teck Cominco's Code of Business Ethics
- Supporting local communities and their sustainability through measures such as development programs, locally sourcing goods and services and employing local people
- Conducting regular audits to ensure compliance with this Code

ECONOMIC PERFORMANCE

In 2006, we achieved earnings of $2.4 billion and ended the year with a cash balance of $5.3 billion. However, our economic performance extends beyond the numbers reflected in our financial statements and includes Teck Cominco's financial impacts on its customers, employees, suppliers, host governments and local communities. It also includes the Company's financial impacts on the local market presence through labour and local purchasing. Additional information on Teck Cominco's financial performance is available in our 2006 Annual Report. In 2006, Teck Cominco paid $846 million in income and resource taxes, which account for the vast majority of the taxes that the Company pays.

Taxes Paid to Governments (by country)

By Country	Taxes Paid (in $ millions)
Canada	516
U.S.A.	158
Peru	172

Direct Economic Value Generated

The total revenues for 2006 were $6.5 billion.

Economic Value Distributed

The total economic value distributed by Teck Cominco was over $4.6 billion. The majority of this was due to operating costs ($2.7 billion), employee wages and benefits ($666 million) and taxes to governments ($846 million). Teck Cominco also made payments to providers of capital ($296 million in dividends) and interest payments ($111 million).

Economic Value Retained

The economic value retained by Teck Cominco was over $1.9 billion. This value is the difference between the economic value generated and the economic value distributed.

Payroll and Entry Level Wages

In 2006, Teck Cominco's total payroll was $666 million. Our entry level wages are much higher than local minimum wage regulations.

Financial Implications of Climate Change

We have not conducted a financial risk assessment of climate change; however, we participate in the Carbon Disclosure Project's annual questionnaire, and in 2007 we will evaluate how climate change might impact our Company.

Annual Payroll

	2006	2005
Canada		
Corporate	$ 65,577,311	$ 40,351,664
Trail salary	39,097,034	36,752,290
Trail casual	1,262,140	439,697
Trail general roll (union/hourly)	73,010,930	60,483,944
Elk Valley Coal Partnership	252,063,144	181,088,501
Highland Valley Copper	102,830,760	97,781,250
Hemlo	49,382,994	n/a
U.S.A.		
Spokane	3,888,943	4,700,470
TCAI*	485,625	587,408
Red Dog	33,119,318	35,078,908
Pend Oreille	10,565,895	8,769,000
Pogo	17,653,000	4,895,000
Foreign (Exploration)	7,100,000	5,600,000
Lennard Shelf	2,378,204	n/a
H. Folke Sandelin AB	7,657,040	n/a
Total	$ 666,072,338	$ 476,528,132

** Teck Cominco American Incorporated*

n/a = not available

Local Minimum Wage and Teck Cominco Entry Level Wage		
Operation	Local Minimum Wage $/hr	Entry Level Wage $/hr
Vancouver office	8.00	14.82
Trail smelter	8.00	20.63
Pend Oreille mine	7.63	11.67
Pogo mine	7.15	16.63
Sullivan mine	8.00	22.50
Hemlo mine	8.00	24.28
Red Dog mine	11.59	16.29
Highland Valley Copper mine	8.00	23.36
Lennard Shelf mine	13.27	25.64

Pensions

Teck Cominco provides defined contribution pension plans to non-union employees in Canada and to union and non-union employees in the United States. Unionized employees and some salaried employees in Canada participate in defined benefit pension plans. There are approximately 2,100 active employees in the defined benefit plans for unionized employees. Historically, we provided defined benefit pension plans to non-union employees; approximately 500 active employees remain in those plans. Approximately 5,000 retirees receive pension benefits from the defined benefit pension plans.

Defined Benefit Pension Plans

The benefits paid under the defined benefit pension plans are paid through trust funds held and maintained separately from the Company. The funded ratios of the pension plans are as follows:

Plan	Funded Ratio	Basis	Valuation Date*
B.C. Plan	95%	Solvency	December 31, 2004
Teck Cominco Retirement Income Plan	98%	Solvency	December 31, 2004
Senior Salaried Pension Plan	91%	Solvency	December 31, 2005
Highland Valley Salaried Pension Plan	92%	Solvency	December 31, 2005
Highland Valley Hourly Pension Plan	89%	Solvency	December 31, 2005
Teck Cominco American Inc. Retirement Plan	91%	Solvency	December 31, 2005

The funded ratios above are estimates updated to September 30, 2006, based on solvency discount rates provided by the actuary for all plans. Actuarial valuations of the defined benefit pension plans in Canada are required by legislation every three years and are filed every year in the United States as reported in our audited financial statements.

The funded ratio of all of the plans is based on solvency: the ability of the plan to meet the obligations if the plan were wound up at the valuation date. In Canada, solvency deficiencies are amortized over five years, at which time the plans, based on the valuation at the specified date, are fully funded. In the U.S., plans funded at less than 90% are required to pay premiums to the Pension Benefits Guarantee Fund.

As a general rule, employees do not contribute to the defined benefit plans. Of the approximately 500 non-union employees who remain in defined benefit pension plans, 21 non-union employees participate in the Senior Salaried Pension Plan, where the employee is required to contribute 5% of salary less employee contributions to the Canada Pension Plan, to a maximum of $3,500 per year. Employer contributions to all of the defined benefit plans are based on the solvency and going concern actuarial valuations of the plans' obligations. Contributions are made in accordance with pension legislation.

Defined Contribution Pension Plans

Employer contributions to the defined contribution plans are provided in the table below.

	Teck Cominco Limited	Teck Cominco Metals Ltd.	Highland Valley Copper	Teck Cominco American Inc.
Up to 4 years of service	5%	4%	4%	5%
4 to 9 years of service	7%	6%	6%	7%
9 to 15 years of service	9%	8%	8%	9%
Over 15 years of service	10%	9%	9%	10%

Employees are required to contribute to either a group Registered Retirement Savings Plan (RRSP) or the pension plan as outlined in the table below.

	Teck Cominco Limited	Teck Cominco Metals Ltd.	Highland Valley Copper	Teck Cominco American Inc.
Up to 4 years of service	4%	4%	4%	4%
4 to 9 years of service	5%	5%	5%	5%
9 to 15 years of service	5%	5%	5%	5%
Over 15 years of service	5%	5%	5%	5%

Employee participation in the pension plans in Canada and the U.S. is mandatory.

Financial Assistance Received from Government

Teck Cominco did not receive any financial assistance from governments during 2006.

Community Giving

Teck Cominco took a more formal approach to its corporate giving by developing clear guidelines on the areas to which the Company would like to allocate its donations and by setting a giving target based on Imagine Canada's recommendation of 1% of pre-tax profits (based on a five-year rolling average). While the 1% target is a tangible goal we can commit to, the guidelines were developed to create a common vision and direction pertaining to where we should focus our community investments.

Our community giving program is carried out at both the corporate and operational levels. We envision a giving program in which our commitment to sustainability is exemplified through support for initiatives that will benefit present and future generations and create lasting legacies that support the long-term viability of our business. Through this strategy, we have developed an approach based on guidelines that are focused in five main areas:

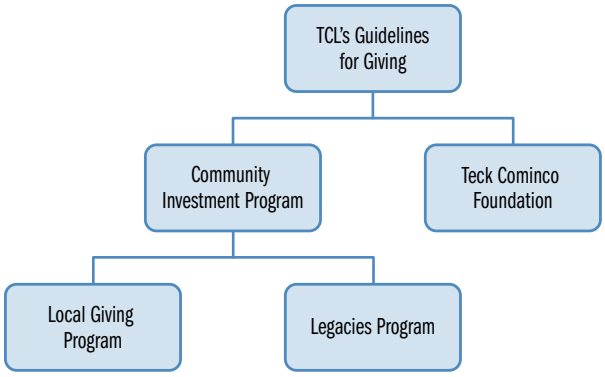
- Health care, nutrition and medical research
- Education and training
- Arts, culture, athletics and recreation
- Sustainable communities
- Environment, conservation and biodiversity

The new structure is divided into two giving bodies: a community investment program for larger donations and a foundation to manage small- to medium-sized requests and endowments. The community investment program is further divided into two aspects: a Local Giving Program at each operation and a Legacies Giving Program at the corporate level. The Local Giving Program will be carried out either through direct giving by operations for small local gifts or through an operations-based foundation. The Legacies Program will be used at the corporate level for strategic and lasting donations that will create legacies that are in line with the community investment program's objectives.

Community Donations

Yearly Charitable Donations ($)			
Operation	**2006**	**2005**	**2004**
Vancouver office	3,254,000	973,000	446,000
Trail smelter	169,000	114,000	140,000
Pend Oreille mine	32,000	16,000	12,000
Pogo mine	9,000	5,000	4,000
Sullivan mine	3,000	914,000	2,000
Hemlo mine	195,000	108,000	98,000
Red Dog mine	156,000	74,000	36,000
Highland Valley Copper mine	248,000	265,000	213,000
Lennard Shelf mine	21,000		
Total	4,087,000	2,469,000	951,000

Teck Cominco's Community Giving Structure



Teck Cominco's support of BCCH Foundation assists in creating facilities to help kids like Emily Wong live long and healthy lives.

Within this framework, we made several large donations in 2006:

1. **British Columbia Children's Hospital (BCCH)**—$340,000 was donated through the Mining for Miracles Campaign. Teck Cominco matches employee donations and donates staff time to volunteer every year;

2. **The University of British Columbia's Department of Mining and Engineering**—$1 million was given towards the Norman B. Keevil Institute of Mining and Engineering, part of a five-year $5 million donation;

3. **The United Way**—We donated $350,000 to the community and social-based organization whose mission is "to improve lives and build communities by engaging individuals and mobilizing collective action". Employee donations were matched for this initiative.

4. **The Land Conservancy (TLC)**—Teck Cominco gave $300,000 towards the non-profit, charitable Land Trust, which works throughout British Columbia. TLC protects important habitat for plants, animals and natural communities as well as properties with historical, cultural, scientific, scenic or compatible recreational value.

BC CHILDREN'S HOSPITAL FOUNDATION (BCCH)

Teck Cominco has supported the BC Children's Hospital Foundation (BCCH) over the years through various initiatives, including:

- The Excellence in Child Health Fund, supporting the most critical needs of children in B.C.
- The construction of the Child Heart Centre
- The construction of two SMART operating rooms, which enhance the ability of BCCH surgical staff to treat B.C. kids using minimally invasive techniques resulting in less waiting, less blood loss and faster recoveries.

BC CHILDREN'S HOSPITAL™ FOUNDATION

5. **Vancouver General Hospital & University of B.C. Hospital Foundation**—We donated $360,000 to the hospital foundation.

6. **TLC—Trail Operations** donated the Fort Shepherd Flats (890 hectares) to The Land Conservancy along with $1 million to manage the land.

Teck Cominco also contributed approximately US$13 million, part of Compañía Minera Antamina's shared contribution of US$65 million, to the Antamina mine sustainability fund (see Spotlight on page 21). This is a fund developed to improve living conditions in the Peruvian Ancash Region.

Through our new strategic approach to donations, we look forward to giving back to stakeholders and supporting projects that nurture sustainable communities.

Socioeconomic development

In partnership with other mining companies, the International Council for Mining and Metals (ICMM) has conducted a major study that investigates how large-scale mining can enhance the socioeconomic development of host countries. A Community Development Toolkit was developed for the extractive industry that provides guidance on how mining companies and host governments can work to improve socioeconomic development on the ground. The toolkit provides guidance on sustainable community development throughout the mining project life cycle. We have reviewed the toolkit and intend to use it as a reference guide on development projects and report on this progress in 2007.

MARKET PRESENCE

Teck Cominco has a direct economic impact on local communities and labour markets through wages, purchasing from locally based suppliers and local hiring practices. Our operations define "local" by the region that surrounds the operation. Therefore, when local spending and hiring may not be an option, operations will look to provincial/state and national options. The Red Dog and Pogo mines are located in remote locations in Alaska where there are no local residents nor local businesses. However, the contracting companies are mostly Alaska-based, and many employees are hired from Alaska. For these two mines, local is defined as state. Although local purchases are the preferred choice, they must be cost-effective.

Spotlight

Material Issue—Sustainable Community Development

COMPAÑÍA MINERA ANTAMINA FORMALIZES THE FONDO MINERA ANTAMINA

In December of 2006, Compañía Minera Antamina S.A. signed a formal agreement with the Peruvian Ministry of Energy and Mines to establish a sustainability fund as part of the government's nationwide collaborative effort to vastly improve living conditions throughout the country. Antamina's contribution for 2006, to the Fondo Minera Antamina (FMA), was approximately US$65 million, which amounted to 3.75% of operating profits, and will have a significant impact on the future of the Ancash Region. The FMA will be invested in four major areas:

- Nutrition and health (strengthening of technical capabilities and improvement of health centres)
- Education (training and infrastructure improvement)
- Productive development (access to markets, business management, and access to the financial system)
- Institutional strengthening (training of local and regional government officers and citizens in general)

"The FMA complements Antamina's existing community development efforts carried out by our community relations team and the Ancash Association," notes Ian Kilgour, President and CEO of Compañía Minera Antamina. "The company has always worked intensively with communities within its sphere of influence and has established many successful community development programs with an emphasis on sustainable development."

Signing of the Fondo Minera Antamina by then President of CMA, Gerald Wolfe and Minister of Mines, Peru.

Percentage of Spending Using Locally Based Suppliers

Operation	Percentage of Spending Using Locally Based Suppliers
Hemlo mines	25%
Highland Valley Copper mine	45%
Lennard Shelf mine	25%
Pend Oreille mine	13%
Pogo mine	33%
Red Dog mine	27%
Trail operations	12%

Proportion of Senior Management Hired from the Local Community

Operation	Percentage of Senior Management Hired from the Local Community
Hemlo mines	20%
Lennard Shelf mine	10%
Pend Oreille mine	14%
Pogo mine	88%
Red Dog mine	57%
Trail operations	12.5%

More information on the web:
- *Local hiring policies and procedures*

INDIRECT ECONOMIC IMPACTS

Through our substantial direct economic contributions in the communities, regions and countries in which we operate, even more significant indirect economic impacts are realized. Teck Cominco has not conducted the research necessary to publish our indirect economic impacts, but we will begin this work in the near future. Our infrastructure investments in the communities in which we operate are also a part of our indirect economic impacts.

As we generate economic value, we may affect an economy through our investments in infrastructure. The following provides a description of some of the infrastructure investments we have made in our local communities.

Sullivan Mine

At the closed Sullivan mine in Kimberley, infrastructure developed and no longer required by Teck Cominco has been donated to the community. This infrastructure includes water pipelines, pressure reducing stations and water tanks. Teck Cominco has also contributed $1.25 million to the Sullivan mine and Railway Historic Society for the development of an underground railway and museum.

Pogo Mine

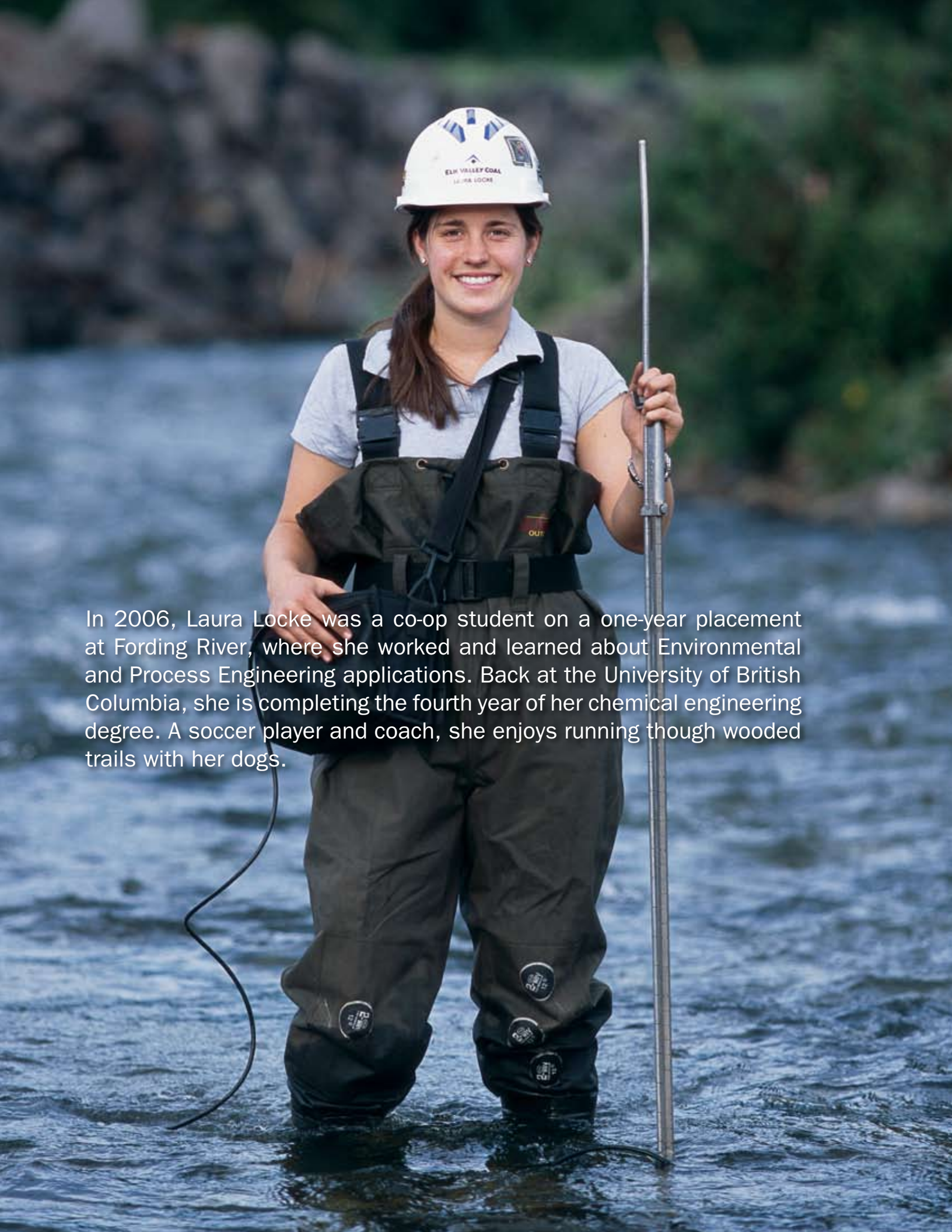
Pogo invested $12 million in the construction of the first 25 miles of an all-season road to the mine. In addition to providing access to Pogo, this road is currently being used to support small-scale commercial logging activities by local sawmills. At mine closure, this portion of the road will become a public road. The Pogo Mine negotiated a Payment in Lieu of Taxes (PILT) Agreement with the Borough of Delta Junction that resulted in a 2006 payment of $250,000 to the Borough. The mine receives no product or service in exchange for this payment. The Borough of Delta Junction commingles these funds with other revenues to fund local services such as road maintenance, the library, the fire department, sewage and lagoon expansion.

Red Dog Mine

In the fall of 2005 and 2006, the Red Dog mine responded to erosion problems in the local town of Kivalina. Red Dog's runway was used to fly in equipment and supplies, and the mine's mechanics were used to assemble the equipment. In addition, Red Dog moved this gear to the port and assisted with its journey up the coast. The mine also provided its own materials, manpower and equipment for the actual repair. The estimated value of assistance provided is US$50,000 in 2005 and US$25,000 in 2006. In 2006, payments made to the North West Alaska Borough amounted to US$6 million, for which no service was provided to Red Dog mine.

Socioeconomic Sustainability Performance				
Indicator	**Description**	**Page**	**2006 Report**	**2005 Report**
Aspect: Economic Performance				
EC1	Direct economic value generated and distributed	16	√	√
EC2	Financial implications and risks and opportunities of climate change	16	√	√
EC3	Coverage of defined benefits plan	17	√	X
EC4	Significant financial assistance from the government	18	√	√
Aspect: Market Presence				
EC5	Standard entry level wage compared to local minimum wage	17	√	√
EC6	Policy, practices, and proportion of spending on locally based suppliers	21	√	X
EC7 and MM1	Procedures for local hiring and proportion of senior management hired from the local community	21	√	√ (partial)
Aspect: Indirect Economic Impacts				
EC8	Development and impact of infrastructure investments	22	√	√

Frances (Fran) Onalik, Red Dog mine



In 2006, Laura Locke was a co-op student on a one-year placement at Fording River, where she worked and learned about Environmental and Process Engineering applications. Back at the University of British Columbia, she is completing the fourth year of her chemical engineering degree. A soccer player and coach, she enjoys running though wooded trails with her dogs.

Our environmental performance drives our sustainability strategy of demonstrating environmental excellence. Reporting progress over the years allows us to assess where we've been successful and where we need to improve. This year, we continued to implement ways to improve disclosure and the communication of our activities by reporting on more indicators and by providing "Spotlight" stories on specific sustainability topics and case studies.

This is Our Environment



Teck Cominco is committed to early engagement and transparent communication with stakeholders—including indigenous peoples, governments and community leaders—in consultation prior to and during implementation of environmental risk assessment and management. We believe that this is essential for good business and good sustainability performance.

Our Environmental Performance

Teck Cominco Limited EHS Summary			
Aspects/Indicators	**2006**	**2005**	**2004**
Employees (excl. Antamina)	7,316	7,103	6,710
Operations	14	13	12
Awards and Recognition	13	7	5
Corporate Audits Conducted	3	4	7
ISO Certified Operations	6	6	2
Health & Safety Results*			
Fatalities	6	2	2
Lost-time injuries (LTI)	116	117	116
Lost-time injuries (LTI) frequency	0.87	0.92	1
Severity	209.9	120.0	132.3
Significant EHS Incidents	3	2	3
Teck Cominco Limited EHS Summary (excl. Antamina & EVCP)			
Aspects/Indicators	**2006**	**2005**	**2004**
Permit Excursions (number)	65	31	40
Reportable Spills (number)	218	208	170
Enforcement Actions (number)	1	0	2
Monetary Fines	US$7,583	$ 0	$33,285
Energy Use (Direct and Indirect)			
Electricity (TJ)	10,749	8,999	10,459
Fuel (TJ)	9,367	7,893	8,404
Energy intensity in metal product (GJ/t)	14.77	13.21	14.62
Energy intensity in gold product (GJ/oz)	3.72	3.33	3.19
GHG Emissions (Direct)			
CO_2 equivalents (kt)	709	571	621
Carbon intensity (as CO_2e) in metal product (t/t)	0.52	0.46	0.51
Carbon Intensity (as CO_2e) in gold product (t/oz)	0.11	0.08	0.07
Waste & Recycling			
Solid waste material recycled (t)	33,869	25,000	31,716
Liquid materials recycled & reused (m^3)	1,124	1,024	479
Solid waste material recycled (items)	26,318	18,745	2,291

Teck Cominco Limited EHS Summary (excl. Antamina & EVCP), continued			
Aspects/Indicators	**2006**	**2005**	**2004**
Reclamation			
Reclaimed (ha)	7,204	6,982	6,875
To be Reclaimed (ha)	5,281	4,881	4,954
Trees planted	277,845	144,370	159,764
Environmental Costs			
Operating costs	$42,184,686	n/a	n/a
Capital costs	$23,464,050	n/a	n/a
Reclamation/ remediation costs	$38,574,000	$27,000,000	$46,506,000

** LTI frequency and severity are based upon contractor and employee injuries and time loss per 200,000 hours.*

n/a = not available

Operations	
Trail Metallurgical Facilities	Pend Oreille mine
Red Dog mine	Antamina mine
Williams mine	David Bell mine
Pogo mine	Highland Valley Copper mine
Elk Valley Coal Partnership (EVCP)–6 mines	
Dormant Properties	
Bullmoose mine (closed 2003)	Quintette (2000)
Polaris mine (2002)	Sullivan (2001)

Further to our Charter and Code of Sustainable Conduct, we strive to achieve continuous improvement across a wide range of performance objectives. In order to monitor our progress in regard to this responsibility, we track various aspects of sustainability (environmental, social and economic). The adjoining table provides 2006 results for environment and safety performance for all operations combined. For individual assessments of these indicators, we have provided a similar table for each operation (see the Operations and Site Performance Section, starting on page 58).

MANAGEMENT SYSTEMS

Our management systems and policies were fully described in our 2005 Sustainability Report, published in December of 2006. The one change that we have made since then is to revise our Code of Business, Environmental and Health and Safety Practices. The new "Code of Sustainable Conduct" was approved by the Board of Directors in February of 2007. We think it is a better reflection of our expectations as a company and will be easier to translate into practice at our operations, exploration sites and projects. In addition, the Code adds some new elements by:

- Recognizing safety as a core value
- Integrating biodiversity conservation considerations into all stages of business and production activities
- Promoting the efficient use of energy and material resources in all aspects of our business

As we move forward with implementing the new Code, we plan to update our management standards using ICMM's "Good Practice Guidance for Mining and Biodiversity 2006" and the Mining Association of Canada's (MAC) Towards Sustainable Mining (TSM) performance initiative on Energy Use and GHG Emissions and Tailings Management.

Assuring Environmental Compliance

We conduct regular internal (i.e., using corporate auditors) compliance and management systems audits and occasionally independent (i.e., using third-party auditors), one of which occurred at Elkview this year. Action plans responding to the audit findings are written by operations management and approved by the Corporate Environment and Risk Management Committee. (All action plans contain approved timelines, and all of the action plans are on schedule. As part of an overall environmental risk management scheme, FM Global conducts regular audits of all our facilities.)

In addition, ISO-14001 audits are regularly performed by independent third-party auditors. ISO audits focus on standard management systems, which are essential to assuring compliance. We have completed actions on all non-conformances within days to a few weeks, which is a tribute to the systems in place. Six operations are certified (Red Dog, Trail, Fording River, Coal Mountain, Greenhills, Antamina Port), and all received recertification audits in 2006. The remaining eight operations have ISO-conformant management systems and are working towards certification.

Plans for 2007

Four audits are planned for 2007: the Greenhills and Cardinal River mines of the Elk Valley Coal Partnership, the Trail Smelter and the Red Dog Mine. Three EHS management system reviews are also planned for the exploration divisions in Chile, Argentina and Turkey.

Longer term plans

Independent third-party performance and compliance audits will be undertaken in cooperation with our stakeholders.

LineSite (Electronic EHS Management System)

Developed at Red Dog, this system helps to ensure compliance with all regulatory requirements and Company policies and procedures. We are planning to make more widespread use of the system. Red Dog and Elkview have operational systems. Pogo, Highland Valley and Pend Oreille are in the process of installing the system.

ENVIRONMENTAL PERFORMANCE

We have organized our environmental performance according to those elements most relevant to Teck Cominco and its operations. This information is summarized in the GRI-G3 conformance tables found on page 39. Since this report is a summary update to our recently published 2005 Sustainability Report: Core Values, we have focused on updating our performance tables and charts and limited our discussion on governance issues, particularly policies and procedures. We invite you to examine our performance and provide feedback at sustainability@teckcominco.com.

Materials Used

The quantities of ore processed in our mining operations are provided below, along with the total quantity of zinc and lead concentrate processed at Trail.

Raw Materials and Supplies 2006 (tonnes)	
	Ore & Concentrate Feed Materials (tonnes)
Hemlo	3,355,000
HVC	45,356,000
Pend Oreille	552,000
Pogo	312,000
Red Dog	3,238,000
Trail	634,000

Reuse and Recycling of Waste Materials

Our recycling efforts are summarized in the accompanying three charts. The Trail Smelter recovers as much as 25,000 tonnes of lead from battery scrap annually. In 2006, Trail expanded its recycling business to recover metals and materials from electronic waste, also known as e-scrap. Electronic waste is used computers or cellular phones that would otherwise go to a landfill. In 2006, 2,191 tonnes were processed. Eventually, Trail expects to handle up to 20,000 tonnes of e-scrap, material that would otherwise have gone to landfills in western Canada and the United States.

Ferrous granules, once part of the waste stream at Trail, are now used in the production of ground slag cement and as an iron supplement in cement production. During 2006, 56,507 tonnes were sold for this purpose. At the dormant Sullivan mine, another former waste product is being recovered and marketed. During 2006, about 41,765 wet metric tonnes of "calcine" were sold to the cement industry. (The tonnage of these products is not included in the charts and table that follow.)

Teck Cominco operations track their solids, liquids and number of items reused and recycled as indicated in the following pie charts. Overall in 2006, the total recycled volumes from operations increased by 10% to 40% depending on category.

Overall in 2006, the total

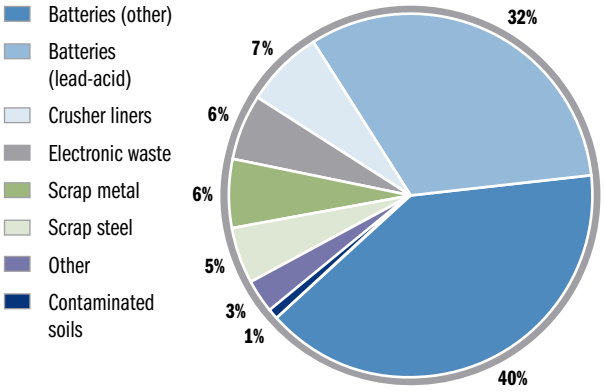
recycled volumes

from operations

increased by 10% to 40%

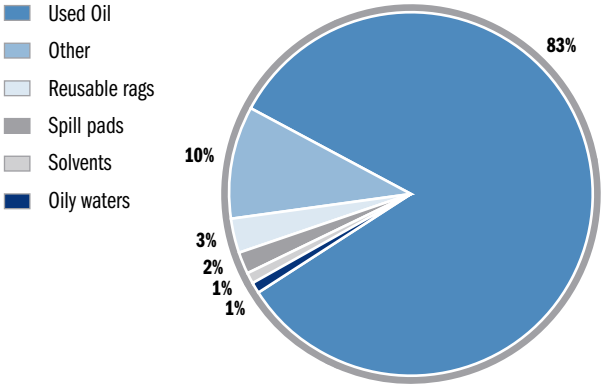
depending on category.

2006 Reuse and Recycle—Solids (33,900 tonnes)



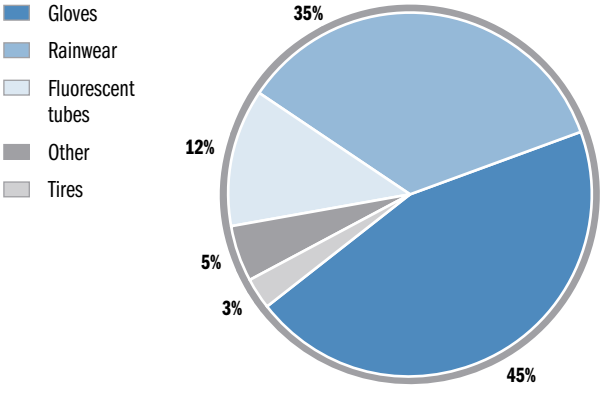
Other: wood pallets, cardboard, scrap copper, paper, stainless steel and grease
Note: 53,000 tonnes of residues from the Trail Zinc and Effluent Treatment plant were treated in 2006.

2006 Reuse and Recycle—Liquids (1,124 m³)



Other: waste fuel, paint, sludge and grease (111 m³)

2006 Reuse and Recycle—Number of Items (26,318)



Other: computers, drums, plastics, cartridges etc. (1,368 items)

Mine Waste Management

The quantities of waste rock, tailings and non-hazardous wastes (landfill) generated in 2006 are provided in the table below. Non-hazardous wastes are normally managed on-site within a designated area of a waste rock dump. Waste rock and tailings areas are reclaimed to achieve specific land use objectives, such as the re-creation of wildlife habitat, both during and after mining.

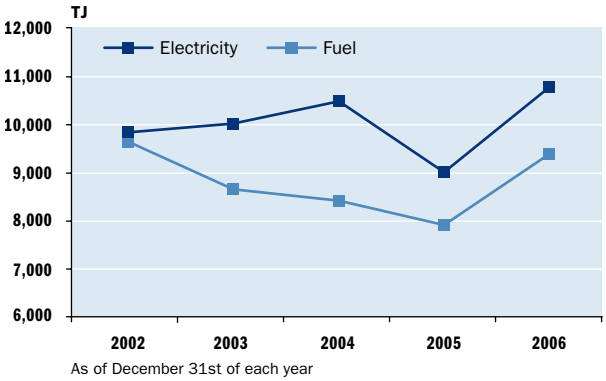
Managed Waste	Waste Rock (000 tonnes)	Tailings Volume (000 m³)	Landfill (000 tonnes)
Hemlo	4,940	4,894	4
HVC	14,905	19,500	2
Pend Oreille	3	305	0.2
Pogo	187	159	n/a
Red Dog	4,236	12,769	7
Trail	0	0	n/a

n/a = not available

Direct Energy Consumption

Teck Cominco has been tracking Company-wide energy use and GHG emissions since 1996. Operations consumed a total of 20,116 TJ of electricity and fuel in 2006 compared to 16,687 TJ in 2005 and 18,863 TJ in 2004. The increase in 2006 is mostly as a result of increases in production, particularly at Trail, which operated for the full year without any labour disruptions or significant downtime for scheduled maintenance. 2006 was the first full year of operation at the Pogo mine site.

Energy Consumption—Company Roll-up



As of December 31st of each year

Energy Intensity in Product

Energy intensity is a measure of the efficiency of our operations in producing metal. The table below summarizes energy intensity in product (as contained metal) for all of the operations defined in the GRI Boundary Protocol, as explained in About This Report, page 2. Trail saw a small increase in energy intensity in product in 2006, while Red Dog's performance improved slightly over 2005. Highland Valley's increased energy intensity is largely a reflection of increased production coupled with longer and deeper hauls to manage waste rock and deliver ore to the mill. As open pits mature and ore grades decrease, energy intensity is expected to increase.

Energy Intensity in Product (GJ/tonne)	2006	2005	2004	2003
Smelter				
Trail	29.2	28.5	28.9	28.2
Large Open-pit Mines				
HVC	27.7	25.5	25.5	27.3
Open-pit and Underground Mines				
Red Dog	3.9	4.0	3.7	3.8
Pend Oreille	4.6	3.6	n/a	n/a
Energy Intensity in Gold Product (GJ/oz)				
Pogo	4.5*	n/a	n/a	n/a
Hemlo	3.5	3.3	3.2	3.0

** Start-up of operation*
n/a = not applicable

Indirect Energy Consumption

We track indirect energy consumption by way of hydroelectric power purchased (see accompanying chart). However, the energy used to get our products transported to market in third-party trucks, trains and ocean-going vessels are not tracked. It is possible, however, to estimate GHG emissions through published sources and we have made a first attempt in the Transportation Indirect Emissions section on page 32 for the Highland Valley Copper operation. We intend to provide Indirect GHG Emissions estimates for our other operations in our next Sustainability Report.

Initiatives to Reduce Indirect Energy Consumption

Teck Cominco did not have any initiatives to reduce indirect energy consumption.

Energy Saved—Conservation and Efficiency Improvements

Energy, in its many forms, but particularly diesel, electricity and natural gas, is one of our most significant cost items. As a result, there has always been a focus on improving efficiency and overall financial and environmental performance. Over the years, these efforts have not been well documented, and we are not able to provide a full description of these improvements. However, we do believe that many opportunities still exist, and we plan to follow the Towards Sustainable Mining Energy and GHG emissions performance standards to formalize and report on our programs in this area.

In 2006, the Hemlo operations continued with the energy management program that was initiated in 2005. To date, the program has focused on underground heat recovery systems, underground air system improvements, mill water consumption reductions, mill heat recovery systems and the installation of energy efficient pumps. In 2006, the program realized a 5.7% overall energy consumption reduction compared to 2005 even while energy prices spiked by 34%. Energy savings of $640,000 were realized. Despite the savings, overall energy intensity increased by 0.23 GJ/tonne.

Also during 2006, an estimated 440,000 kWh of electricity were saved at the Highland Valley Copper mine. The major energy savings included improvements in outside lighting and the installation of photocells to automatically turn the lights off during the day. Energy conservation initiatives at Red Dog resulted in a 25% decrease in energy consumption at the port facilities.

Emissions, Effluents and Wastes

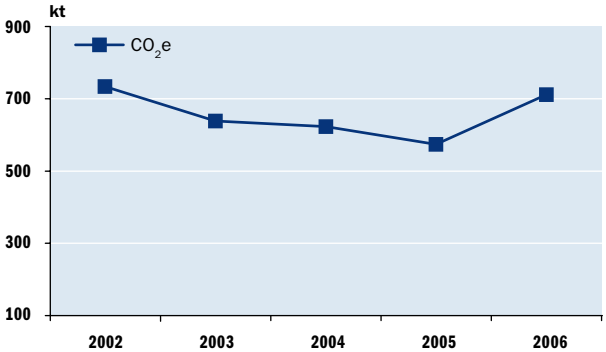
Greenhouse Gas Management Systems

Specific best practices on energy management systems can be found in the Mining Association of Canada's Towards Sustainable Mining for Energy and Greenhouse Gas Management. Our first reporting against these performance indicators is provided in the Operations section for Trail, Highland Valley Copper and the Hemlo operations.

Greenhouse Gas Emissions

Teck Cominco's direct GHG emissions (as CO_2 equivalent) increased to 709 kilotonnes (kt) during 2006. The increase is mostly as a result of increases in production, particularly at Trail, which operated for the full year without any labour disruptions or significant downtime for scheduled maintenance. 2006 was the first full year of operation at the Pogo mine site.

Direct Greenhouse Gas Emissions in CO_2e—Company Roll-up



As of December 31st of each year

It should be noted that results for the past three years at Trail have been restated to include the use of limestone in the process. Limestone-related emissions were equivalent to 23,000 t CO_2 in 2006.

Carbon intensity measures the CO_2 equivalent content of carbon in each tonne or ounce of product. Trail saw a small increase in energy intensity in product in 2006, while Red Dog's performance improved slightly. Highland Valley's increase is largely a reflection of increased production coupled with longer and deeper hauls to manage waste rock and deliver ore to the mill. As open pits mature and ore grades decrease, energy intensity is expected to increase.

Carbon Intensity in Metal Product (t/tonne or t/ounce)	2006	2005	2004	2003
Smelter				
Trail	1.03	0.95	0.99	0.96
Large Open-pit Mines				
HVC	0.5	0.43	0.39	0.51
Open-pit and Underground Mines				
Red Dog	0.27	0.29	0.27	0.27
Pend Oreille	0.05	0.04		
Carbon Intensity in Gold Product (t/oz)				
Pogo	3.1*			
Hemlo	0.08	0.08	0.07	0.07

** Start-up of operation*

Spotlight

Material Issue—Climate Change

STEPPING UP EFFORTS TO REDUCE OUR CARBON FOOTPRINT

A product's carbon footprint is the measure of the amount of carbon dioxide emitted into the atmosphere throughout its life cycle, from raw material extraction and production to manufacturing, use, and disposal. Everything we use has a carbon footprint: a computer, a car, a watch, and the transit railcar we ride. Many of the world's leading scientists state, with very high confidence, that there is a link between the concentration of carbon dioxide in the atmosphere and the increase in the world's temperature.[1]

While reducing emissions of all contaminants is an important objective, special attention is needed to focus on greenhouse gases (GHGs). The extraction and processing of the raw materials, such as minerals and metallurgical coal, inevitably lead to GHG emissions. The challenge for companies today is to reduce those emissions per unit of product by improving energy efficiency and applying appropriate technology with the ultimate goal of reducing greenhouse gas emissions measured in absolute terms.

"Teck Cominco recognizes the importance of climate change and will act to achieve a reduction in global greenhouse gas emissions," states Doug Horswill, Senior Vice President, Environment and Corporate Affairs. "Teck Cominco is committed to providing long-term value to our investors and benefits to society and has stepped up its efforts aimed at sustained reductions in GHG emissions. By reducing greenhouse gas intensity in our products, we reduce the carbon footprint of mining and manufacturing."

A number of important initiatives were implemented to improve our energy use and help control CO_2 emissions. We realized our largest improvements in the 1990s by concentrating efforts and introducing energy-efficient technologies at our smelting operation at Trail. While greenhouse gas releases in 2006 were 6% higher than in 1990, GHG intensity (GHG releases per tonne of zinc and lead metal produced) improved by 32% over the same period. Atmospheric emissions of lead, cadmium, mercury and arsenic were reduced by over 95% in the last 15 years at Trail Operations. These improvements came in large part with the introduction of the Kivcet flash smelting furnace in 1996 but also through many other, smaller projects.

The Company is committed to the Mining Association of Canada's Towards Sustainable Mining Initiative, which includes world-class energy use and greenhouse gas emissions management performance standards. Recognizing the importance of "measuring to manage", since 1996, Teck Cominco tracked and reported company-wide site-specific energy use and GHG emissions. Over the next year, we will study our CO_2 emissions, identify how they can be controlled, look to improve our energy use and examine opportunities for the development of and/or use of low-carbon technologies.

In 2007, we will carry out on-site energy and GHG emissions assessments at our majority-owned, active Canadian operations. We will review existing management systems, technologies and operational practices to identify opportunities to reduce GHG emissions and improve energy consumption per unit of production. The goal is to achieve at a minimum Level 3 of the Towards Sustainable Mining Energy Use/GHG Emissions performance standard.

"Our experience at our Hemlo operation in Northern Ontario has shown that savings made from energy reduction add directly to the bottom line as well as improve our environmental performance," notes Mike Filion, Vice President, Environment, Health and Safety. "In 2005, improved energy management practices reduced energy costs by approximately $1 million and achieved a reduction of approximately 2,093 tonnes CO_2 or the equivalent emissions from 367 Ontario homes[2]. In 2006, savings increased another 3,946 tonnes of CO_2 or the equivalent of 692 homes for total savings of 6,039 tonnes over the two years. Our aim is to achieve similar results across our operations."

1 IPCC WGI Fourth Assessment Report 2 According to Environment Canada, the provincial household average is 5.7 tonnes of GHG per year. The national average is 5.5 tonnes of GHG per year.

Teck Cominco reports on GHG emissions and energy consumption in the Mining Association of Canada's Annual Progress Report (see www.mining.ca). Reports on our facilities emitting more than 100 kt CO_2e/annum under Canada Federal requirements are available at www.ghgreporting.gc.ca.

Transportation Indirect Emissions

Our transportation impacts result from three principal activities: transportation on-site, receiving materials from suppliers and distributing products to market. Transportation on-site is a direct emission component reported through our emission reporting. Teck Cominco has never evaluated indirect emissions for receipt of materials or transport of products in the past and has chosen to examine indirect product distribution emissions for the Highland Valley Copper mines product transportation process.

Environment Canada publishes greenhouse gas emission factors for various vehicle categories, diesel locomotives and marine vessels. GHG emissions from the transport of copper concentrate via truck, rail and ship were estimated using these emission factors and activity data provided by the site. Since the rail transport of copper concentrate, on average, uses 10 rail cars out of 100 cars on a train, 10% of total GHG emissions from the locomotives were attributed; similarly, 75% of total GHG emissions from the ships were applied since the ship transport of copper concentrate, on average, represents approximately 75% of the ships' cargo. The analysis indicated that the largest contributor to CO_2e emissions comes from marine vessels.

Highland Valley Product—Indirect Emissions	
Transportation Activity	**Emissions t/year (CO_2e)**
Truck	978
Train	207
Ship	21,536
Total	22,721

Initiatives to Reduce GHG Emissions

In 2006, hydroelectric power was the only renewable energy source used by our operations. However, the Cardinal River mine is currently examining an opportunity to use wind power to supplement the coal-fired electricity provided by the provincial grid.

At Red Dog, power is generated using diesel-fired, internal combustion engines. A drilling program recently identified a source of natural gas near the minesite. The second season of exploration drilling and gas production testing is scheduled for the summer of 2007. A shift to natural gas would significantly reduce atmospheric emissions (particulate matter, carbon dioxide, nitrous oxides and sulphur dioxide) while providing economic benefits to the mine and region.

Information on the following aspects can be found in the Operations Section: Other Air Emissions, Water Discharge Quality, Hazardous and Non-hazardous Materials, Water Bodies Affected by Discharge.

For SOx and NOx emissions, our Canadian sites report to the National Pollutant Release Inventory (NPRI) at www.ec.gc.ca/pdb/npri/npri_home_e.cfm, and 2006 information will be made available by June 2007. The 2005 data for these "other emissions" (as reported to the NPRI in 2006) are found in the table below.

Other Emissions (tonnes)						
	PM10	**PM2.5**	**SOx**	**NOx**	**VOC**	**Hg (kg)**
Williams	12	2	0	12	n/r	21
David Bell	0	n/r	n/r	n/r	n/r	n/r
HVC	119	38	n/r	n/r	16	0
Pend Oreille*	n/r	n/r	n/r	n/r	n/r	n/r
Pogo**	63	n/r	102	153	43	n/r
Red Dog	229.6	n/r	144.3	2846.8	154.4	n/r
Trail	115	73	4022	n/r	n/r	149

** Pend Oreille is considered a minor source based on estimated emissions and is not required to report to government.*

*** Pogo reports allowable emissions only, which may overestimate actual emissions (not shown).*

n/r = not reported either due to reporting thresholds (too low) or is not required

Water

Water protection, conservation, treatment and management is one of our most significant environmental challenges. We consume water, and we treat and discharge significant volumes at some operations. Whenever possible, we divert water to keep it from being impacted. Specific information on water management is not easily summarized and very lengthy. We have chosen to highlight two examples of innovative conservation practices from the Antamina and David Bell operations. Additional specific information on this topic can be found in the Operations section of this report.

At the Antamina mine, the water that is used in the pipeline to transport copper and zinc concentrate from the mine to the port is treated to remove metals and other impurities. The treated water is then used to irrigate a 170 ha tree farm in an extreme desert setting near the port and the city of Huarmez.

At the Hemlo mines, fresh water is withdrawn from Cedar Creek, a relatively small watercourse in the area. The mines must manage water levels and consumption to ensure that upstream and downstream users are not impacted. In order to reduce fresh water use, the David

Bell mine uses treated effluent water in its underground process water system. Fresh water use was decreased by 68,581 m^3 or 13.9% of the total volume of water used on the site (494,924 m^3) during 2006. This is the first year we attempted to track water use as required by GRI. Not all operations were able to track and disclose all of the water data required. Next year we will aim to track more information. The total water withdrawal was 110,886,456 m^3/yr.

Biodiversity

Most Teck Cominco projects are of a size and nature that thorough environmental impact assessments are required. These assessments include evaluations of rare, endangered and threatened plant and animal species or habitat. Very few of these situations have been identified, but when they are, appropriate mitigation measures are implemented. Currently, none of our sites has encountered any IUCN relisted species and none needs biodiversity plans.

Our mines work to conserve biodiversity through progressive reclamation and habitat restoration. They also support biodiversity research and the integration of wildlife needs into mining plans. We consult with our stakeholders on wildlife and biodiversity issues so that natural resources are protected. Readers should refer to the Operations and Site Performance section for specific information related to land reclamation and related biodiversity indicators (page 39).

Protection of Parks

Teck Cominco operates three mines that are adjacent to protected areas, specifically, the Red Dog mine in Alaska (Cape Krusenstern National Monument), the Antamina mine in Peru (Huascaran National Park) and the Cardinal River mine in Alberta (Whitehorse Wildland Park and Jasper National Park). In all three instances, the mines are working with local community groups and government agencies to ensure responsible care and protection of these lands. The size of the mines associated with the above are provided in their respective operations.

Conservation areas have been established at Antamina with a partnership called Southern Conchucos Polylepis Corridor (see Spotlight on page 34).

UPDATE ON UPPER COLUMBIA RIVER

Teck Cominco reported on the Upper Columbia River in the 2005 Sustainability Report. As noted in that report, Teck Cominco American Incorporated entered into an agreement in 2006 with the U.S. Environmental Protection Agency (EPA). Pursuant to the agreement, Teck Cominco American will pay for and conduct an investigation into concerns about the disposal of barren slag by the Trail Metallurgical Operations in B.C. into the Columbia River. That agreement is now being implemented, and a work plan was submitted to the EPA at the end of 2006. The work plan was reviewed in a meeting convened by the EPA which included representatives from the State of Washington, the Colville and the Spokane Indian Tribes and other federal departments in April 2007. Feed back from this meeting is now being incorporated into the work plan. Subject to EPA approval, site sampling and analysis are expected to commence in the summer of 2007.

In the meantime, litigation ancillary to this issue continues. Teck Cominco has applied to the U.S. Supreme Court for leave to appeal a decision of the 9th Circuit Court of Appeal denying Teck Cominco's assertion that the Comprehensive Environmental Reclamation and Liability Act does not apply to operations in Canada operating under Canadian permits. Teck Cominco's contention is that matters such as this should be addressed on a bilateral basis between the governments through existing treaties and such mechanisms as the International Joint Commission.

The legal issues aside, Teck Cominco remains fully committed to study and remedy the effect of past disposal practices on the river and define any human health and ecological risks associated with them.

Xenodacnis parina, one of the highland bird species that utilize the Polylepsis forests and will benefit from the conservation area

Spotlight

Polylepis Project—Antamina

As part of its sustainable development strategy, Antamina is promoting conservation efforts in Huascaran National Park and surrounding areas. The Southern Conchucos Polylepis Corridor will restore and conserve the highly threatened Polylepis forest habitat endemic to the Andes. The project is a joint initiative with local communities, municipalities, and NGOs. The Southern Conchucos Polylepis Corridor will directly benefit 20 communities through employment, training, watershed management and human health by planting one million Polylepis trees. This is intended to improve habitat connectivity across 50,000 hectares between the protected Huascarán National Park and Huayhuash Reserve. The Polylepis forests and fauna they support are highly threatened as only 3% of the original forests remain today. The area surrounding Antamina is considered the highest priority for Polylepis conservation, which, along with two others in Peru and Bolivia, contain 48% of all threatened highland birds in the southern tropics.

The project is being managed by The Mountain Institute, which is a long-term partner of Antamina regarding conservation and community engagement. The Mountain Institute has extensive experience with the communities and issues of the region and will receive additional technical assistance from Conservation International and the Asociación Ecosistemas Andinos.

Further, as part of Trail's centennial celebrations, we donated 890 ha of land (the Fort Shepherd Conservancy Lands) and $1 million to The Land Conservancy of British Columbia. The Fort Shepherd Conservancy contains within it many valuable ecological habitats and wildlife species which will form a new protected area. See page 35 for article on Fort Shepherd.

Compliance

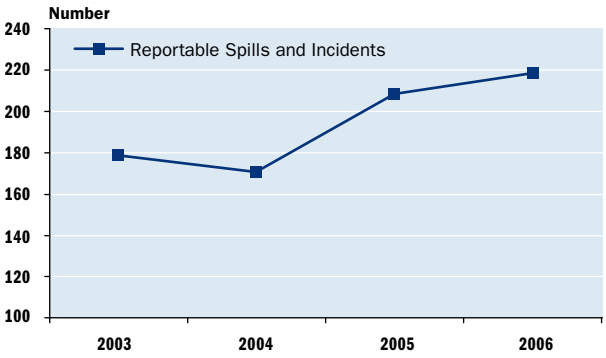
Fines

During 2006, one environment-related fine was levied against Teck Cominco's Pend Oreille mine. The Washington State government issued a monetary penalty of US$4,500 for permit limit exceedances between September 2005 and February 2006. The U.S. Mine Safety and Health Administration (MSHA) also gave Pend Oreille several citation fines totalling US$2,853 for various health and safety issues in 2006.

Spills to Environment

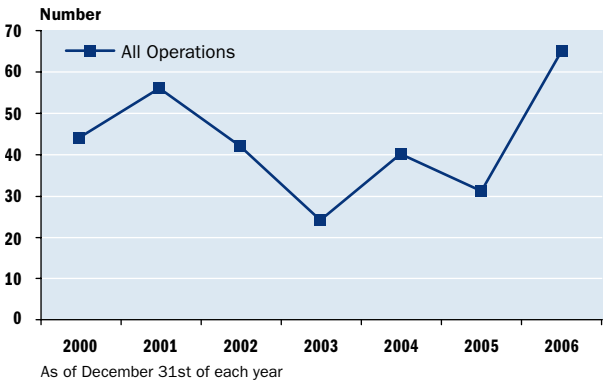
Teck Cominco tracks the number of spills reported to regulatory agencies. Each jurisdiction in which our mines operate has different thresholds for reporting spills to regulators. The total number of spills has increased during the past three years and is partly accounted for by the start-up of the Pend Oreille mine in 2005 and the Pogo mine in 2006. More than 90% of the spills were less than one cubic metre in volume. All of the spills were fully contained on Company property and did not impact the surrounding environment.

Reportable Spills and Incidents Company Roll-up—Active Mines



As of December 31st of each year

Number of Permit Non-Compliances—All Operations



As of December 31st of each year

Permit Non-Compliance

During the year, tens of thousands of samples are taken to monitor compliance with permit conditions. There were 65 permit limit exceedances in 2006 across all operations. This equates to a compliance rate of 99.24%.

We note that Pogo just started operations in 2006 and had 25 non-compliances related to start-up issues. See Operations section for details.

EHS Awards

In 2006, Teck Cominco received 13 environmental, safety or community awards:

- **Antamina mine**: 2006 Sustainable Development Prize from the National Society of Mining, Petroleum and Energy of Peru for the Polylepis Project
- **Antamina mine**: 2006 Luis Hochschild Plaut award from the Peruvian Entrepreneurial Management Institute

Spotlight

Teck Cominco—The Land Conservancy

As part of Teck Cominco Metals Ltd.'s efforts to publicly recognize the Centennial of the founding of the Consolidated Mining and Smelting Company of Canada Ltd., and to protect a valuable ecosystem and wildlife area, the Company is transferring 890 ha of land it owns in the Ford Shepherd Flats south of the city of Trail to The Land Conservancy (TLC). This transfer will result in the creation of the Fort Shepherd Land Conservancy to preserve this important ecological area.

The transfer will include a $1 million ecological gift from Teck Cominco to TLC. The Conservancy group will contract with the Trail Wildlife Association to manage and protect the site. "We are very pleased to make this substantial contribution to The Land Conservancy to protect one of the Trail region's most unique wildlife and ecological areas," said Mike Martin, General Manager, Trail Operations. "Our goal was to see the Fort Shepherd lands protected forever through a partnership with TLC and with the support of the Trail Wildlife Association."

This initiative related to the Fort Shepherd lands is a direct result of several decades of environmental improvements undertaken by Trail Operations. "We've made great strides in reducing emissions and raising environmental quality, and the Company and its employees are very proud to be part of this conservation legacy," Mike added.

Known as the Fort Shepherd Flats, the lands contain a rare biogeoclimatic area unique in B.C. It also contains a number of species-at-risk including great blue herons, canyon wrens, Townsend's big-eared bats, racers (a type of snake) and is a valuable winter range for mule deer. The area, which also holds historic significance as it was named for the Hudson's Bay Company trading post that operated on the site from 1857 to 1870, is also a popular recreational area among anglers, cyclists, hikers and dirt bikers.

"Teck Cominco has made an exceptional effort to preserve a very special ecological area and wildlife habitat for future generations," says The Land Conservancy Executive Director Bill Turner.

Formed in 1997, The Land Conservancy is a non-profit, charitable Land Trust working throughout British Columbia. TLC protects important habitat for plants, animals and natural communities as well as properties with historical, cultural, scientific, scenic or compatible recreational value.

Billie O'Brien among the conifers she helped plant in 1986

Mark Freberg accepts the Citation for Outstanding Achievement for Reclamation from Kim Bellafontaine from B.C. Ministry of Mines.

- **Fording River mine**, Elk Valley Coal Partnership: 2006 B.C. Jake McDonald Mine Reclamation Award for outstanding reclamation achievements
- **Elkview mine**, Elk Valley Coal Partnership: 2006 Citation for Outstanding Achievement for Reclamation at a Coal Mine
- **Cardinal River mine**, Elk Valley Coal Partnership: 2006 Alberta Chamber of Resources Major Reclamation Award
- **Highland Valley Copper mine**: 2006 Citation for Outstanding Achievement for Reclamation at a Metal Mine
- **Highland Valley Copper mine**: Business Excellence award by the Kamloops & District Chamber of Commerce
- **Pend Oreille mine**: The Selkirk Community Teck Cominco Planners received the National Summit of Mining Communities Award for 2006
- **Pend Oreille mine**: Association of Washington Businesses Service Award for community involvement
- **Line Creek mine**, Elk Valley Coal Partnership: Edward Prior Safety Award (lowest accident frequency among open pit mining in B.C., greater than 200,000 man-hours and less than 1,000,000 man-hours)
- **David Bell mine**: Mines and Aggregates Safety and Health Association (MASHA) Award of Excellence for mines with less than 250 employees
- **Williams mine**: Mines and Aggregates Safety and Health Association (MASHA) Award of Excellence for mines with greater than 250 employees
- **Williams mine**: CIMM J.T. Ryan Award for the second year in a row.

Environmental Expenditures

During 2006, environmental expenditures totalled $65,648,736 and reclamation expenditures amounted to $38,574,000. Thus, total environmental expenditures were in excess of $104,000,000.

	Environmental Capital Expenditures	Environmental Operating Expenditures	Total Environmental Protection Expenditures
Hemlo	$2,478,000	$3,003,000	$5,481,000
HVC	$0	$18,649,000	$18,649,000
Pend Oreille	$0	$323,000	$323,000
Pogo	$581,000	$870,000	$1,451,000
Red Dog	$11,821,000	$6,433,000	$18,254,000
Trail	$8,584,000	$12,907,000	$21,491,000
Total	$23,464,000	$42,185,000	$65,649,000

The presence of the grizzly bear and her cubs at the Cardinal River mine indicates that ecosystem function is returning to lands that were once mined for coal.

The bighorn sheep of Cardinal River display all the qualities of a healthy and expanding herd in response to new habitat provided by mine reclamation.

Spotlight

Wildlife at Cardinal River Coal—*Beth MacCullum, MEDes, P.Biol, Bighorn Wildlife Technologies Ltd.*

Bighorn sheep are a key indicator species at this Alberta coal mine. According to years of research conducted in the area, the bighorn sheep of Cardinal River display all the qualities of a healthy and expanding herd. They are characterized by large body size, high lamb to ewe ratios and strong population growth. These qualities are typical of an expanding population.

The herd is growing in response to new habitat that is provided by reclamation. New reclamation means new sheep. The most recent count in 2006 for bighorn sheep that use the mountain ranges around Cardinal is 1,000. This area includes both the Cardinal River and Gregg River mines. The mines provide a protected area for the sheep similar to Jasper National Park. Sheep are not restricted to the mines but move freely throughout the mountains. This system of protected areas surrounded by open areas has maintained the populations in a healthy state.

Bighorn sheep from Cardinal River are good candidates for transplants elsewhere because they have never been exposed to domestic sheep. Domestic sheep carry strains of pneumonia to which bighorn sheep have no immunity. This has been the cause of many declines in sheep herds in the U.S.A. and makes it clear that agriculture and bighorn sheep do not mix. Since 1989, 298 bighorn sheep have been captured from the Cardinal River mine and exported to various locations in the western U.S.A. and Alberta. Sheep from the mine have gone to Nevada, Hells Canyon in Oregon as well as Idaho, South Dakota and Utah. In Alberta, sheep have been exported to Plateau Mountain, Mt. Baldy and Ram Mountain.

Bighorn sheep have relatively large brains and learn about their environment quickly. Based on their behaviour, they have learned that miners and their equipment are harmless and therefore they do not run from them. This occurs wherever human behaviour is predictable. This of course means that humans have the responsibility to respect their learning abilities and not teach them bad habits. Cardinal River coal miners will not feed or touch the sheep or walk in and among their herds. The miners are proud of the bighorn sheep and other wildlife on the mines and wish to see them protected. The public and hunters alike enjoy observing the bighorn sheep from the viewpoint on Highway 40 and wish to see them protected.

In summary, this herd is one of the largest in North America and is a significant wildlife resource for Alberta. Sheep and other wildlife have voluntarily colonized the reclaimed area of the mine. Bighorn sheep, mule deer and elk plus healthy populations of small mammals provide significant food sources for large and small carnivores. Grizzly bears graze on the vegetation, feed on carrion and have learned to hunt elk calves as well as bighorn sheep. The presence of the grizzly bear on Cardinal River indicates that ecosystem function is returning to lands that were once mined for coal. The wildlife living at the Cardinal River coal mine demonstrate that, with good planning and reclamation, mining can provide the future with a significant and valued resource.

Jaimie Dickson, Environmental Protection Assistant, with Bob Hamaguchi, Senior Environmental Engineer, HVC mine.

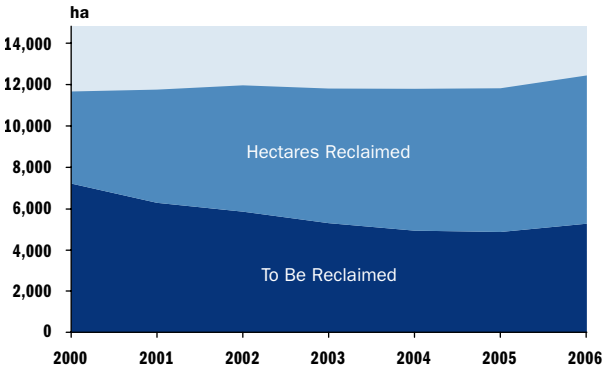
Sites with Closure Plans

All of our properties, with the exception of Trail which is an indeterminate-length industrial facility, have closure plans.

Reclamation Programs

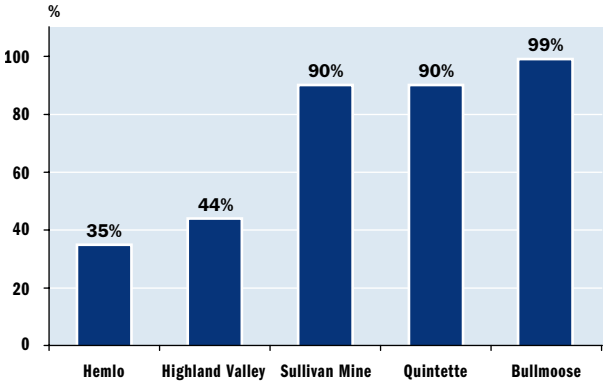
We progressively reclaim disturbed land to meet specific end-use objectives. Fifty-eight percent of our mined land disturbance area had been reclaimed at the end of 2006. The performance table on page 26 indicates the overall company disturbances and reclaimed area (ha) over the years. We planted 277,845 trees and shrubs during 2006.

Land Status—Disturbance and Reclamation



2006: 7204 ha reclaimed
Two new operations added to disturbance (530 ha)

Reclamation Completion



As shown, the dormant sites of Sullivan, Quintette and Bullmoose are close to completion.

Fifty-eight percent of our mined land disturbance area had been **reclaimed** at the **end of 2006.**

Environmental Sustainability Performance				
Indicator	**Description**	**Page**	**2006 Report**	**2005 Report**
	Aspect: Materials			
EN1	Materials used by weight or volume	28	√	X
EN2	Percentage of materials used that are recycled input materials	28	√	√
MM6	Quantities of waste that are hazardous. Describe approach to management of overburden, rock, tailings, sludges/residues	29	√	X
	Aspect: Energy			
EN3	Direct energy consumption	29	√	√
EN4	Indirect energy consumption	29	√	√
EN5	Energy saved due to conservation and efficiency improvements	29	√	X
	Aspect: Water			
EN8	Total water withdrawal by source	32, 59-79	√	X
EN9	Water sources significantly affected by withdrawal of water	32, 59-79	√	X
EN10	Percentage and total volume of water recycled and reused	32, 59-79	√	X
	Aspect: Biodiversity			
EN11	Location and size of land owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas	26, 33 59-79	√	√
EN12	Description of significant impacts in protected areas and areas of high biodiversity value outside of protected areas	33	√	√
EN13	Habitats protected or restored	33, 35, 36	√	√
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	33, 35	√	X
EN15	IUCN Red Species list or national conservation species lists affected by operations	33	√	√
MM 3	Number of sites needing biodiversity plans	33	√	X
MM10	Number of sites with closure plans	38	√	√
	Aspect: Emissions, Effluents, Waste			
EN 16	Total direct GHG emissions	30	√	√
	Total indirect GHG emissions	32	√	X
EN17	Initiatives to reduce indirect energy consumption and reductions achieved	29	√	X
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	31, 32	√	X
EN20	NOx, SOx and other significant air emissions by type and weight	32	√	X
EN 21	Water discharge by quality and destination	59-79	√	√
EN22	Total weight of waste by type and disposal method (haz and non-haz materials)	29	√	√
EN25	Identity, size, protected status and biodiversity value of water bodies affected by discharges	59-79	√	X
	Aspect: Compliance			
EN28	Monetary value of fines, number of sanctions, for non-compliance with environmental laws and regulations	34	√	√
	Aspect: Transport			
EN29	Significant transportation environmental impacts (products, goods and materials used and workforce transportation	32	√ (partial)	X
	Aspect: Overall			
EN30	Total environmental protection expenditures and investments	36	√	X

Darold Sun Jr. has been operating heavy equipment at the Red Dog mine for 15 years, achieving Level 6, the highest designation for mine operations. Darold is an avid hunter and fisher who spends his spare time outdoors and helping his grandparents.

Teck Cominco is dedicated to working with high standards in social areas such as labour and human rights. We first and foremost comply with local law. As a primarily North American company, emerging social issues, especially relevant for companies who operate in areas of higher political risk, are relatively new issues for us. However, moving forward, we are looking at how global standards (endorsed by our sustainability commitments, which often exceed and go beyond government regulation) may be relevant to our business.

This is
Our Community

Working with the communities where we operate is an important part of our business such as at the Lennard Shelf operation, where mining activities are about to recommence; the Red Dog mine, where indigenous hunters are among our community advisors; and Sullivan, where we devoted years to community support in preparation for the mine closure.

Our Social Performance

Maintenance millwrights from the Pogo mine

LABOUR PRACTICES AND DECENT WORK

Teck Cominco respects and complies with all labour laws in the countries where we operate. Our policies for fair labour practices and decent work can be found in the Charter of Corporate Responsibility, the Code of Sustainable Conduct, the Code of Ethics and the Environment, Health and Safety Management Standards.

The Vice President of Human Resources is responsible for establishing Company-wide employment, labour management, training, education, diversity and equal opportunity policies. Operations are responsible for safety performance at their site. At the corporate level, the Senior Vice President of Environment and Corporate Affairs is the most senior position responsible for safety and health policy while the Vice President, Environment, Safety and Health, and the Director, Safety and Health, provide corporate oversight and leadership and act as a bridge between our operations and corporate office.

Employment

Teck Cominco had a total of 7,316 employees in 2006 (including Elk Valley Coal). The workforce is mainly located in Canada and the United States. Teck Cominco employees are either staff, union staff or union hourly, with 37% of employees being union staff.

Employee Turnover

The total rate of employee turnover was 9.3% (not including EVCP). Total employee turnover by gender is shown in the table on page 43. A table with employee turnover by age group is available on the Teck Cominco website.

More information on the web:

- *Employee turnover by age group and gender*

Total Breakdown of Employees for 2006

Teck Cominco	Staff	Union Staff	Union Hourly	Total
Corporate	162	–	–	162
Exploration	150	–	–	150
Marketing & Sales	59	–	–	59
Technology	144	–	–	144
Operations				
Trail	248	130	1,090	1,468
Red Dog	85	195	78	358
Highland Valley Copper	170	45	741	956
David Bell	–	–	109	109
Williams/Hemlo	192	–	333	525
Pend Oreille	44	–	137	181
Pogo	46	–	192	238
Kimberley	2	–	–	2
Bullmoose	1	–	–	1
Quintette	1	–	–	1
Total	789	370	2,680	3,839
TCL Total	1,304	370	2,680	4,354
Elk Valley Coal Partnership				
Calgary	93	–	–	93
Vancouver Port	7	–	–	7
Cardinal River	57	246	–	303
Line Creek	63	214	–	277
Greenhills	91	371	–	462
Fording River	141	767	–	908
Coal Mountain	47	116	–	163
Elkview Coal	132	617	–	749
Elk Valley Coal Partnership Total	631	2,331	–	2,962
Grand Total	1,935	2,701	2,680	7,316

Employee Turnover by Gender, December 2006												
	CANADA							U.S.A.				
	Vancouver & Lab	CESL	Trail	ART	Toronto & PTC	Hemlo	HVC	Spokane	TCAMI	Red Dog	Pend Oreille	Pogo
Total Females	19	3	4	0	2	5	2	1	0	20	8	3
Total Males	16	5	10	2	2	44	45	0	1	88	47	77

Benefits Provided for Corporate Full-time, Part-time and Temporary Employees					
	Canada			U.S.A.	
	Vancouver, CESL & Lab	ART	Toronto & PTC	Spokane	TCAMI
Provincial Health	FP	FT	n/a	n/a	n/a
Extended Health/Medical (U.S.)	FP	F	FP	FT	FT
Dental	FP	F	FP	FT	FT
Health Spending Account	FP	F	FP	F	F
Group Travel	FP	F	FP	F	F
Life	FPT	F	FPT	FT	FT
Dependent Life	n/a	F	n/a	F	F
Employee Optional Life	FP	F	FP	F	F
Spousal Optional Life	FP	F	FP	F	F
AD&D	FPT	F	FPT	FT	FT
Employee Optional AD&D	FP	F	FP	F	F
Spousal Optional AD&D	FP	n/a	FP	F	F
Short-Term Disability	FP	F	FP	F	F
Long-Term Disability	FP	F	FP	F	F
Maternity Leave	FP	F	FP	F	F
Parental Leave	FP	F	FP	F	F
Retirement Plan (pension, RRSP, 401K)	FP	F	FP	F	F

AD&D = Accidental Death and Dismemberment Insurance
F = Full-time P = Part-time T = Temporary n/a = Not applicable
ART = Applied Research and Technology PTC = Product Technology Centre TCAMI = Teck Cominco Advanced Materials Inc.

Employee Benefits

Teck Cominco offers a range of benefits to its full-time employees including extended health, dental coverage, life insurance, maternity leave, parental leave and a retirement plan. See the table above for more information. Site-specific information is available in the site performance section.

Labour Management

Teck Cominco had a total of 5,381 union members in its workforce in 2006, and there were no work stoppages due to labour negotiations. The percentage of employees covered by bargaining agreements ranged by operation from 0% to 82.9%.

Employees Covered by Collective Bargaining Agreements			
Canadian Operations (%)		**U.S. Operations (%)**	
ART	48	Pend Oreille	0
CESL	0	Pogo	0
Corporate	0	Red Dog	0
Hemlo	0	Spokane	0
HVC	81.5	TCAMI	0
Toronto	0		
Trail	82.9		

The minimum notice period regarding significant operational changes (changes to the pattern of operations that will have substantial positive or negative consequences for employees) varied by operation from two weeks to six months.

Minimum Notice Period Regarding Significant Operational Changes	
Operation	**Notice Period**
Vancouver office	n/a
Hemlo mines	n/a
Highland Valley Copper mine	6 months
Pend Oreille mine	2 weeks
Pogo mine	n/a
Red Dog mine	10 days
Spokane	n/a
Trail operations	2 weeks

Safety and Health

Teck Cominco's primary goal each year is to avoid injuries and incur no fatalities. It is with our sincerest regret we report that six people were fatally injured in service as employees or contractors at a Teck Cominco facility during 2006. Two emergency responders also perished while trying to assist an employee and contractor who died at the Sullivan mine property (see Spotlight on page 45).

Teck Cominco Safety and Health Statistics*			
	2006	**2005**	**2004**
Fatalities	6	2	2
Lost-time injuries (LTI)**	116	117	117
Frequency***	0.87	0.92	1.00
Severity****	209.9	120.0	132.3

* *Contractors and employees combined*
** *LTI—includes occupational disease rate*
*** *Frequency—lost-time injuries per 200,000 hours worked*
**** *Severity—days lost per 200,000 hours worked*

Key Successes

The 2006 Lost-Time Incident Frequency Rate (LTIFR) for employees and contractors of 0.87, an 11% improvement over the previous year, was recorded across the whole of operations. Three mines, David Bell in Ontario, Coal Mountain in British Columbia and Lennard Shelf in Australia, completed 2006 without a lost-time injury. Line Creek incurred its first lost-time incident in two years during September.

Major Changes

At the onset of 2006, corporate safety professionals were put on staff at both Teck Cominco Limited and the Elk Valley Coal Partnership. The addition of Mark A. Thompson as Director, Safety and Health, for Teck Cominco Limited and Randy G. Walker as Manager, Health and Safety, for Elk Valley Coal Partnership has reinforced our capability in the field of safety and health.

During the year, we initiated quarterly web conferences with site safety professionals and management in order to share learnings and improve overall communication on safety and health issues. The sharing of information between sites was supported by the development and implementation of a comprehensive intranet site where all Company safety statistics are maintained. Lessons learned from major site events and high potential incidents are also shared on this site.

Training and Awareness

Training is an important factor not only in our operations but also at our exploration opportunities around the world. Much time, effort and resources are applied to training our employees to elevate skills and understanding of safe work practices and procedures. We recognize the importance of promoting the local labour community to establish a working culture from within the available workforce.

We continue to work with the University of British Columbia and others on a variety of projects including a research project to fully identify the hazards and causes of our tragedy at the Sullivan Mine (see the Site Performance section page 83). Upon definite conclusion as to the exact causes of this tragedy, we will share our learnings with the industry worldwide in an effort to prevent similar situations or outcomes.

Health and Safety (H&S) Topics Covered in Formal Agreements with Trade Unions

Over 80% of the workforce is represented in formal joint management-worker health and safety committees which are managed at the operational level. The following are examples of topics on health and safety that are typically covered in the collective bargaining agreements:

- Cooperation on preventing accidents
- Commitment to promote safety and adherence to rules & regulations
- Activities of a Joint H&S committee
- H&S education programs, H&S policies and procedures, H&S program development
- Mechanisms for refusal of unsafe work

- Provision of personal protective equipment
- Rebates for safety footwear
- Union access to records on accidents and treatments
- Whistleblower Program

Percentage of Workforce Represented in Formal Joint Management-Worker Health and Safety Committees		
Operation	Percentage Represented in Health and Safety Committees	Regular Scheduled Meetings?
Hemlo mines	100%	Yes
Highland Valley Copper mine	100%	Yes
Pend Oreille mine	100%	Yes
Pogo mine	5%	No
Red Dog mine	100%	Yes
Trail operations	100%	Yes

Diana Chang being trained by Robert Aikman to position haul trucks on spoil at the Fording River operation

Training and Education

Teck Cominco is committed to career development through employee training, education, on-the-job mentoring and performance reviews. See the table on programs for skills management and lifelong learning on page 47. The table on page 46 summarizes the average hours of training per year per employee category.

Spotlight

Material Issue—Eliminating Major Risk

EVERYONE HAS THE RIGHT TO A SAFE AND HEALTHY WORKPLACE

Despite our efforts to minimize risk and prevent injuries to our employees and contractors, six individuals tragically lost their lives in 2006. All injuries are unacceptable, and we have done considerable work to eliminate fatalities and continue to educate our employees in safe work practices and hazard recognition.

In May 2006, Bob Newcombe and Doug Erickson perished in a water sampling shed at the Sullivan Mine in Kimberley, B.C. During an attempt to rescue them, two emergency services employees, Kim Weitzel and Shawn Currier, also died. The Chief Inspector of Mines has classified this as an "unprecedented incident caused by an oxygen deficient atmosphere" in the base of the sampling shed. A research program has been initiated to understand the physical and chemical processes that resulted in the oxygen deficient atmosphere, as described in detail in the Operations section for the Sullivan mine on page 83.

An accident occurred on July 22, 2006 at the Morelos exploration project where a contract water truck driver, Rodolfo Alvarez de la Luz, was fatally injured during a rollover of the vehicle.

A work-related fatality occurred on December 18, 2006, at the Red Dog Mine in northern Alaska. Jeff Huber, a staff geologist, was struck by a piece of material from the mining face while performing a routine inspection of the muck pile. Additional precautions and a review of work practices have been undertaken to prevent this type of tragedy in the future.

Building Strength with People Program

The level of commitment and competency of a company's leaders and its workforce are strong determining factors for success. Maximizing the potential of our employees is our opportunity and challenge.

Highly capable people who clearly understand what is expected of them ensure that we stay a leader in our industry and that they have a satisfying career with us. Effective people management and HR practices, of which the Building Strength with People program is a critical part, help accomplish these goals. Building Strength with People is an integral part of our relationship with our employees. The program establishes clear performance expectations, rewards performance and supports employee development. The program focuses on three areas:

- Performance Improvement—strategic planning and performance objective setting
- Employee Development—identifying competencies and attributes the Company requires to build a strong workforce
- Career Discussion—performance planning and review process between employees and supervisors and discussion of employees' career interests

The purpose of Building Strength with People is to help maximize an employee's contribution to the success of Teck Cominco and to offer employees a challenging and rewarding career. This is achieved by having committed and highly competent people in all positions: people who are motivated, have the skills and knowledge to make good decisions and have capabilities to produce outstanding results.

The majority of Teck Cominco employees receive regular performance reviews (see table below).

Percentage of Employees Receiving Regular Performance Reviews

Operation	Percentage of Employees Receiving Performance Review
ART	52%
CESL	100%
Hemlo mines	80%
Highland Valley Copper mine	100%
Pend Oreille	100%
Pogo mine	50%
Red Dog mine	63%
Spokane	90%
TCAMI	66%
Toronto & PTC	80%
Trail	100%
Vancouver	100%

Average Hours of Training Per Year Per Employee Category

	Canadian Operations							United States Operations				
	ART	CESL	Hemlo	HVC	Toronto & PTC	Trail	Vancouver	Pend Oreille	Pogo	Red Dog	Spokane	TCAI
Senior management	n/a	n/a	30-40	24	varies	120	varies	40	60	8	20	20
Middle management	40	214	60-75	40	varies	80	varies	40	60	32	20	20
Professional	n/a	n/a	20	40	varies	160	varies	40	60	32	40	40
Administrative	n/a	100	20	40	varies	40	varies	40	50	32	20	n/a
Operators	n/a	62.5	40	n/a	varies	80	DNT	40	40	57	n/a	40
Trades	n/a	500	40	n/a	varies	80	DNT	68 (miners)	40	57	n/a	n/a
Unionized	32	n/a	n/a	n/a	varies	n/a	DNT	n/a	n/a	n/a	n/a	n/a

n/a = Not available
DNT = Do Not Track

Diversity and Equal Opportunity

Teck Cominco is committed to diversity and equal opportunity. The new Code of Sustainable Conduct states that "no discriminatory conduct is permitted in the workplace. Decisions on job selection, advancements and promotions will be unbiased, based on merit and ability and in keeping with commitments to local communities." We will look to track the breakdown of employees according to gender and visible minorities in future reports.

More information on the web:

- *Crisis management and emergency preparedness*
- *Training and education*
- *Prevention and risk control regarding serious diseases*

Ben Robinson, mill operator, surrounded by pipes of Knelson Concentrator, Pogo mine

HUMAN RIGHTS

Our commitment to value and uphold human rights is stated in our Code of Ethics. In addition, our Code of Sustainable Conduct states that we will "recognize the rights and aspirations of indigenous people affected by our activities." Our employees must review the Code of Ethics annually.

We've successfully reached one of our human rights targets by becoming signatories to the UN Global Compact (UNGC) where we will look at ways to further ensure that we are not complicit in human rights violations. In the future, we will look to ensure that investment agreements include human rights clauses and that our suppliers and contractors provide documentation on human rights policies. We will report on these outcomes through our sustainability report and our Communication on Progress (COP) commitment through the UNGC.

Programs for Skills Management and Lifelong Learning

	Canadian Operations							United States Operations			
	Vancouver	CESL	Trail	Applied Research Technology (ART)	Toronto & PTC	Highland Valley Copper	Hemlo	Spokane & TCAMI	Red Dog	Pend Oreille	Pogo
Internal training courses	■	■	■	■	■	■	■	■	■	■	■
Funding support for external training	■	■	■	■	■	■	■	■	■	■	■
Sabbatical	■	■	■	■	■	■	■	■	■	■	■
Pre-retirement training	■	■	■	■	■	■	■	■	■	■	■
Retraining for those who are terminated	■	■	■	■	■	■	■	■	■	■	■
Severance pay	■	■	■	■	■	■	■	■	■	■	■
Job placement/career transition services	■	■	■	■	■	■	■	■	■	■	■
Employee and family assistance program	■	■	■	■	■	■	■	■	■	■	■

■ *Yes* ■ *No*

Security Practices

Teck Cominco and its subsidiaries and affiliates have security measures to protect our employees and property in all countries where we operate. Corporate security practices, training and reviews are done commensurate with risk, and we follow standards and laws of jurisdictions.

More information on the web:

- *Non-discrimination*
- *Freedom of association and collective bargaining*
- *Child and forced labour*
- *Disciplinary and grievance practices*
- *Security practices*
- *Indigenous rights*

SOCIETY

Community

Entering, Operating In and Exiting Communities

Teck Cominco is committed to working with the communities in which we operate. We've provided three examples that demonstrate how we manage and measure our impacts of operations on communities before, during and after site operations.

Exploration—Entering a community

Community contact is a fully integrated part of our exploration process. For example, in Canada's North, prior to beginning on-the-ground work, our exploration team visits the closest communities to give a complete presentation to all members of an area through public/open forums and individual meetings. Initial contact is usually made via Indian and Northern Affairs Canada (INAC) and local government (hamlet council, etc.) and the various indigenous peoples groups who can arrange introductions for our geologists. We utilize the members of field crews so that members of a community get a strong sense of who is "in their neighbourhood" and who is responsible for any Teck Cominco project.

Hunters Jerry Norton (binoculars) and John Norton look for bearded seal (Inupiaq name is *ugruk*).

Trail Smelter—Operating with the community

As part of the program to assess and manage the impacts of fugitive metal-bearing dust on community health, the ambient air lead levels in the community and the lead blood levels in children age 6 to 60 months are regularly measured and monitored. The percentage of results falling within certain ranges is tracked year over year to assess trends and to gauge the effects of mitigating actions and climatic and operational variances. The families of children with elevated levels receive assistance and advice in lead exposure reduction from a community health nurse with the Interior Health Authority.

Hemlo Gold Operations—Exiting a community

Preparing for mine closure and reclamation requires a multi-year approach to ensure the process is completed in compliance with all permits and takes into account the needs and concerns of local communities. The economic impacts of mine closure on a community can be significant, so it is important to provide sufficient advance notice and work with the community to minimize the effects through careful planning. Regular consultation ensures there are no surprises and provides the opportunity to explore ways that the economic well-being of the region and the people can be maintained. Currently, discussions are being conducted with the local First Nation communities to identify where and how the mine can contribute to the development of new skills and business expertise. Meetings are being held with elders, band management and economic development officers. Utilizing information in a community skills database, assessing the interests and aptitudes of the youth, and collaborating with business leaders will contribute to the development and implementation of programs that will help manage the economic impact of mine closure and position the community to take advantage of new opportunities in the region.

Resettlement Policies and Activities

We have no formal policies nor do we currently have any activities for resettlement at this point in time. However, as reported in 2005, for the one situation at Antamina mine we fully supported the recommendations by the World Bank on resettlement.

Corruption

All business units are analyzed for risks related to corruption through an employee survey on the Code of Ethics and a fraud report. Teck Cominco employees are trained in ethics and compliance. There were no incidents of corruption reported in 2006.

Whistleblower Program

In 2006, the Teck Cominco Whistleblower Program was implemented. The Whistleblower Program deals with concerns from employees involving such issues as accounting and auditing irregularities, threats to personal safety and health, environmental violations, and personal harassment.

Employees are free to bring concerns to the attention of their supervisors, the Human Resources Department or the Legal Department, as they would any other workplace complaint. To ensure that reports of concerns can be submitted confidentially or anonymously when employees so choose, we also maintain a toll-free telephone number (1-888-873-3745), available at all times and handled by an outside service provider (the "Whistleblower Hotline"). Serious incidents are reported to the Board and Audit Committee. All allegations that involve fraud or concern financial reporting are sent directly to the Chair of the Audit Committee or the Senior Vice President, General Counsel, who can conduct an independent investigation. All allegations involving

Spotlight

Material Issue—Earning our Licence to Operate

TRADITIONAL SUBSISTENCE HUNTERS ADVISE ON THE ENVIRONMENT

Teck Cominco respects and values the significance of indigenous peoples' reliance on the land for traditional economic, social, cultural and spiritual activities. Steps are taken, from exploration to closure, to build relationships and enable the participation of local indigenous communities to consider the effects of a mining operation on the land, local culture and livelihood. The Red Dog mine in Northwest Alaska stands as a model for responsible development of mineral resources through the cooperation and mutual respect between the Company and indigenous people.

Bisected by the Arctic Circle, the NANA region is home to some 7,300 people in an area of roughly 38,000 square miles. The region has been inhabited for more than 10,000 years by the ancestors of the Inupiat people and other indigenous groups. As their ancestors had for centuries, the Inupiat people of the NANA region rely heavily on subsistence hunting and fishing. Subsistence hunting and fishing are not only economic necessities; they also have strong cultural and social significance. Reliance on the land is a traditional way of life for the Inupiat people. The continuation of that relationship is a vital element in their identity and values.

When Teck Cominco and NANA developed the Operating Agreement for the mine in the early 1980's, they agreed to the formation of an advisory committee that would oversee subsistence issues that could be affected by the operation. This committee, called the Subsistence Advisory Committee, is an independent group of elder hunters from Native villages of Noatak and Kivalina. The Committee meets quarterly with mine officials to review all subsistence-related issues and to provide the mine with guidance on how to address them. Through this committee, the physical, cultural, social and economic needs of the people of the NANA region are considered and the environmental effects of mining have been minimized.

For example, the Committee gives the operation the go-ahead for the start of shipping season in order to avoid any conflict with the hunting of the marine mammals. They also direct the operation's 52-mile concentrate haul road activity as it relates to caribou. During the caribou migration season, the Committee can shut down traffic on the road, especially if the caribou are crossing in large numbers. The Committee also reviews many reports from extensive environmental monitoring required by Teck Cominco and by the government permits. The quality of water, air and earth is continually tested. Any possible effects on the environment and the subsistence resources are openly discussed. This Committee is Red Dog's vehicle to promote community involvement and to address local people's concerns on environmental issues. The Committee has the mandate to guide the Management Committee to ensure that environmental impacts are properly managed. Represented by Noatak and Kivalina elders, the Committee is an important channel through which the Company can hold meaningful discussions with communities.

health and safety are reported to the Environment, Health and Safety department and to the Chair of the EHS Committee.

Any effort to retaliate against any person reporting a concern in good faith, or participating in an investigation relating to a concern, is strictly prohibited.

Public Policy

In general we represent our interests and views on public policy issues through industry associations. When asked by governments for comments on specific issues we provided them. One such issue is the methods by which we will meet the standards for air emissions from smelters. At this point, we meet or exceed those standards.

Contributions to Political Parties

For financial contributions to political parties, in 2006 we contributed US$8,500 to Washington State politicians and $100,000 to the Liberal Party in British Columbia.

Anti-Competitive Behaviour

There was one investigation for anti-competitive behaviour involving the marketing of copper concentrates in Canada; however, there were no infractions found.

More information on the web:

- *Processes for identifying local communities' land and customary rights*

The Product Stewardship Committee carries out reviews to assess and determine product responsibility.

PRODUCT RESPONSIBILITY

Our involvement in product development is directed at improving the utility and value of our products. Following on a long tradition of innovation, Teck Cominco is pursuing product development activities relating to extractive processes, production-related improvements and innovative design projects. The Product Stewardship Committee (PSC) is a cross-functional team of corporate officers and senior managers, which oversees existing product information and risk management and provides guidance and direction on new products and business acquisitions. The PSC carries out reviews to assess and determine product responsibility.

Health and Safety of Our Products

The Product Stewardship Committee reviews new applications for uses of our products in order to assess transportation and handling, packaging and labelling, safety and health, and life-cycle stewardship aspects. A Material Safety Data Sheet (MSDS) is prepared for each product and provided to customers. Each MSDS is periodically reviewed and updated as required.

We manage our compliance with regulations and voluntary codes concerning the health and safety impacts of our products utilizing a Product Stewardship System. Under this system, we track compliance with applicable regulations and voluntary codes, and there were no instances of non-compliance in 2006.

In each of the following life-cycle stages, health and safety impacts of products are assessed:

	Yes	No
Development of product concept	√	
Research and development	√	
Certification	√	
Manufacturing and production	√	
Marketing and promotion	√	
Storage distribution and supply	√	
Use and service	√	
Disposal, reuse or recycling	√	

Product Labelling

MSDSs are prepared for our products. New products and new uses of existing products are subject to an application and review process to assess the safety, health and life-cycle stewardship aspects of the new product or use. All of our significant products are assessed for compliance with our Product Stewardship System. An MSDS is issued for each product sold. The MSDSs are tracked and reviewed in accordance with the most stringent requirements. In certain cases, MSDSs are translated into the customer's primary language (e.g., certain MSDSs have been translated into Chinese and Japanese).

The following product and service information is required by our procedures for product information and labelling:

	Yes	No
The sourcing of components of the product or service	√	
Content, particularly with regard to substances that might produce an environmental or social impact	√	
Safe use of the product or service	√	
Disposal of the product and environmental/social impacts	√	

There were no incidents of non-compliance with applicable regulations and voluntary codes concerning product and service information and labelling in 2006.

Spotlight

Material Issue—Human and Ecological Health

EFFECTIVE COMMUNICATION AND STAKEHOLDER ENGAGEMENT IN ENVIRONMENTAL RISK ASSESSMENT AND MANAGEMENT

An environmental risk assessment (RA) is a scientific study that investigates whether health or ecological issues may exist due to exposure to chemicals. RAs usually include a human health risk assessment (HHRA) and an ecological risk assessment (ERA). These studies are used to help understand whether chemicals can potentially cause health problems for humans, plants or animals (receptors). An RA also helps us to understand if action needs to be taken to prevent or minimize any risk to receptors.

At active and closed mine sites, levels of metals and other chemicals may exceed regulatory environmental guidelines, due to mining and related activities or due to natural background conditions. However, based on detailed site-specific studies and analyses, RAs can demonstrate that, in many cases, risk to receptors may be low or minimal.

One of Teck Cominco's key strengths in environmental management is the commitment to effective communication of potential risks and the engagement or involvement of key stakeholders in the risk assessment/management process. Key stakeholders in this process generally include government regulators, local communities (including First Nations) and the media. The approach used by Teck Cominco includes:

- Early consultation. Key stakeholders are involved early in the development of site-specific environmental studies and RAs. An example of this is the involvement of the local communities near the Trail smelter and the closed Pinchi Lake mine in the setting of management goals and measurement endpoints in the ERAs and HHRAs conducted at these sites.
- Implementation. Local communities and First Nations are often involved in the actual implementation of site-specific studies. For example, the Tl'azt'en and Nak'azdli First Nations have participated in aquatic and terrestrial studies conducted to support the ERA at the closed Pinchi Lake mine. At the Red Dog Mine, the Inupiat people of the NANA region, who are traditional subsistence hunters, are consulted on various aspects of mine impacts (e.g., hunting of marine mammals, caribou migration, etc.).
- Transparency. Teck Cominco is committed to public reporting of RA plans, results and reports. For example, throughout the ERA conducted near Trail, documentation pertaining to the planning, implementation and interpretation of the study is posted on our website, with ample opportunity for public input.

Clear communication and stakeholder engagement is paramount to the development and implementation of RA studies and risk management plans. The partnership with stakeholders is crucial to ensuring that Teck Cominco operations are sustainable for future generations.

Elizabeth (Kenny) Martinez,
Senior Laboratory Technician, CESL

SUSTAINABILITY OF CESL REFINERY TECHNOLOGY

Development of Cominco Engineering Services Limited (CESL) copper process began in 1992 as an environmental alternative to smelting copper sulphide concentrates. With a strong company background in zinc pressure leaching at Trail, CESL felt it was possible to adapt this hydrometallurgical technology to copper processing, with some modifications.

An integrated pilot plant for the CESL copper process, with a capacity to produce 36 kg/day of cathode copper, has successfully operated with a variety of concentrates during 17 pilot plant campaigns. The CESL copper process has also been used to produce 3,000 tonnes of refined copper cathode at the CESL demonstration plant. Currently, Companhia Vale do Rio Doce (CVRD) is working with Teck Cominco in the construction of a 10,000 tpa prototype plant in the Carajás region of Brazil, with the future possibility of a much larger 250,000 tpa copper facility being constructed in the region.

Because of the high environmental standards that are now required, it is likely that conventional greenfield smelters will cease to be built in North America. The only smelters that have been constructed in the last 25 years have been in developing countries where environmental restrictions are less severe.

The CESL hydrometallurgical method for recovering copper has many environmental benefits over smelting in a global sense:

- The CESL refinery does not produce sulphur dioxide (a major contributor to acid rain) during the production of copper. There is no release of SO_2 to the environment and no reliance upon the sulphuric acid market to dispose of acid generated by the process.
- The hydrometallurgical CESL refinery has negligible particulate emissions. The smelting process emits particulates containing primarily copper and iron oxides along with volatile impurities such as arsenic, antimony, lead and cadmium. Although modern copper smelters can capture most of the particulates emitted during smelting, small quantities are still released.
- The CESL flowsheet handles and treats all of the streams within the circuit, recycling where possible with a closed loop water balance. Only a small amount of fresh water make-up to the process is needed, mainly to make up for evaporation, and no effluent treatment outside of the process is required. The CESL demonstration plant currently operates with no environmental issues 100 metres from the Fraser River (one of the largest salmon rivers in the world) as there is no effluent from the process.
- Residue from the process is environmentally benign, consisting primarily of iron oxide (hematite) and elemental sulphur. Tests have shown that the material is non-acid generating and may be stored with the existing mill tailings in a combined tailings pond. The quantity of residue produced from the hydrometallurgical refinery is minimal, generally accounting for only 1% of the total mine tailings.
- The on-site CESL process does not require intensive shipping requirements like concentrate sales. Concentrate sales require large truck and train shipments creating strain on roads, resources and fuel consumption and emission and marine diesel exhaust emissions.

The CESL process also realizes community benefits from on-site refining. The addition of a CESL refinery to a mine creates long-term employment opportunities, many of which are highly technical. The addition of a CESL refinery has the potential of lengthening the mine life by allowing a lower grade of concentrate to be processed. After the local mine is exhausted, the refinery could conceivably treat regional concentrates and thereby preserve the employment opportunities in the community.

Social Sustainability Performance—Labour Practices and Decent Work, Human Rights, Society, Product Responsibility				
Indicator	**Description**	**Page**	**2006 Report**	**2005 Report**
Labour Practices and Decent Work				
	Aspect: Employment			
LA1	Total workforce by employment type, contract and region	42	√	X
LA2	Total employee turnover by age group, gender and region	43	√	X
LA3	Benefits provided to full-time, part-time and temporary employees	43	√	√
	Aspect: Labour/Management Relations			
LA4	Percentage of employees covered by collective bargaining agreements	43	√	X
LA5	Minimum notice period regarding significant operational changes	44	√	X
	Aspect: Occupational Health and Safety			
LA6	Workforce represented in joint manager-worker health and safety committees	45	√	X
LA7	Rates of injury, occupational disease, lost days, work-related fatalities	44	√	√
LA8	Education, support and programs for workforce and families affected by serious diseases	web	√	√
LA9	Health and Safety topics covered in formal agreements with trade unions	44	√	√ (partial)
	Aspect: Training and Education			
LA10	Average hours of training per year per employee category	46	√	X
LA11	Lifelong learning that supports employability of employees	47	√	X
LA12	Percentage of employees receiving regular performance reviews	46	√	X
Human Rights				
	Aspect: Investment and Procurement Practices			
HR3	Total employee training on human rights	47	√	X
	Aspect: Non-Discrimination			
HR4	Total number of incidents of discrimination in which the right to exercise freedom of association or collective bargaining may be at risk		None	None
	Aspect: Freedom of Association			
HR5	Operations identified in which the right to exercise freedom of association or collective bargaining may be at risk		None	None
	Aspect: Child Labour			
HR6	Operations identified as having risk for incidents of child labour		None	None
	Aspect: Forced and Compulsory Labour			
HR7	Operations identified as having risk for incidents of forced or compulsory labour		None	None
	Aspect: Security Practices			
HR8	Security personnel trained in procedures concerning aspects of human rights that are relevant to operations	48	√	√
	Aspect: Indigenous Rights			
HR9	Total number of incidents of violations involving rights of indigenous peoples and actions taken		None	None

Social Sustainability Performance—Labour Practices and Decent Work, Human Rights, Society, Product Responsibility, continued				
Indicator	**Description**	**Page**	**2006 Report**	**2005 Report**
Society				
	Aspect: Community			
SO1	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting	48	√	√
MM7	Significant incidents involving communities	81	√	√
MM8	Programs for small-scale mining		n/a	n/a
	Aspect: Land Rights			
MM11	Process for identifying communities' land and customary rights	web	X	√
	Aspect: Resettlement			
MM9	Resettlement policies and activities	48	√	√
	Aspect: Corruption			
SO2	Percentage and total number of business units analyzed for risks related to corruption	49	√	√
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	49	√	X
SO4	Actions taken in response to incidents of corruption	49	√	√
	Aspect: Public Policy			
SO5	Public policy positions and participation in public policy development and lobbying	50	√	√
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country	50	√	√
	Aspect: Anti-Competitive Behaviour			
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their outcomes	50	√	√
	Aspect: Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		0	X
Product Responsibility				
	Aspect: Customer Health and Safety			
PR1	Life-cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	50	√	√
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes	50	√	X
	Aspect: Product and Service Labelling			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	51	√	√
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	51	√	X

n/a = Not applicable

Christa Ford, a Business Development Chemist at Trail, has been with the Company for 10 years. A fitness instructor and photographer in her spare time, she continues to expand her horizons by learning new languages and travelling, most recently to Africa.

This is
Our Future

Our society wants it all: we need more copper, gold, zinc and other minerals to support the growth of infrastructure, while we demand that the impact from the extraction of these products be minimized. At Teck Cominco, we are responding with more reuse and recycling, increased reclamation efforts and new developments in clean technologies.

This is Teck Cominco



From extraction technologies in our field operations, to our efficient processing and refining, to the innovations of our R&D teams, Teck Cominco continues to search for effective, economical, environmentally sound solutions that will support the stability and viability of our business for future generations of stakeholders, employees and their families.

Our Performance: Operations and Sites

ACTIVE OPERATIONS

1 Red Dog, AK
2 Pogo, AK
9 Highland Valley Copper, BC
11 Trail, BC
12 Pend Oreille, WA
14 Elk Valley Coal, BC
15 Hemlo, ON
18 Antamina, Peru

ACTIVE CLOSURES

3 Polaris, NU
6 Bullmoose, BC
7 Quintette, BC
13 Sullivan mine, BC

SELECTED HISTORIC AND DORMANT SITES

4 Churchill Copper, BC
5 Pinchi Lake, BC
10 Port McNeill site, BC
16 Howey mine, ON
17 Viburnum, MO

PRE-OPERATIONAL

8 Fort Hills, AB*
19 Lennard Shelf, AUS**

* *Fort Hills oil sands project is under development*
** *Lennard Shelf zinc operations began production in January 2007.*

Our Active Operations

TRAIL OPERATIONS

British Columbia, Canada
Mike Martin, General Manager
mike.martin@teckcominco.com

Operational Overview

Trail Metallurgical Operations is one of the largest fully integrated metallurgical smelting and refining complexes in the world. Production capacity totals approximately 295,000 tonnes/year of zinc and 120,000 tonnes/year of lead. The operation also produces a variety of other metal and chemical products including materials for technologically advanced applications such as indium, germanium and low-alpha metals. Trail, 100% owned by Teck Cominco Metals Ltd., currently employs about 1,500 people who work in 24 separate production facilities. With sophisticated technology, upgraded facilities and a highly skilled work force, Trail Operations is a significant contributor to the economies of the local community and the Province of British Columbia.

Environmental Highlights

The development of an electronic scrap recycling program continued with the treatment of over 2,000 tonnes of materials under a temporary one-year permit provided by the British Columbia Ministry of Environment. Recycled materials included computers, monitors and televisions that may have otherwise been disposed of in landfills. Based on the positive environmental performance to date, Trail will apply for a full operating permit to be in place in 2007. Local "E-Scrap Round-ups" were held in the area as part of the Company's centennial celebrations, and over 55 tonnes of material were collected.

Work commenced on a three-year, $6 million project to green and stabilize the riverbank below the facility. This project will dramatically improve aesthetics with the planting of over 70,000 trees and shrubs.

The operation continued to make good gains in the consumption of various stockpiled historical materials such as residues from the zinc plant and the effluent treatment plant. In 2006, over 53,000 tonnes of the former was treated, which is a new record—a tremendous step toward the eventual clean-up of historic stockpiles at the operation. Roughly $2 million was also spent on creating safe, permanent on-site storage facilities for legacy materials which cannot be treated.

James Morran, lead caster, with 100 lb. pig bundles

The quantities of most metals released to the environment were at levels comparable to 2005, although 2005 reflected a lower operating time due to an 80-day labour disruption. Stack releases of lead during 2006 were the lowest yet measured at Trail Operations, and air emissions from the operation continue to be amongst the lowest in the world for a base metals production facility, especially on a per tonne produced basis.

Trail Operations performs more than 60,000 compliance determinations annually, and there were 24 permit non-compliance incidents in 2006, representing a compliance rate of 99.96%. Most (17 of 24) incidents were related to seven different events where ambient sulphur dioxide concentrations were elevated. Ambient sulphur dioxide concentrations occasionally begin to rise in the community during prolonged periods of stagnant winds, but a contributing factor was also the increase of sulphur dioxide from the operation during 2006 arising from operational changes in the smelter furnaces. In the second quarter of 2007, a new gas cleaning process will be installed in the #2 Slag Fuming Furnace that will reduce emissions of sulphur dioxide.

Performance Trends—Trail	2006	2005	2004
Health & Safety Statistics			
Fatalities	0	1	0
Lost-time injuries	21	24	27
LTI frequency	1.36	1.82	1.70
Severity	38.43	495.84	59.86
Permit Compliance			
Number of excursions	19	10	10
Reportable Spills			
Number	5	6	11
Metals Released in Effluent (tonnes)			
Zinc	8.5	7.1	24.4
Lead	1.52	1.69	1.99
Cadmium	0.184	0.153	0.150
Mercury	0.031	0.017	0.013
Emissions to Air from Permitted Sources (tonnes)			
Zinc	89.8	97.7	121.2
Lead	1.36	1.92	3.80
Cadmium	0.10	0.14	0.09
Mercury	0.111	0.147	0.093
Sulphur Dioxide (SOx)	6,554	4,022	3,970
Average Ambient Air Quality, PM-10 (µg/m^3)			
Zinc	0.1470	0.1480	0.2007
Lead	0.0732	0.0769	0.1085
Sulphur Dioxide (ppm)	0.0122	0.0108	0.0110
Energy Use (Direct and Indirect)			
Electricity (TJ)	6,448	4,828	6,395
Fuel (TJ)	4,831	3,480	4,578
Energy intensity in product (GJ/t)	29.2	28.5	28.9
GHG Emissions (Direct)			
CO_2 equivalents (kt)	397	277	354
Carbon intensity (as CO_2e) in product (t/t)	1.03	0.95	0.93
Production (tonnes)			
Zinc	296,065	223,200	296,000
Lead	90,294	68,600	84,300
Total	386,359	291,800	380,300
Recycling			
Total solid materials (tonnes)	98,914	59,695	176,973
Total liquid materials (m^3)	136	68	87
Total items counted (count)	0	0	68

Performance Trends—Trail, continued	2006	2005	2004
Water Conservation			
Total groundwater withdrawal (m^3/yr)	0	n/a	n/a
Total surface water withdrawal (m^3/yr)	83,000,000	n/a	n/a
Water sources affected by withdrawal (name)	None	n/a	n/a
Total volume of water recycled/reused (m^3/yr)	n/a	n/a	n/a
Total percentage water recycled/reused %	n/a	n/a	n/a

n/a = Not available

Health and Safety Highlights

Trail Operations attained its second-best annual safety performance with a lost-time injury (LTI) frequency rate for its employees and contractors of 1.36 and a severity rating of 38.4. Improvement efforts in 2006 included the education of workers on hazard identification and risk management, with over 800 people receiving such training. Efforts in 2007 will continue to focus on the theme of improving hazard awareness and on making appropriate choices about how to deal with hazards.

Towards Sustainable Mining (TSM) Reporting

This year, the metallurgical operation completed the Mining Association of Canada (MAC) TSM self-assessments in three indicator areas. By mid-2007, the site will have received third-party verification of the levels that were self-assessed, and this will be forwarded to MAC as part of the TSM reporting requirement. The results of the assessment are found on page 61. Note that an overall Level 3 is expected of our facilities.

Community Sustainability

Compared to the U.S. standard for childhood health of 10 µg/dl, the average blood lead level among Trail-area children tested in 2006 by the Interior Health Authority was 5.5 µg/dl, versus 4.6 µg/dl in 2005. Note that 2005 saw an extended shutdown of the operation due to a labour dispute. In late 2006, the Company announced plans to upgrade a major piece of pollution abatement equipment, the Dracco baghouse, in order to further reduce lead emissions. While Trail Operations is a world leader in this regard, we wish to continue to improve. This project will be completed in 2009 at an estimated cost of approximately $10 million.

Community celebrations were held to honour the 100th anniversary of the founding of the Consolidated Mining and Smelting Company of Canada Ltd. Over 4,000 people attended the finale event in Trail at which two gifts to the community were announced. The first will realize the creation of a wildlife conservancy along 890 hectares of the Fort Shepherd Flats on the Columbia River south of Trail. Teck Cominco Metals Ltd. is transferring the acreage to The Land Conservancy. The arrangement includes a $1 million financial contribution from the Company to manage the land. The second endowment will allow for the conversion of the Company's heritage home in Trail—the residence of Company executives for generations—into a facility that will provide a lasting benefit for the community. In addition, over the course of the year more than $170,000 was made in local donations, sponsorships and scholarships.

The economic impact of Teck Cominco in the community of Greater Trail is significant. Annual payroll is approximately $120 million with approximately 1500 individuals directly employed by the Operations. In addition, the Company purchased over $114 million in goods and services from local suppliers in 2006.

100th anniversary celebrations

Over 4,000 people attended the finale event in Trail at which two gifts to the community were announced.

Mining Association of Canada (MAC) TSM

Indicator	Description	Self-Assessment Level
External Outreach		
1.	Community of interest identification	Level 2
2.	Effective COI engagement and dialogue	Level 4
3.	COI response mechanism	Level 5
4.	Reporting	Level 3
Crisis Management (Facility)		
1.	Preparedness	Compliant
2.	Annual review	Compliant
3.	Training	Not compliant
Crisis Management (Corporate Office)		
1.	Preparedness	Compliant
2.	Annual review	Compliant
3.	Training	Compliant
Energy Use and GHG Emissions Management		
1.	Energy use management system	Level 1
2.	Energy use reporting system	Level 2
3.	Energy intensity reporting target	Level 1
4.	GHG emissions management system	Level 1
5.	GHG emissions reporting systems	Level 2
6.	GHG emissions reporting performance	Level 1

Benefits Provided to Trail Full-time, Part-time and Temporary Employees

	FT	PT	TMP
Provincial Health	yes	no	no
Extended Health/Medical (U.S.)	yes	no	no
Dental	yes	no	no
Health Spending Account	yes	no	no
Group Travel	yes	no	no
Life	yes	no	no
Dependent Life	no	no	no
Employee Optional Life	yes	no	no
Spousal Optional Life	yes	no	no
AD&D	yes	no	no
Employee Optional AD&D	no	no	no
Spousal Optional AD&D	no	no	no
Short-Term Disability	yes	no	no
Long-Term Disability	yes	no	no
Weekly Indemnity	no	no	no
Maternity Leave	yes	no	no
Parental Leave	yes	no	no
Retirement Plan (pension, RRSP, 401K)	yes	no	no
Stock Ownership	no	no	no

FT = Full-time PT = Part-time TMP = Temporary

Valley Pit, Highland Valley Copper mine

HIGHLAND VALLEY COPPER

British Columbia, Canada
Wolf Nickel, President and General Manager
WNickel@hvcopper.com

Operational Overview

Located in south-central British Columbia, Highland Valley Copper (HVC) is Canada's largest non-ferrous metal mine. Owned 97.5% by Teck Cominco, the operation had a workforce of 956 at year-end and makes significant economic contributions to numerous local communities. Annual production averages 400,000 tonnes of copper concentrate or 179,000 tonnes of contained copper per annum.

Environmental Highlights

EMS work progressed this year with an aim to reach the goal of ISO 14001 certification. A management system gap analysis was completed to help develop the implementation plan.

Energy consumption and consequently carbon dioxide emissions increased moderately in 2006. Stronger prices for molybdenum and copper enabled mining to resume in the Highmont East Pit after more than 20 years of inactivity. The longer haul associated with moving ore from this pit to the processing facility increased diesel consumption. In the Valley Pit, increased movement of waste rock necessary to enable the relocation of the in-pit crushers also increased diesel consumption in the fleet of mining equipment.

Two energy efficiency projects were advanced in 2006, the first involving an upgrade of outside lighting on the property (replacement of inefficient fixtures and installation of sensors and controls to ensure reduction in use during the day). The second project aims to increase the efficiency of the system used to recycle process water from the tailings pond to the Mill. Once completed, these projects will result in energy savings of over 10 GWh/year.

The total area disturbed by mining activities is approximately 6,128 hectares (ha) with 2,259 ha of the total area being re-vegetated, equating to a 37% completion. This year, a total of 72 ha were prepared and approximately 71,000 coniferous and deciduous seedlings were planted. The use of biosolids from the Greater Vancouver Regional District (GVRD) and the Fraser Valley Regional District (FVRD) continued in 2006, with 30,000 wet tonnes of material applied on 62 ha.

Safety and Health

This past year involved significant challenges in terms of lost-time injuries, which were the highest since 2002. These lost-time injuries were recorded against 2 million hours worked resulting in a frequency of 1.80. The number of days lost as a consequence was 596.

Community Sustainability

Community activities continued to have a high priority during 2006. In August, the mine hosted 1,800 visitors at its 20th anniversary Open House. The operation's newsletter, the "Copper Wire", continues to be a source of pride; it provides an excellent communications vehicle to current and former employees. A special commemorative 20th anniversary brochure was produced in 2006 and highlighted HVC and its suppliers. Community involvement activities also included donations to recognized charities, such as the B.C. Association for Community Living and Royal Canadian Legion, and programs from a number of regional school initiatives, UBC Mining Team, ski clubs, and an Aboriginal hockey school. The United Way continues to be a major recipient of HVC funds with combined employee/company contributions of $364,000 in 2006. As part of HVC's ongoing commitment to the "Mining for Miracles" campaign, the joint company/employee contribution exceeded $42,000 and was shared between BC Children's Hospital in Vancouver and the Royal Inland Hospital in Kamloops. HVC also contributed to Royal Inland Hospital.

Performance Trends—Highland Valley Copper			
	2006	**2005**	**2004**
Health & Safety Statistics			
Fatalities	0	0	0
Lost-time injuries	18	5	5
LTI frequency	1.80	0.51	0.53
Severity	59.5	8.1	11.2
Permit Compliance			
Number of excursions	1	4	8
Reportable Spills			
Number	4	1	0
Average Concentrations in Effluent (mg/L)—Trojan Creek discharge to Witches Brook*			
Copper (permit limit 0.030 mg/L)	0.026	0.022	0.026
Molybdenum (permit limit 0.35 mg/L)	0.260	0.244	0.227
Energy Use (Direct and Indirect)			
Electricity (TJ)	3,497	3,467	3,427
Fuel (TJ)	1,276	1,172	1,039
Energy intensity in product (GJ/t)	27.7	25.5	25.5
GHG Emissions (Direct)			
CO_2 equivalents (kt)	86	78	69
Carbon intensity in (as CO_2e) product (t/t)	0.50	0.43	0.39
Production—Metal Contained in Concentrate (000 tonnes)			
Copper	170.4	179.0	170.3
Molybdenum	1.8	2.9	4.9
Recycling			
Total solid materials (tonnes)	3,973	4,579	5,286
Total liquid materials (m^3)	766	427	487
Total items counted (count)	24,411	16,290	112
Managed Wastes			
Total waste rock (000 tonnes)	14,905	n/a	n/a
Total non-hazardous wastes to landfill (000 tonnes)	2	n/a	n/a
Total tailings (000 m^3)	19,500	n/a	n/a
Water Conservation			
Total groundwater withdrawal (m^3/yr)	7,587,098	n/a	n/a
Total surface water withdrawal (m^3/yr)	17,018,489	n/a	n/a
Water sources affected by withdrawal (name)	None	n/a	n/a
Total volume of water recycled/reused (m^3/yr)	69,972,167	n/a	n/a
Total percentage water recycled/reused %	284	n/a	n/a
Reclamation			
Reclaimed land (ha)	2,352	2,322	2,279
Land to be reclaimed (ha)	2,985	3,004	3,010
Trees/shrubs planted (count)	71,120	65,370	98,138

** Copper and molybdenum concentrations for 2004 Trojan Creek discharge were incorrectly stated in the 2005 report. The corrected values are included in this table.*
n/a = Not available

Towards Sustainable Mining (TSM) Reporting

This year, the mine completed the Mining Association of Canada (MAC) TSM self-assessments in the four indicator areas. By mid-2007, the site will have received third-party verification of the levels that were self-assessed, and this will be forwarded to MAC as part of the TSM reporting requirement. The values of the assessment are found below. Note that an overall Level 3 is expected of our facilities.

Mining Association of Canada (MAC) TSM		
Indicator	**Description**	**Self-Assessment Level**
External Outreach		
1.	Community of interest identification	Level 4
2.	Effective COI engagement and dialogue	Level 3
3.	COI response mechanism	Level 3
4.	Reporting	Level 3
Crisis Management (Facility)		
1.	Preparedness	Not compliant
2.	Annual review	Not compliant
3.	Training	Not compliant
Crisis Management (Corporate Office)		
1.	Preparedness	Compliant
2.	Annual review	Compliant
3.	Training	Compliant
Tailings Management		
1.	Tailings management policy and commitment	Level 2
2.	Tailings management system	Level 2
3.	Assigned accountability	Level 3
4.	Annual tailings review	Level 3
5.	OMS Manual	Level 3
Energy Use and GHG Emissions Management		
1.	Energy use management system	Level 2
2.	Energy use reporting system	Level 2
3.	Energy intensity reporting target	Level 1
4.	GHG emissions management system	Level 1
5.	GHG emissions reporting systems	Level 2
6.	GHG emissions reporting performance target	Level 1

Awards

Highland Valley Copper received the Citation for Excellence in Metal Mine Reclamation from the B.C. Technical and Research Committee on Reclamation. The mine was also recognized by Ducks Unlimited for a contribution to the rehabilitation of the Logan Lake Marsh.

Benefits Provided to Highland Valley Copper Full-time, Part-time and Temporary Employees			
	FT	**PT**	**TMP**
Provincial Health	yes	no	no
Extended Health/Medical (U.S.)	yes	no	no
Dental	yes	no	no
Health Spending Account	no	no	no
Group Travel	no	no	no
Life	yes	no	no
Dependent Life	no	no	no
Employee Optional Life	yes	no	no
Spousal Optional Life	yes	no	no
AD&D	yes	no	no
Employee Optional AD&D	no	no	no
Spousal Optional AD&D	no	no	no
Short-Term Disability	no	no	no
Long-Term Disability	yes	no	no
Maternity Leave	yes	no	no
Parental Leave	yes	no	no
Retirement Plan (pension, RRSP, 401K)	yes	no	no

FT = Full-time PT = Part-time TMP = Temporary

Spotlight

Highland Valley Landfill Project. During 2006, HVC continued to pursue the development of a large-scale regional landfill on a portion of the completed waste rock piles. The proposal would utilize a state-of-the-art triple liner containment system and convert captured landfill gas to energy.

Highland Valley Copper Refinery Project. A study to determine the feasibility of installing a refinery to convert copper concentrate directly to copper metal was inconclusive. The refinery would use new technology developed by Teck Cominco and create economic development opportunities for Logan Lake and surrounding communities. The project entered into the British Columbia Environmental Assessment process during the year. Efforts continue to identify additional sources of copper concentrate which could result in rendering the project economically viable.

RED DOG MINE

Alaska, U.S.A.
John Knapp, General Manager
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Operational Overview

The Red Dog zinc/lead mine, mill and port facility are located in northwestern Alaska, 130 kilometres north of Kotzebue. Red Dog has a production capacity of over 580,000 tonnes per annum of zinc contained in concentrate. The operation is the largest zinc mine in the world both in terms of zinc reserves and zinc concentrate produced. Operating in a remote location, without road access, the operation is self-reliant, with power generation, an airport, worker housing and ocean shipping facilities.

The mine is operated by Teck Cominco Alaska Incorporated (TCAK—an indirect wholly owned subsidiary of Teck Cominco Limited) under an agreement with the NANA Regional Corporation (NANA—an entity wholly owned by the Inupiat people of northwest Alaska). The workforce totals 460 employees and contractors, of which 56% are NANA shareholders.

Environmental Highlights

In April 2004, Red Dog became the first mine in Alaska to achieve certification under ISO 14001. During the summer of 2006, the operation had a successful third-party maintenance audit in conformance with the ISO 14001:2004 standard.

In 2004, five citizens from the Village of Kivalina filed suit under the U.S. Clean Water Act alleging numerous violations of water discharge permits. The majority of the allegations were for total dissolved solids in the mine's discharge; however, these discharges were authorized under an order granted by the U.S. Environmental Protection Agency (EPA). Regardless, a citizen's suit is still pending. Mediation was attempted but failed. The litigation continues. A new National Pollution Discharge Elimination Permit was issued by the EPA in March 2007.

Significant environmental achievements in 2006 include:

- Construction of a new and larger sand-filter facility that replaced an older filtration facility. Sand filtration is the final stage of water treatment prior to discharge to the environment.

Aerial view of the Red Dog mine and complex

- Geotechnical drilling and design of a back-dam for the tailings impoundment. State of Alaska authorization to construct was also granted, and construction is scheduled to commence in early 2007.
- A Draft Closure Plan for the mine reached the final stages of development. Two workshops were conducted with regional stakeholders, local and state agencies and interested NGOs. Over 100 individuals attended and provided valuable feedback on the plan, which will be finalized in 2007.
- Operational and capital improvements continued for the reduction of metal-bearing fugitive dust. Bag-houses were installed on the mine's crusher dump pockets. Engineering and permitting were also completed for the installation of a bag-house on the coarse ore stockpile building.
- A draft Ecological and Human Health Risk Assessment is being finalized. Public comments are being addressed and the report is being revised accordingly. An ecological risk evaluation for the mine and mill sites was also started. Both risk studies will identify the potential risk from the release of fugitive dust and will be used to develop further mitigation measures.
- A triennial spill drill was conducted that allowed the operation to fully exercise its Incident Command System as well as deploy its spill response equipment. The State of Alaska Department of Environmental Conservation and the U.S. Coast Guard were involved and were satisfied with the exercise.

Performance Trends—Red Dog Mine			
	2006	**2005**	**2004**
Health & Safety Statistics			
Fatalities	1	0	0
Lost-time injuries	11	18	16
LTI frequency	1.68	3.31	2.96
Severity	953.6	119.0	109.0
Permit Compliance			
Number of excursions	15	13	20
Reportable Spills			
Number	130	128	144
Metals Released in Effluent (tonnes)			
Cadmium	0.003	0.004	0.002
Lead	0.003	0.003	0.003
Zinc	0.393	0.330	0.225
Average Concentrations in Effluent (mg/L)			
Cadmium (permit limit 0.002 mg/L)	0.0005	0.0007	0.0006
Lead (permit limit 0.081 mg/L)	0.0006	0.0005	0.0008
Zinc (permit limit 0.120 mg/L)	0.0722	0.0581	0.0571
Energy Use (Direct and Indirect)			
Electricity (TJ)	0	0	0
Fuel (TJ)	2,652	2,680	2,499
Energy intensity in product (GJ/t)	3.9	4.0	3.7
GHG Emissions (Direct)			
CO_2 equivalents (kt)	183	192	179
Carbon intensity (as CO_2e) in product (t/t)	0.27	0.29	0.27
Production—Metal Contained in Concentrate (000 tonnes)			
Zinc	557	568	554
Lead	123	102	117
Recycling			
Total solid materials (tonnes)	806	491	983
Total liquid materials (m^3)	191	0	0
Total items counted (count)	0	0	1176
Managed Wastes			
Total waste rock (000 tonnes)	4,326	n/a	n/a
Total non-hazardous wastes to landfill (000 tonnes)	7.4	n/a	n/a
Total tailings wet and dry volume (000 m^3)	12,769	n/a	n/a
Water Conservation			
Total groundwater withdrawal (m^3/yr)	0	n/a	n/a
Total surface water withdrawal (m^3/yr)	845,117	n/a	n/a
Water sources affected by withdrawal (name)	None	n/a	n/a
Total volume of water recycled/reused (m^3/yr)	12,136,635	n/a	n/a
Total percentage water recycled/reused %	1,436	n/a	n/a

n/a = Not available

- Initial drilling to evaluate the extractability of natural gas was unsuccessful due to difficult ground conditions. A modified program is being planned for 2007. Natural gas would be used to replace diesel fuel currently used for power generation and thereby significantly reduce particulate matter, NOx and SO_2 air emissions.

Safety and Health

Red Dog has an Occupational Health and Safety Committee that is comprised of a cross-section of employees from the workplace. During the year, over 40 hours of training was provided to each committee member in order for them to promote safety and health standards, manage hazards, conduct workplace inspections and understand that injuries are preventable.

Despite our efforts to ensure workplace safety, we regret to report a work-related fatality. In December, 2006, Jeff Huber, a staff geologist, was killed while working in the pit (see Spotlight on page 45). We extend our condolences to his family and we remain committed to our goal of zero fatalities.

Community Sustainability

Under the TCAK/NANA Agreement, an independent committee consisting of local native hunters provides direction to the operation on environmental matters. This committee meets quarterly to review all subsistence issues with the mine staff. The Committee provides input on operational activities as they relate to caribou, fish, seals, whales and other important subsistence resources.

An Employment and Training Committee is also provided for under the Agreement. This Committee is mandated to develop initiatives that will help maximize the number of NANA shareholders working at the operation. Under their oversight, Red Dog has an ambitious on-the-job training program and extensive student development efforts. Over 12,000 hours of on-the-job training was provided in 2006 to shareholders. On the education side, 41 students were enrolled in the scholarship program in 2006.

Red Dog management routinely meets with various governments and stakeholders. Once a year, all 11 of the local villages are visited and an operational update is provided at a public meeting. Meetings with the two closest villages, Noatak and Kivalina, are held on a more frequent basis. A total of 33 meetings were conducted in 2006. In addition, Red Dog has engaged several statewide and national NGO groups to discuss such issues as fugitive dust and closure planning.

Emergency erosion control effort in the village of Kivalina.

A storm in October 2006 collapsed a major section of the wall and jeopardized a fuel storage facility.

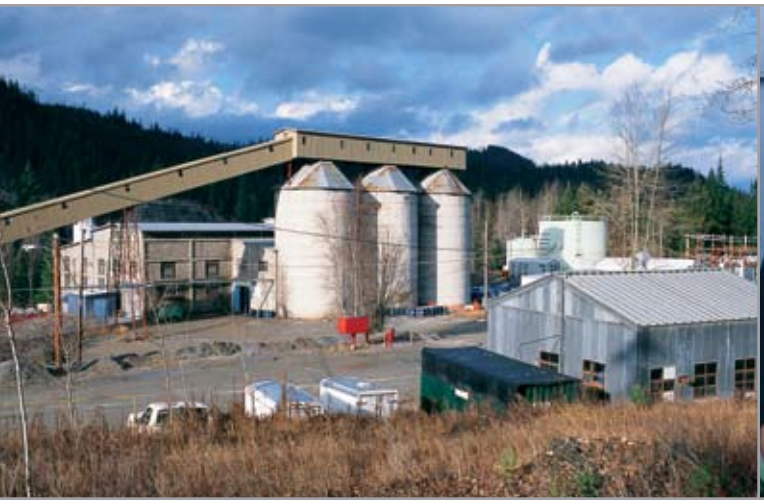
Benefits Provided to Red Dog Full-time and Temporary Employees

	FT	TMP
Health Insurance	no	no
Extended Health/Medical (U.S.)	yes	yes
Dental	yes	no
Health Spending Account	yes	no
Group Travel	yes	yes
Life	yes	yes
Dependent Life	yes	no
Employee Optional Life	yes	no
Spousal Optional Life	yes	no
AD&D	yes	yes
Employee Optional AD&D	yes	no
Spousal Optional AD&D	yes	no
Short-Term Disability	yes	no
Long-Term Disability	yes	no
Maternity Leave	yes	no
Parental Leave	yes	no
Retirement Plan (pension, RRSP, 401K)	yes	no

FT = Full-time TMP = Temporary

Kivalina Emergency Control

For the second consecutive year, Red Dog personnel participated in an emergency erosion control effort in the village of Kivalina. During the summer, a seawall had been constructed to protect the shoreline in order to prevent erosion and property damage from ocean storms. A storm in October 2006 collapsed a major section of the wall and jeopardized a fuel storage facility. Red Dog provided materials, equipment and manpower to help repair the erosion control barrier.



Overview of Pend Oreille mine operation

Mine rescue team: (L to R) Ernie Lewis, Roger Curran, Warren Dunbar, Don Dwyer and Kevin Foy

PEND OREILLE MINE

Washington State, U.S.A.
Mark Brown, General Manager
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Operational Overview

The Pend Oreille Mine (POM) is an underground zinc/lead mine with on-surface ore processing facilities and is 100% owned by Teck Cominco American Incorporated. At the end of 2006, Pend Oreille mine had approximately 180 employees. The site facilities consist of underground mine workings, mill/processing buildings, a concentrate load-out building and a double-lined tailings disposal facility. The mine is located in northeast Washington State, approximately 2 miles north of Metaline Falls, Washington, and 95 miles north of Spokane, Washington.

The mine uses the "room and pillar" mining technique. This method involves removing ore in a "honeycombed" network of underground rooms up to 30 feet in width and 70 feet in height. Where the ore is thicker than 15 feet, multiple benches are utilized. Interspersed between the rooms are 30 foot by 30 foot pillars that are spaced approximately 30 feet apart.

Environmental Highlights

An Environmental Management System (EMS) was implemented prior to operation of the mine. The EMS is designed to manage POM's procedures to limit adverse impacts on the environment. The program is based on the international standard ISO 14001.

The current EMS is in a "hard copy" format. Towards the end of 2006, POM began planning for the installment of an electronic format Environmental Management Information System (EMIS). Initially, the Accident and Investigation portion of the EMIS will be developed, with further database population throughout 2007.

POM operates under a National Pollutant Discharge Elimination System (NPDES) permit, which allows the mine to discharge groundwater pumped from the active work headings into the Pend Oreille River. In order to meet discharge criteria, POM operates a Sulfur Reducing Bacteria (SRB) passive water treatment system. In December 2004 and during a period from September 2005 through February 2006, POM was in non-compliance for average total lead greater than the permit condition of 0.200 mg/L and was fined US$4,500 by the Washington State Department of Ecology. Throughout 2006, POM reviewed operational conditions of the SRB system and identified and implemented procedures for the reduction of total lead in the discharge water. POM has successfully reduced lead levels to near start-up levels in 2003. December 2006 average monthly total lead was 0.109 mg/L.

The recycling program was expanded in 2006 to include wood, cardboard/paper, steel drums and E-waste. Tailings water from the active Tailings Disposal Facility (TDF #3) continued to be recycled. The milling facility successfully implemented water conservation controls and reduced water consumption by 8 acre-feet.

Safety and Health

POM operation implemented mandatory weekly Environmental, Health and Safety inspections for surface and underground operations at the mine. The approach is group-based and is designed to increase communication and education of all participants. Inspections are defined by specific areas, and the inspection team consists of the department head for that area, department shift supervisor, shift employee(s) and EHS member(s). An independent facilitator coordinates the inspections.

Tailings Management

Tailings disposal facility (TDF) #3 was designed with a Leachate Collection Recovery System (LCRS) to monitor leakage. The LCRS has a leakage rate permit limit of 18.9 litres per minute (lpm). The average leakage rate in 2006 was 1.5 lpm. Engineering and permit requirements for the next and final stage of TDF #3 were completed during the year. Construction began in Q4 and is expected to be completed in 2007.

Community Outreach, Engagement Dialogue

The Selkirk Community Teck Cominco Planners Committee was developed prior to mine start-up to create dialogue and involve the local community in the development, operation and eventual closure of POM. The meetings are held quarterly. In addition, management at POM attend the monthly meetings of the Metaline Chamber of Commerce, which is a means to maintain additional dialogue with the local community.

The Box Canyon Dam completed its 50-year relicensing program with the Federal Energy Regulatory Commission. Seattle City Light's Boundary Dam is currently involved in the same process. POM has been active in providing input to both projects.

Community Development/Good Neighbour Practices

The Selkirk Education Association received a grant from the State for local primary education. POM participated in part of the program by helping in maintenance of parks in the towns of Metaline and Ione. Students worked with industry personnel to conduct minor repair work in the parks.

POM renewed its two-year agreement for the Adopt-A-Highway program with the Washington State Department of Transportation. POM maintains a 2-mile stretch of Highway 31, which includes the entrance to the mine.

As part of POM's Site Environmental Policy, POM strives to support the local community by purchasing, to the extent possible, locally sourced goods. In addition POM maintains a commitment to hire locally from a population base of approximately 1,000 in Northern Pend Oreille County. Of the 176 current employees, 55 employees (31%) are from the local area.

Emergency Preparedness and Risk Management

An Emergency Procedures program was implemented during the first year of mining. Emergency table-top and mock exercises based on the Emergency Procedures program are conducted during each year. Quarterly inspections are conducted by the Mine Safety and Health Administration (MSHA) and by the Washington State Department of Ecology. Annual inspections are conducted by our property insurers, FM Global. POM is a full member of Central Mine Rescue.

Human Resources

POM offers a Health Tracks wellness program to its employees. Employees who enrol in the program are given full physicals and, based on the findings, provided with a "wellness" program for weight loss, cholesterol reduction, Smoke Enders consultation, etc.

POM conducts MSHA New Miner, Experienced Miner and annual refresher training. Two mine rescue teams conduct training in alternate months throughout the year. On-site medical and safety personnel received first aid training, drug recognition and drug sampling procedure training.

Safety personnel and mine rescue teams attend training related to mine rescue and also participate in the regional mine rescue competition. Professional staff members are encouraged in their professional growth by attending workshops and conferences that pertain to their field.

POM supports education and works specifically with the Pend Oreille Valley Foundation in support of local education and athletic programs. The Human Resources group participates in the local and state job fairs.

Performance Trends—Pend Oreille			
	2006	**2005**	**2004**
Health & Safety Statistics			
Fatalities	0	0	0
Lost-time injuries	2	9	3
LTI frequency	0.96	4.41	1.70
Severity	11.97	64.72	19.23
Permit Compliance			
Number of excursions	2	4	2
Reportable Spills			
Number	0	0	5
Average Concentrations in Effluent (mg/L)			
Zinc (permit limit 0.44 mg/L)	0.0990	0.1220	0.0960
Lead (permit limit 0.20 mg/L)	0.1720	0.1770	0.0750
Stream Water Quality—Downstream of Discharge			
Zinc	<0.0075	<0.005	<0.005
Lead	<0.010	<0.010	<0.005
Energy Use (Direct and Indirect)			
Electricity (TJ)	157	158	117
Fuel (TJ)	24	30	18
Energy intensity in product (GJ/t)	4.64	3.55	
GHG Emissions (Direct)			
CO_2 equivalents (kt)	1.9	2.3	1.4
Carbon intensity (as CO_2e) in product (t/t)	0.05	0.04	
Production (000 tonnes) (metal contained in concentrate)			
Lead/Zinc	39	53	0
Recycling			
Total solid materials (tonnes)	1.1	1.2	1.3
Total liquid materials (m^3)	95.8	27.0	41.0
Total items counted (count)	201.0	362.0	294.0
Managed Wastes			
Total waste rock (000 tonnes)	3	n/a	n/a
Total non-hazardous wastes to landfill (000 tonnes)	0.2	n/a	n/a
Total tailings volume (000 m^3)	305	n/a	n/a
Water Conservation			
Total groundwater withdrawal (m^3/yr)	831,983	n/a	n/a
Total surface water withdrawal (m^3/yr)	0	n/a	n/a
Water sources affected by withdrawal (name)	None	n/a	n/a
Total volume of water recycled/reused (m^3/yr)	1,414,269	n/a	n/a
Total percentage water recycled/reused %	170	n/a	n/a
Reclamation			
Reclaimed land (ha)	0	0	n/a
Land to be reclaimed (ha)	350	350	n/a
Trees/shrubs planted (count)	0	0	n/a

n/a = Not available

Aaron Penney, underground surveying

Colleen and Mike Miller have been married for 35 years. Colleen is an underground medic, and Mike is a serviceman.

During 2006, work force retention has been difficult. Hiring skilled employees, such as experienced miners, mechanics and electricians, has been challenging. Of a year-end work force of 176, 59 were hired in 2006 while 44 left during the same period.

Awards and Recognition

The Selkirk Community Teck Cominco Planners (SCTCP) received the *National Summit of Mining Communities* award in October at the National Summit meeting. The award is given to an individual, community, industry or governmental agency exhibiting the most innovative or moving "moment in time" during the summit. The SCTCP was established prior to the reopening of POM to involve the community in the development, operation and eventual closure of POM.

The operation was awarded the Association of Washington Businesses Service Award for community involvement. The award recognizes outstanding volunteerism and contributions made to communities.

Benefits Provided to Pend Oreille Full-time, Part-time and Temporary Employees

	FT	PT	TMP
Health Insurance	yes	no	yes
Extended Health/Medical (U.S.)	yes	no	no
Dental	yes	no	no
Health Spending Account	no	no	no
Group Travel	no	no	no
Life	yes	no	no
Dependent Life	yes	no	no
Employee Optional Life	yes	no	no
Spousal Optional Life	yes	no	no
AD&D	yes	no	no
Employee Optional AD&D	yes	no	no
Spousal Optional AD&D	yes	no	no
Short-Term Disability	yes	no	no
Long-Term Disability	yes	no	no
Maternity Leave	yes	no	no
Parental Leave	yes	no	no
Retirement Plan (pension, RRSP, 401K)	yes	no	no

FT = Full-time PT = Part-time TMP = Temporary

Activity at Hemlo's Horizon Pit

HEMLO OPERATIONS

Ontario, Canada
Chris Woodall, General Manager
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Operational Overview

Teck Cominco Limited has a 50% interest in the Hemlo Operations, a gold mining and processing facility located 350 kilometres east of Thunder Bay, Ontario. The operation consists of the Williams Mine (an underground facility with an open pit and mill) and the David Bell Mine (an underground facility). At the end of 2006, the mines employed 525 people. The mines are jointly operated by Teck Cominco and Barrick Gold Corporation. Teck Cominco's share of the site's production in 2006 was 205,000 ounces of gold.

Environmental Highlights

In 2006, the operations continued implementation of the energy management program that was initiated in 2005. The program consists of underground heat recovery systems, underground air system improvements, mill water consumption reduction, mill heat recovery systems and the installation of energy efficient pumps. In 2006, the program realized a 5.7% overall energy consumption reduction compared to 2005. The energy consumption reduction translates into $640,000 in annual savings at current energy prices.

In 2006, water recycling programs were initiated in order to reduce fresh water use. Use of treated effluent as underground process water at David Bell Mine allowed the operation to decrease intake volumes from Cedar Creek during critical periods.

Development of a formal Environmental Management System was initiated in 2006, and the operations began progressing toward ISO 14001 certification. Spill response training was rolled out and made mandatory for all employees and contractors. Best management practices were developed as a result of the increased awareness, and the operations saw a 50% decrease in the number of reportable spills compared to 2005.

Safety and Health

Employees at Williams Mine and David Bell Mine continued to participate in emergency response training programs held during the year. In 2006, training of a Hazardous Materials Emergency Response team was initiated. A contract was signed with an emergency response company (Newalta) to provide assistance in the event of a major situation at the sites involving hazardous materials.

A Work Well audit was carried out at David Bell Mine in 2006 and the site received a score of 90%. The Ontario Mines and Aggregates Safety and Health Association (MASHA) also conducted an Internal Responsibility System (IRS) audit at both sites.

All employees participated in the Back Care education program in 2006.

Towards Sustainable Mining (TSM) Reporting

This year, the mine completed the Mining Association of Canada (MAC) TSM self-assessments in the four indicator areas. The results of the assessment are found below. Hemlo did not undergo a third-party verification of self-assessment. Note that an overall Level 3 is expected at our facilities.

In 2006, Williams and David Bell Mine were recognized as two of the **safest mines** in Ontario.

Mining Association of Canada (MAC) TSM		
Indicator	**Description**	**Self-Assessment Level**
External Outreach		
1.	Community of interest identification	Level 2
2.	Effective COI engagement and dialogue	Level 1
3.	COI response mechanism	Level 2
4.	Reporting	Level 2
Crisis Management (Facility)		
1.	Preparedness	Not compliant
2.	Annual review	Not compliant
3.	Training	Not compliant
Crisis Management (Corporate Office)		
1.	Preparedness	Compliant
2.	Annual review	Compliant
3.	Training	Compliant
Tailings Management		
1.	Tailings management policy and commitment	Level 2
2.	Tailings management system	Level 1
3.	Assigned accountability	Level 1
4.	Annual tailings review	Level 1
5.	OMS Manual	Level 2
Energy Use and GHG Emissions Management		
1.	Energy use management system	Level 1
2.	Energy use reporting system	Level 2
3.	Energy intensity reporting target	Level 2
4.	GHG emissions management system	Level 1
5.	GHG emissions reporting systems	Level 2
6.	GHG emissions reporting performance target	Level 1

Community Sustainability

Hemlo personnel meet regularly with the Town of Marathon, Pic River First Nation and Pic Mobert First Nation to discuss issues of concern. The mine is partnering with Confederation College, Job Connect and two First Nations groups to develop a Heavy Equipment Mechanics apprentice program. Currently, the program has the capacity for four to six people and targets First Nations workers for potential placement in the Hemlo workforce.

The operation employed 60 employees through labour contracts with the Pic River and Pic Mobert First Nations. Regular meetings are held with the First Nations on contract issues and partnership opportunities supporting community development initiatives.

In 2006, Hemlo donated $195,000 toward various organizations, most notably the Lakeview Community Centre, the Marathon Curling Club and the Toronto Maple Leafs alumni game in Marathon.

Awards

Williams and David Bell Mine have been recognized as two of the safest mines in Ontario and received the following awards in 2006:

- MASHA Award of Excellence for mines with greater than 250 employees at Williams
- MASHA Award of Excellence for mines with less than 250 employees at David Bell
- CIMM J.T. Ryan Award at Williams for the second year in a row

Employees at Williams Mine and David Bell Mine continued to participate in emergency response training programs held during the year.

Benefits Provided to Hemlo Full-time, Part-time and Temporary Employees			
	FT	**PT**	**TMP**
Health	yes	yes	yes
Extended Health/Medical (U.S.)	yes	yes	no
Dental	yes	yes	no
Health Spending Account	no	no	no
Group Travel	no	no	no
Life	yes	yes	no
Dependent Life	yes	yes	no
Employee Optional Life	yes	yes	no
Spousal Optional Life	yes	yes	no
AD&D	yes	yes	no
Employee Optional AD&D	yes	yes	no
Spousal Optional AD&D	yes	yes	no
Short-Term Disability	yes	yes	no
Long-Term Disability	yes	yes	no
Maternity Leave	yes	yes	no
Parental Leave	yes	yes	no
Retirement Plan (pension, RRSP, 401K)	yes	yes	no

FT = Full-time PT = Part-time TMP = Temporary

Performance Trends—Hemlo	2006	2005	2004
Health & Safety Statistics			
Fatalities	0	0	0
Lost-time injuries	6	3	6
LTI frequency	0.72	0.37	0.71
Severity	12.9	11.8	41.7
Permit Compliance			
Number of excursions	2	0	0
Reportable Spills			
Number	3	6	9
Average Concentrations in Effluent (mg/L)			
Cyanide (permit limit 1.0 mg/L)	0.025	0.013	0.019
Copper (permit limit 0.3 mg/L)	0.018	0.013	0.022
Zinc (permit limit 0.5 mg/L)	0.004	0.022	0.016
Energy Use (Direct and Indirect)			
Electricity (TJ)	961	1,012	1,039
Fuel (TJ)	473	518	539
Energy intensity in product (GJ/oz)	3.50	3.33	3.19
GHG Emissions (Direct)			
CO_2 equivalents (kt)	32.3	34.7	36.2
Carbon intensity (as CO_2e) in product (t/oz)	0.08	0.08	0.07
Production (oz)			
Gold	410,000	460,000	495,000
Recycling			
Total solid materials (tonnes)	250	387	466
Total liquid materials (m^3)	179	316	298
Total items counted (count)	271	786	1601
Managed Wastes			
Total waste rock (000 tonnes)	4940	n/a	n/a
Total non-hazardous wastes to landfill (000 tonnes)	4	n/a	n/a
Total tailings volume (000 m^3)	4894	n/a	n/a
Water Conservation			
Total groundwater withdrawal (m^3/yr)	n/a	n/a	n/a
Total surface water withdrawal (m^3/yr)	1,404,485	n/a	n/a
Water sources affected by withdrawal (name)	None	n/a	n/a
Total volume of water recycled/reused (m^3/yr)	494,924	n/a	n/a
Total percentage water recycled/reused %	35	n/a	n/a
Reclamation			
Reclaimed land (ha)	171	167	165
Land to be reclaimed (ha)	318	322	293
Trees/shrubs planted (count)	6,000	n/a	n/a

n/a = Not available

Adam Webber, Pit Planner, Hemlo Mines

Oversized ore being loaded at the Pogo mine

POGO MINE

Alaska, U.S.A.
Bob Jacko, General Manager
bob.jacko@teckcominco.com

Operational Overview

The Pogo mine, located in eastern Alaska, is expected to produce an average of 400,000 ounces of gold per annum over a 10-year mine life. Teck Cominco is the operator and holds a 40% interest. Subsidiaries of Sumitomo Metal Mining (51%) and Sumitomo Corp. (9%) hold the remaining 60% interest. The underground mine and surface mill began production in the first quarter of 2006. The mine continues to ramp up to commercial production, expected in the second quarter of 2007. At year-end 2006, 238 people were employed at Pogo.

Environmental Highlights

Pogo completed its first year of production utilizing 100% recycled process water. During the year, there were no water quality exceedances from the industrial water treatment plant used to treat underground mine drainage and excess site precipitation prior to discharge. A storm event occurred in the second quarter which resulted in the effluent turbidity exceeding permit limits for one day; however, this was a natural variation due to storm flooding. In the third quarter, operational challenges resulted in the dilution ratio being exceeded for several days. Additional process automation and operator training was provided to improve process control. In the fourth quarter, the sewage treatment plant effluent exceeded permit limits for only one of several monitored biological parameters, fecal coliform, during two consecutive weekly samples. Review of plant operation failed to identify any operating deficiencies, and the effluent results returned to normal in subsequent weeks. In addition, there were several occasions when the tap water in the administration/camp complex exceeded regulatory guidance levels. The Alaska Department of Environmental Conservation has now approved Pogo's recommendation to add disodium orthophosphate to the drinking water to reduce corrosion in the drinking water plumbing system.

Community Sustainability

Teck Pogo Inc. continued to perform under a Payment in Lieu of Taxes Agreement with the community of Delta Junction. In accordance with this agreement, the operation will make payments of US$1.25 million to the City of Delta Junction over a period of three years to support community services. If the area residents choose to form a larger borough government, payments will increase to a minimum of US$2 million per year.

In May 2006, Pogo staff met with interested parties, including members of the Pogo Stakeholders Group, to review mine operations and 2005 environmental compliance performance. The Pogo Stakeholders Group consists of local citizens who are briefed on the operations and environmental issues at the site.

Pogo continued to work with the Delta Mine Training Center to train local applicants for entry-level miner positions at Pogo. In order to improve the quality of applicants interested in these positions, Pogo offered to place the candidates on the payroll during the training program, with jobs at Pogo guaranteed upon successful completion of the training.

Spotlight

Pogo Mine is located in a remote part of Alaska. As a result, there have been many encounters with black bears and grizzly bears. Pogo's waste management practices and aggressive hazing efforts were successful in deterring the bears before they became accustomed to humans, and no bears were harmed.

Performance Trends—Pogo Mine	2006	2005	2004
Health & Safety Statistics			
Fatalities	0	0	0
Lost-time injuries	3	4	5
LTI frequency	0.71	0.64	1.32
Severity	33.92	28.2	1.84
Permit Compliance			
Number of excursions	25	2	n/a
Reportable Spills			
Number	76	66	n/a
Energy Use (Direct and Indirect)			
Total energy use (GJ)	514,084	312,622	n/a
Energy intensity in product (GJ/oz)	4.5	No production	n/a
GHG Emissions (Direct)			
CO_2 equivalents (kt)	24	20	n/a
Carbon intensity (as CO_2e) in product (t/oz)	3.06	n/a	n/a
Production (oz)			
Gold	113,364	0	n/a
Recycling			
Total solid materials (tonnes)	13	0	0
Total liquid materials (m^3)	129	0	0
Total items counted (count)	195	0	0
Managed Wastes			
Total waste rock (000 tonnes)	187	n/a	n/a
Total tailings, dry weight (000 m^3)	159	n/a	n/a
Water Conservation			
Total groundwater withdrawal (m^3/yr)	27,968	n/a	n/a
Total surface water withdrawal (m^3/yr)	165,510	n/a	n/a
Water sources affected by withdrawal (name)	None	n/a	n/a
Total volume of water recycled/ reused (m^3/yr)	n/a	n/a	n/a
Total percentage water recycled/ reused %	95	n/a	n/a
Reclamation			
Reclaimed land (ha)	0	0	n/a
Land to be reclaimed (ha)	180	180	n/a
Trees/shrubs planted (count)	0	0	n/a

n/a = Not available

Doug Ruman, mill operator

Safety and Health

Pogo mine and its contractors place a high priority on safe work practices, and 2006 performance is provided in the Performance Trends table.

Benefits Provided to Pogo Full-time, Part-time and Temporary Employees	FT	PT	TMP
Health Insurance	no	no	no
Extended Health/Medical (U.S.)	yes	no	no
Dental	yes	no	no
Health Spending Account	yes	no	no
Group Travel	no	no	no
Life	yes	no	no
Dependent Life	yes	no	no
Employee Optional Life	yes	no	no
Spousal Optional Life	yes	no	no
AD&D	yes	no	no
Employee Optional AD&D	yes	no	no
Spousal Optional AD&D	no	no	no
Short-Term Disability	yes	no	no
Long-Term Disability	yes	no	no
Maternity Leave	yes	no	no
Parental Leave	yes	no	no
Retirement Plan (pension, RRSP, 401K)	yes	no	no

FT = Full-time PT = Part-time TMP = Temporary

Scenic views from the North Line Creek pit

ELK VALLEY COAL PARTNERSHIP

British Columbia and Alberta, Canada
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Operational Overview

Elk Valley Coal Partnership (EVCP) is the northern hemisphere's largest producer of hard coking metallurgical coal for the global steel industry, supplying about one-sixth of the world's seaborne metallurgical coal market.

Spotlight

EVCP's Cardinal River Operations was recognized for its efforts throughout 2006 in reclaiming the Sphinx Creek mining area. The effective upstream and downstream connection of the Sphinx Creek channel to the end of the pit lake allows fish to migrate into and through a body of water designed to permanently sustain native trout species, while providing year-round habitat on 100 reclaimed hectares for grizzly bears, elk, sheep, mule deer and wolves. Cardinal River Operations was presented with the Alberta Chamber of Resources' Major Reclamation Award for its work on Sphinx Creek. Each year, the Alberta Chamber of Resources award recipient is independently nominated by Alberta Environment for undertaking a project that best represents the values and principles of sustainable land use and reclamation in the province.

EVCP operates six open-pit mines, five located in southeastern British Columbia and one in west-central Alberta. These operations include: Fording River, Greenhills, Line Creek, Elkview, Coal Mountain and Cardinal River. EVCP's corporate office is located in Calgary, Alberta. As managing partner, Teck Cominco holds a 40% partnership interest in EVCP and a 5.3% indirect interest through its investment in Fording Canadian Coal Trust, which owns 60% of EVCP. At the end of 2006, EVCP employed approximately 3,000 men and women at its six operations and corporate office.

Environmental Highlights

All EVCP operations are accountable for long-term, socially responsible environmental stewardship. To EVCP operations, environmental stewardship means avoiding or mitigating potential negative impacts during operations as well as ensuring reclamation occurs to return the land to a pre-mining end land use.

All operations have been, and continue to be, subject to extensive environmental assessment processes, which include public and aboriginal consultation. The mines diligently follow through on all of their commitments and regulatory requirements.

Environmental Management System Achievements

By end of 2008, all EVCP operations are planning to have achieved ISO 14001:2004 certification. At the end of 2006, the following sites achieved certification of their environmental management systems:

- Fording River Operations (FRO) achieved ISO 14001:1996 certification in 2001 and achieved ISO 14001:2004 certification in 2006;
- Greenhills Operations achieved ISO 14001:1996 in 2005 and achieved ISO 14001:2004 in 2006;
- Coal Mountain Operations achieved ISO 14001:1996 in 2005 and achieved ISO 14001:2004 in 2006.

EVCP's Cardinal River Operations was recognized for its efforts in 2006 in reclaiming the Sphinx Creek mining area.

Reclamation

Reclaiming disturbed land to pre-mining conditions after land use is a significant objective at all six operations. Mining and reclamation progress to the end of 2006 is shown below:

	Disturbance to be Reclaimed (ha)	Reclaimed to End of 2006 (ha)	Reclaimed in 2006 (ha)	Seedlings Planted in 2006
Cardinal River	1,329	1,074	76	59,700
Coal Mountain	918	134	0	0
Elkview	2,562	971	20	13,400
Fording River	3,554	667	47	44,085
Greenhills	1,865	473	3	28,110
Line Creek	1,897	307	0	8,891
Total	12,125	3,626	146	154,186

Community Sustainability

The majority of employees working at the five mines located in the Elk Valley of B.C. live in Sparwood, Fernie, Elkford, Crowsnest Pass and adjacent rural areas. The Alberta operations' employees live primarily in Hinton and the surrounding area. For many of these communities, EVCP provides the largest source of local employment. EVCP's approach to community engagement is to support and encourage employees to be active citizens in the communities within which they live. Employees participate in local government, Chambers of Commerce and any number of areas of community or personal interest. EVCP's policy is to procure goods and services preferentially from local suppliers, including local First Nations businesses, whenever possible. A continuing example of local procurement of goods and services from First Nations business includes using technical forestry workers, purchasing wood products and advertising materials from businesses related to the local Ktunaxa Nation bands.

EVCP's donations program is focused on supporting the communities within which its employees live. Giving in 2006 covered a broad spectrum of areas including local health foundations, local sporting events, STARS air ambulance, advanced mining education at universities, and local First Nations cultural celebrations.

The largest employee-driven donation event at EVCP is its annual Caring for Kids campaign. Over the past 11 years, EVCP and its predecessor companies have dollar-for-dollar matched funds donated and raised by employees, resulting in more than $1.1 million donated in aggregate to children's hospitals in B.C. and Alberta.

Safety and Health

The commitment to improve EVCP's safety performance continued in 2006. The efforts paid off with a historically low lost-time injury rate for the year of 0.95.

At the corporate level, a manager of health and safety supports each operation's health and safety efforts and a senior management health and safety committee reviews and comments on each operation's performance. Starting in 2006, each of the sites took on the initiative of developing its safety programs within the parameters of a new common set of corporate Health and Safety Management Standards based on the Teck Cominco management standards. Regrettably, as shown in the safety statistics below, there was one fatality over the last three years.

Health and Safety Statistics

	2006	2005	2004
Fatalities	0	1	0
Lost-time injuries	29	39	28
LTI frequency	0.95	1.19	1.03
Severity	31.73	223.02	30.87

Awards

Fording River Operations received the 2006 B.C. Jake McDonald Mine Reclamation Award for outstanding reclamation achievements. Fording River's consistent commitment to reclamation and substantial contributions to the state of reclamation knowledge and techniques in B.C., including research into the establishment of productive forests on waste rock dumps, were the reasons for the award. In addition, the 2006 *Citation for Outstanding Achievement for Reclamation* at a Coal Mine was awarded to the Elkview mine by the B.C. Technical and Research Committee on Reclamation. This award was given on the merits of Elkview's leadership in the development of reclamation solutions for more than 30 years. Cardinal River Operations was awarded the 2006 Alberta Chamber of Resources Major Reclamation Award for its reclamation work on the Sphinx Creek mining area (see Spotlight on page 78).

Spotlight

In September of 2006, the Line Creek Operation reached the significant milestone of working two years without experiencing a lost-time injury.

Overview of tailings pond and complex

Fulgencio Diaz Laguna, environmental technician, examines five-year-old queñual tree.

ANTAMINA

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Operational Overview

The Antamina mine, located in the Andes mountain range, 270 kilometres north of Lima, Peru, is one of the largest zinc/copper mines in the world. Teck Cominco has a 22.5% interest and is partnered with BHP Billiton (33.75%), Xstrata (33.75%) and Mitsubishi Corporation (10%). Antamina currently employs 1,460 workers, over 98% of whom are Peruvian. Antamina also provides indirect employment to a similar number of contractors. Antamina paid over US$661 million in wages, taxes and local procurement during 2006.

Environmental Highlights

Antamina is committed to the efficient use of resources, the reduction and prevention of pollution and the protection of biodiversity. The port operation near the community of Huarmey earned ISO 14001 environmental certification in 2005. Work has started toward ISO 14001 certification of the minesite, which is scheduled for completion in 2008.

Environmental achievements in 2006 include:

- 99.9% compliance with environmental water quality limits at the mine and at the port facilities
- Installation of an automated data acquisition system and radio telemetry, which will improve site-wide data collection and timely decision making for both water volume and water quality management
- Installation of new environmental sample preparation and quality assurance lab

In September, an updated Environmental Management Plan (EMP) was officially approved by the Ministry of Energy and Mines. The EMP discussed changes to the mine operations since approval of the environmental impact statement and sought an increase in the monthly average production rate from 70,000 tonnes per day to 105,000 tonnes per day. The approval process involved workshops and information sessions in local communities around the mine, Huaraz and Huarmey. Antamina also completed a comprehensive revision of its Closure Plan, as required by the Ministry of Mines.

Community Sustainability

The Antamina mine influences an area with an estimated population of 220,000 people. The area stretches from the Andean region of Ancash to the coast, where the Company's port is located, and includes the communities along the 300 km pipeline route and access road.

In 2006, the Ancash Association (a corporate foundation sponsored by Antamina) and Antamina's Community Relations team adopted a new joint approach in order to improve relations with stakeholders. In 2006, the team worked together with the local government, non-governmental organizations and communities to achieve the following significant results:

- Invested US$1.25 million in eight programs and 81 projects developed in education, tourism, organic agriculture, fishing and conservation of natural resources
- Launch of a US$2.25 million extraordinary fund to support sustainable development in the region. As a result, 35 capacity-building projects with 13 municipalities from three provinces were completed. The design and implementation of the projects entailed extensive consultation and community engagement.

In addition, as part of its commitment to local communities and in cooperation with the government of Peru, Antamina created a US$65 million sustainability fund. The fund will be used to improve the health, welfare and education of indigenous populations that live in the areas near the minesite.

The operation continues to foster new forms of collaboration between the local government, communities, non-profit organizations and international agencies.

Emergency Response to Incident with Tailings Decant System

In April of 2006, due to changes in tailings discharge water quality, a Level 1 Alert was raised, activating Antamina's Crisis Management Team (CMT). The alarm level was raised to a Level 3 Crisis that evening owing to the increase in flows and the observed tailings solids near the drop shaft. Not knowing the location of the leak or how it would evolve, and not able to inspect the sidehill structure, it was decided to evacuate the village of Ayash and shut down the concentrator.

The community of Ayash Pichiu on the Ayash River near the mine

Following inspection of the components of the Stage 1 decant system, it was determined that the system was structurally sound and that the flows came from small cracks in the concrete sidehill channels. Once the hazard level was better understood and a sudden increase in flow was highly unlikely, the people of Ayash returned to their homes and the concentrator was restarted. In response, the sidehill channels were sealed by placing a concrete plug in the lower part of the channels, above the entry to the drop shaft and plunge pool. Concrete was placed in the sidehill channels to create a 33 m long plug, permanently sealing the section where cracking had occurred. The emergency was declared over in May. The early detection of an abnormal condition and activation of the Emergency Response plan allowed for a quick, focused response to the situation.

Awards

Antamina was awarded the Sustainable Development Prize by the National Society of Mining, Petroleum and Energy of Peru, for the Polylepis project—a project between Antamina, The Mountain Institute and local communities.

The IPAE (Peruvian Entrepreneurial Management Institute) recognized Antamina for its contributions in the development of education, art and culture with the Luis Hochschild Plaut award.

Maintaining Our Presence: Active Closures

Elk crossing reclaimed tailings

SULLIVAN MINE

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Operational Overview

The Sullivan mine, located at Kimberley in southeastern British Columbia, closed in 2001 after 92 years of producing lead, zinc and silver. Closure activities, ongoing since 2002, continued in 2006. Reclamation of the minesite will have cost $80 million by the time it is completed early in 2007.

Environmental Highlights

Environmental achievements for the year include:

- Continued progress on the development of an underground mine dewatering system. The system will be operational in 2007 but may not be put into service until 2008, when it is expected the water levels in the mine will have to be controlled;
- Re-vegetation of 166 hectares of reclaimed land was completed, which included the planting of 10,100 woody species seedlings;
- Over 107 hectares of former concentrator and float piles were covered with glacial till in preparation for further reclamation work; re-vegetation is scheduled for 2007.

Community Sustainability

The Sullivan mine Public Liaison Committee (SPLC) provides a venue for government and public input on the decommissioning and closure activities at Sullivan. In October, the SPLC reviewed the 2006 closure progress and discussed 2007 planned activities as presented by Teck Cominco. It was proposed that TCML would assist CP Rail on the decommissioning of the railway from Kimberley to Cranbrook. The rail ballast was sourced from float rock, a by-product of the Sullivan concentrator. The ballast will be returned to a landfill adjacent to the Sullivan concentrator tailings ponds.

Sullivan continues to work with the City of Kimberley in its transition from a mining community to a tourism economy. To this end, Teck Cominco, along with provincial and federal governments, provided grants to the Sullivan Mine and Railway Historical Society for the development of an underground railway and museum. TCML has also donated land and infrastructure to the City.

Safety and Health

Regrettably, in 2006 there were four fatalities at the mine. A contractor's employee lost his life while attempting to acquire a water sample from an enclosed monitoring station and a Teck Cominco employee lost his life while attempting to rescue the contractor's employee. Thereafter, two B.C. Ambulance Service paramedics also succumbed in the rescue attempt. It was determined that an oxygen deficient environment existed in the monitoring station at the time. The cause of the incident was investigated by the Chief Mines Inspector for the B.C. Ministry of Energy, Mines and Petroleum Resources, and Teck Cominco has initiated a research program to better understand the environmental dynamics that resulted in the oxygen depleted atmosphere. Results of the research will be shared with industry and governments to ensure that lessons learned are widely disseminated in an effort to prevent a recurrence of this type of hazard.

A mule deer buck grazing on reclaim vegetation at the Sullivan tailings pond. Deer and elk share this re-vegetated landscape.

Performance Trends—Sullivan Mine	2006	2005	2004
Health & Safety Statistics			
Fatalities	4	0	0
Lost-time injuries	0	1	0
LTI frequency	8	1.35	0.00
Severity	48,270*	123.0	0.0
Permit Compliance			
Number of excursions	1	0	0
Reportable Spills			
Number	0	1	0
Metals Released in Effluent (tonnes)			
Lead	0.00099	0.0005	0.0008
Zinc	0.203	0.196	0.133
Stream Water Quality—St. Mary River Zinc Concentrations (mg/L)			
Upstream	0.00214	0.0029	0.0012
Downstream	0.0069	0.0061	0.0054
Reclamation			
Reclaimed land (ha)	983	817	676
Land to be reclaimed (ha)	107	283	419
Trees/shrubs planted (count)	10,100	54,000	0
Water Conservation			
Total groundwater withdrawal (m^3/yr)	0	n/a	n/a
Total surface water withdrawal (m^3/yr)	5,805	n/a	n/a
Water sources affected by withdrawal (name)	Sourced from the City of Kimberley	n/a	n/a
Total volume of water recycled/reused (m^3/yr)	0	n/a	n/a
Total percentage water recycled/reused %	0	n/a	n/a

n/a = Not available

** The high severity rate reflects the fatalities, the low number of employees and the subsequent impact on the calculation, which is days lost per total hours worked times 200,0000 hours.*

Spotlight

Sullivan Fatalities, 2006

It is our intent to provide as much information as possible on the four fatalities that resulted during a routine water sampling campaign. The following is an overview of the technical circumstances of the event and the scope of research we are managing, which has been approved by the B.C. Ministry of Energy, Mines and Petroleum Resources (MEMPR):

Kimberley Incident—Preliminary Technical Insights

Subsequent to the fatalities incident over May 15-17, 2006, Teck Cominco sought advice from academic experts at the University of British Columbia (UBC) and from a technical consulting firm as to the potential underlying causes of the incident. Based on inspections of the #1 Shaft Waste Dump site, analyses of monitoring station air samples taken shortly after the incident and their knowledge of the complex reactions that can occur within covered waste dumps, both groups came to realize that the respiration or "breathing" of the covered dump through the drainage conveyance system to the monitoring station was a likely causal factor in the incident. This realization led to research recommendations from UBC and a proposed program from the consulting firm that focused on a respiration phenomenon hypothesis. These recommendations are in the Chief Inspector's report on the incident as posted on the MEMPR web site.

The immediate program of technical investigations was approved by the MEMPR and is ongoing. It is being assessed and guided by a technical review panel that consists of independent experts from UBC, staff from both the MEMPR and Teck Cominco and their respective technical advisors. The technical program will continue for some time before definitive conclusions on the causal factors can be made and industry-wide recommendations for preventative measures can be developed. In the meantime, the panel has prepared this preliminary statement to outline the technical circumstances concerning the incident and the working hypothesis in the continuing investigation.

1. It has not been common practice to monitor air emissions from waste dumps. Measurements of air quality within waste dumps have been made but only for the purpose of investigating the geochemical behaviour of dumps and not from the context of safety. Those investigations have confirmed the presence of very low oxygen atmospheres within other mine waste rock dumps. However, such internal atmospheres had not been identified as a health and safety risk. – *continued on next page*

Spotlight

Sullivan Fatalities, 2006, *continued*

2. The design of the dump cover and of the collection system for drainage flowing from within the dump at Kimberley was done according to current best practices under which the volume of contaminated drainage collected and subsequently conveyed for treatment is minimized. This entails the diversion of surface run-off and/or uncontaminated flows away from the collection system.

3. Drainage effluent monitoring facilities such as those at the #1 Shaft Waste Dump are common in the industry worldwide. They serve the purpose of monitoring effluent drainage quality and flow collected from within the waste dump. In the case of the facility at issue, it was enclosed in a shed to ensure year-round monitoring reliability in light of local climatic conditions.

4. The effluent monitoring station had been in use for five years or more without incident and, in fact, was entered by mine personnel the week before the event in question that began on May 15th.

5. Air emissions from waste dumps have not been identified as a risk, and the air quality in the flow through the collection pipe in the covered drainage channel that connects the waste dump to the monitoring station was not measured. There was no warning that the air was depleted of oxygen.

6. The following mechanisms and sequences have been proposed to outline the technical circumstances of the events that took place during the period May 15th to May 17th:

    a. A reclamation program was implemented during 2004 and 2005 with the intention to seal the dump from surface water flows in order to minimize the amount of water contaminated from contact with exposed sulphide mineral surfaces within the dump.

    b. Part of this program involved extending the toe of the dump about 70 m over the drainage channel that ran along the front of the dump in order to recontour the slope of the dump in preparation for the placement of a soil cover and successful re-vegetation.

    c. This combination of sealing the dump from water infiltration together with the covering of the drainage channel created unprecedented conditions in which deoxygenated air within the dump was directly connected to the monitoring station allowing entry of this hazardous air into the monitoring station. Essentially, what was previously a very safe situation was inadvertently converted into a dangerous one through the successful sealing of the dump together with the covering of the drainage channel.

    d. Beginning just prior to May 15th and continuing through much of that week, reduced barometric pressure and increased ambient temperature led to a relatively high flow rate of deoxygenated air from the dump into the monitoring station such that, even with the door of the shed fully open, extremely low levels of oxygen were maintained in the air at the floor and sump levels within the shed.

7. It is possible that the above set of conditions may exist elsewhere in the industry that until now has also gone unrecognized. Research is required to fully define the mechanisms of atmosphere movement from within the covered dump. This will be an important contribution to the understanding of other potentially similar risks in the industry. A new design method and operating procedure for these monitoring stations and other related facilities is required in order to eliminate the possibility of another similar accident in the future.

As noted at the outset, the research program on the respiration of the covered dump through the sampling station is ongoing and will be expanded with additional instrumentation to examine atmospheric and other conditions within the dump itself. To date, results are showing periods of outflow comparable to the conditions apparent immediately following the incident and other periods of air flow into the dump. Ambient temperature and atmospheric pressure appear to be factors influencing the direction and velocity of air flow, but the physical mechanisms by which those factors cause outflow have yet to be precisely defined. Generally, warm summer conditions result in outflow while colder temperatures normally lead to air flow into the dump. The investigations will continue under the guidance of the technical review panel until it is possible to be definitive about both the mechanisms involved at this site and the factors that might create similar conditions at other sites.

An aerial view of the entire footprint of the Polaris mine and port infrastructure during 2001 operations

An aerial view of the Polaris mine and port area after reclamation and decommissioning was completed in 2004

POLARIS MINE

Nunavut, Canada
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Operational Overview

Located on Little Cornwallis Island in Nunavut, in Canada's high arctic, the Polaris mine was the most northerly metal mine in the world. Polaris was an underground lead/zinc mine that commenced production in 1980 and closed in September 2002. In its day, the mine processed about 1 million tonnes of ore per year.

The mine closure program was based on environmental site assessment work conducted in 1999 and 2000. After extensive regulatory and public consultations, all approvals were received from Nunavut and federal authorities. The two-year, $68 million decommissioning and reclamation program was completed in September 2004. During decommissioning and reclamation, metals and hydrocarbon contaminated soils were cleaned up and materials from demolition of surface facilities and buildings were placed in a surface limestone quarry and capped. Hazardous materials were transported to southern Canada for recycling or disposal.

Environmental Highlights

The primary monitoring focus is on water quality in Garrow Lake, where tailings had been discharged. During operations, water discharged from the lake contained concentrations of zinc (the primary metal of interest) below both the Water Licence and Metal Mine Effluent Regulations limit of 0.5 mg/L. Zinc concentrations in the water discharging from the lake have continued to decline since mine closure.

The mine closure program approvals require an annual geotechnical inspection of the engineered earth works that were undertaken during site reclamation. Structures included in these inspections are the landfills, the decommissioned Garrow Lake dam, and the decommissioned marine dock (including the adjacent foreshore area). All of these structures have remained stable as designed and are expected to continue to remain stable into the future. During site reclamation, there were many areas where natural drainage patterns were restored by removing culverts and installing water bars. Several of these experienced some erosion in the spring of 2006 and were upgraded during the summer.

Community Sustainability

The nearest community is Resolute Bay, located approximately 100 kilometres southeast of the mine. During operation, the mine held regular meetings with the hamlet council and local residents. Since closure, Teck Cominco continues to keep the community informed of monitoring activities.

A trio of mountain goats on a re-vegetated rock dump area at the Shikano Pit overlooking the Murray River

QUINTETTE

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Operational Overview

The Quintette mine is owned by the Elk Valley Coal Partnership and is situated in the eastern foothills of the Rocky Mountains, approximately 22 kilometres from Tumbler Ridge, B.C. The mine produced 67 million tonnes of high quality metallurgical coal from 1983 until its closure in August 2000. Three separate areas have been mined, two at high elevation and the other in the Murray River valley. Since the mine closure, the focus of activity has shifted to reclamation, salvage and demolition.

Teck Cominco, the former owner of Quintette, continues to be responsible for reclamation of all disturbed areas, excluding the plant site. Two employees work at this site.

Environmental Highlights

A property-wide monitoring program that was requested by the B.C. Ministry of Environment to assess sediments and biological communities potentially exposed to selenium and other contaminants was completed in 2006. The report concluded that no further assessment was necessary and that the main river system in the area, the Murray River, was not affected by selenium or other contaminants.

We are nearing the completion of all Detailed Site Investigation (DSI) activities, which are being done to satisfy provincial requirements related to the B.C. Contaminated Sites Regulation (CSR), and the B.C. Mines Act. Once the assessment is complete, any contaminated areas will be dealt with in an approved fashion.

A 4-hectare area in the Shikano mine was re-worked due to erosion rilling and will be seeded in 2007. In addition, over 40,000 willow cuttings were planted in the tailings impoundment area in 2006. At the end of the year, 91% of the disturbed area was reclaimed, leaving 312 hectares to be reclaimed. Most of this area is associated with the plant site facilities, which are being maintained for potential future mining and coal processing.

A successful native plant species island in the Mesa open pit —the white flowering plants are yarrow.

At the end of the year, 91% of the disturbed area was reclaimed.

BULLMOOSE

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Operational Overview

The Bullmoose mine, located near Tumbler Ridge, B.C., in the eastern foothills of the Rocky Mountains, produced 34 million tonnes of high quality metallurgical coal from 1983 until its closure in April 2003. Teck Cominco, which operated the mine, owns 61%, BHP-Billiton 29% and Sojitz Corporation 10%. Activities in 2006 consisted of the final stages of infrastructure demolition, burial of concrete pads and site reclamation.

Environmental Highlights

Bullmoose has completed all salvage, decommissioning and re-vegetation requirements with the exception of small areas required to ensure effective management of surface water runoff. In 2006, an additional 45,000 seedlings were planted on the property.

Bullmoose has completed a selenium monitoring program to assess sediments, water and biological communities potentially exposed to selenium and other contaminants. Additional fisheries studies will be undertaken as a result of the initial investigations.

Bullmoose is also nearing the completion of all Detailed Site Investigations (DSIs), which are being done to satisfy provincial requirements related to the *B.C. Contaminated Sites Regulation (CSR)*, and the *B.C. Mines Act*. Once the assessment is complete, any contaminated areas will be dealt with in an approved fashion.

An aerial view taken in 2005: the buildings and equipment dotted around the middle and upper area are now completely gone.

A comprehensive land capability and re-vegetation assessment was conducted in 2006. Results of this work, which are still pending, will be used to determine if additional reclamation or remedial work is required to satisfy the reclamation permit.

View of reclaimed rock dumps in high elevation areas of the Bullmoose mine

Spotlight

Reclamation of the Bullmoose mine was carried out progressively during each year of active operations. During the past three years, a fleet of dozers has been used to reslope waste dumps and place a soil cover. Helicopters were used to seed and fertilize the area and thousands of conifers, shrubs and willows were planted. At present, over 99% of the property has been reclaimed with the objective of enhancing wildlife habitat. Since the aerial photograph was taken, all remaining facilities have been removed.

A Sustainable Future: Exploration Activities

L to R: Victoria Yehl, Senior Project Geologist; Chad Hewson, Project Geophysicist; Lucas Marshall, Senior Project Geologist

EXPLORATION

Fred Daley, Vice President, Exploration

Operational Overview

Operating from 12 exploration offices, Teck Cominco's global exploration objective is to provide the Company with high quality growth opportunities through the discovery or acquisition of new mines. Globally, there are 150 full-time staff employees within the exploration group.

Mineral exploration often takes place in highly diverse and rapidly changing socioeconomic regions. In many cases, exploration may be a local community's first exposure to the mining industry. Teck Cominco is committed to conducting mineral exploration programs that optimize three key sustainability pillars: economic achievement, excellence in EHS performance and community engagement and contributions.

Environmental Programs

Teck Cominco's Environment, Health and Safety Management Standards have been presented and discussed with all regional managers and senior exploration staff. In collaboration with the Environment Group, EHS reviews are conducted at country exploration offices and active exploration sites to assist in the implementation of the standards.

Reclamation and Closure

Reclamation programs consistent with the high corporate standards are conducted before exploration properties are relinquished. In many cases, exploration properties require ongoing reclamation activities during active exploration. For example, regular road maintenance and establishment of drainage structures are required to mitigate erosional effects caused by the wet-dry seasonal cycles in the tropics. Active road maintenance and monitoring are conducted to avoid road wash-out during break-up and freeze-thaw conditions in the Arctic.

Environmental Health and Safety Procedures

Attention to health and safety issues is a priority for the Exploration Group. A new EHS Manager was appointed in 2007. EHS Coordinators are present in each exploration office and are involved in ensuring safe practices by providing training, monitoring and reporting on local health and safety performance of all employees and contractors.

Exploration—Health and Safety Record

History	LTI Frequency	LTI Frequency*	LTI Severity	LTI Severity*
Year	Target	Actual	Target	Actual
2002	2.6	2.53	26	22.48
2003	2.3	2.04	23	13.87
2004	2.1	0.94	20	6.08
2005	1.9	1.47	18	20.95
2006	1.7	1.45	16	899.08[1]

** Denotes number of lost-lime injuries (frequency) and number of lost-time days (severity) respectively, per 200,000 work hours*
Two fatalities in 2006: One each in Mexico and Turkey

Emergency Preparedness

Customized Health and Safety Guidelines have been developed that recognize the unique elements of exploration work. Background information and templates ensure that exploration personnel are prepared and able to respond effectively to emergencies and incidents. In collaboration with the Risk Group, personnel are educated, trained and provided with the tools necessary to work in diverse environments throughout the world.

Teck Cominco's Exploration Manager, Mexico, Diego Fernández Balderas, at the Morelos Norté site

The rugged terrain of the El Limon deposit in the Morelos exploration area required an emphasis on environmental protection and safety.

Engaging and Contributing to Communities

The engagement of and contribution to communities has become an operational directive for Teck Cominco and is extremely important to the Exploration Group. Whether it is giving presentations to students or conducting community information sessions in locations such as Turkey, Peru and Mexico, the Exploration Group actively engages those with interests in the Company's activities and in the regions where we operate. As much as possible, local employment opportunities are maximized and, in many cases, training is provided. When open communication lines are created, they provide an important two-way opportunity to share and educate local communities on the nature and processes of mineral exploration.

Mineral exploration programs optimize three key sustainablity pillars: economic achievement, excellence in EHS performance and community engagement.

Our Technology

Nicky McKay, Senior Process Mineralogist, ART

Mary Neef, Chemical Engineer-in-Training, CESL

TECHNOLOGY

Vancouver, Canada
John Thompson, VP Technology Group
john.thompson@teckcominco.com

The Technology Division was formed in late 2005 in order to focus our in-house technology on external and internal growth opportunities, technology transfer and improvement projects and sustainability.

The division has three major units. The Cominco Engineering Services Limited (CESL) facility in Richmond, British Columbia, is advancing our proprietary hydrometallurgical technology both in terms of process improvements and commercialization. The Applied Research and Technology (ART) group, based adjacent to the Trail smelter and refinery in southern British Columbia, carries out process development, improvement projects on behalf of operations and environmental projects to solve potential problems. Finally, our Product Technology Centre (PTC) located in Mississauga, Ontario, carries out product development and technology marketing related to zinc and lead.

All three units within the Technology Division focus on sustainability in three different areas:

- Development of processes or operational improvements that increase efficiency, decrease energy consumption and/or reduce effluents and emissions
- Production and marketing of technologies that address the efficiency of metal use and related stewardship and life-cycle issues
- Use of bioremediation and other techniques to reduce the metal content in waters in and around our operations

Some specific examples are described below.

CESL—Hydrometallurgy

Our proprietary hydrometallurgical technology, although not yet fully commercialized, indicated that, when applied at a minesite, it will help improve environmental performance relative to the conventional shipping of concentrates and subsequent treatment at smelters and refineries. Over 70 concentrates have been tested in the last 10 years at the CESL facility, which houses bench, pilot and demonstration scale facilities. We continue to evaluate and pursue new opportunities where the CESL process offers an economic advantage over conventional concentrate sales. Advantages of CESL include the virtual absence of effluents and emissions, the ability to handle deleterious elements safely and the reduction or elimination of transportation, smelting and refining with associated environmental and financial benefits.

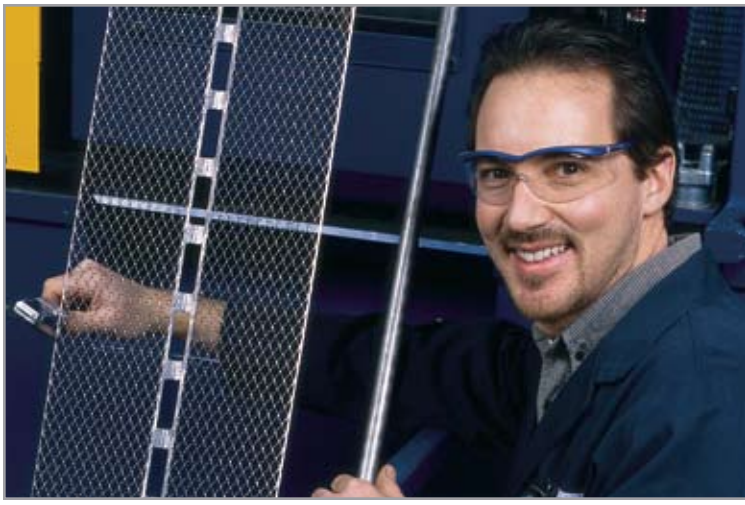
ART—Bioremediation

Surface and underground water that passes through mineralized rock, whether undisturbed or mined, may contain elevated metal values. Use of various bacteria provides an efficient and harmless method for fixing the metals and removing them from the water. This approach—bioremediation—has been applied successfully for treating metal-rich underground waters at our Pend Oreille mine.

PTC—Metal use and zinc energy

Much of the work at PTC is devoted to reducing the consumption of zinc and lead in various applications. Decreasing the thickness of galvanizing coatings while increasing corrosion resistance is highly desirable and promotes an extended life cycle for zinc. Similarly, our efforts to develop technologies that produce lighter positive and negative plates in lead-acid batteries increases the efficiency of lead use and decreases the battery weight in automobiles—with consequences for energy consumption.

PTC is also carrying out research and development related to the innovative use of zinc in batteries. Our zinc-air battery, which offers an efficient alternative to other types of fuel cells, has been tested at various scales from small motorized bicycles to buses, and further trials are proposed for 2007.



Rick Renaud, Technologist, PTC

ZincOx Resources plc

In 2006, we re-engaged with ZincOx Resources, a company that we have backed from initiation in 1999. ZincOx has a new business model for zinc recycling based on the use of a combination of technologies to process Electric Arc Furnace Dust (EAFD) in an environmentally clean manner that captures all of the metal products. Our recent investments expose us to this attractive business consistent with our sustainability goals.

Cominco Engineering Services Ltd., or CESL, is based in Richmond, B.C., and has developed a hydrometallurgical process for the on-site treatment of copper and nickel concentrates. The CESL process has remarkably low environmental impact—it's a closed process with virtually no gaseous or liquid discharges. It can be located anywhere, even in close proximity to a mine, with very low capital and operating costs, and can be used to refine "dirty" concentrates containing fluoride, arsenic, bismuth, uranium and other elements that pose serious challenges in conventional smelting.

The CESL process is a very powerful and valuable technology and is currently being implemented, at a 10,000 tonne-per-year copper plant under construction in Brazil by Companhia Vale do Rio Doce (CVRD).

Our Terminology

ART
Applied Research and Technology. Teck Cominco's technology group, based in Trail, British Columbia. ART provides geometallurgical, process and environmental technical support to Teck Cominco operations and develops process technology solutions for new projects in partnership with exploration, engineering and business development.

CERMC
Corporate Environment and Risk Management Committee

CESL
Cominco Engineering Services Ltd. The CESL division developed a hydrometallurgical process for the refining of copper and/or nickel from sulphide concentrates.

CO_2e
Carbon dioxide equivalents

CSR
Corporate Social Responsibility

Direct Energy Use
The consumption of primary energy sources owned or controlled by Teck Cominco.

EHSMS
Environmental Health & Safety Management Standards

EMS
Environmental Management System

EPA
Environmental Protection Agency

G3
The Global Reporting Initiative Guidelines (third generation) used for this report.

GHG
Greenhouse Gases

GRI
Global Reporting Initiative

Human Rights
Human rights refers to the concept of human beings having universal rights, or status, regardless of legal jurisdiction or other localizing factors, such as ethnicity, nationality and sex.

ICMM
International Council on Mining and Metals

Indigenous peoples
Cultural groups and their descendants who have a historical association with and continuity in a particular region or part of a region. They have a cultural identity and as minorities may be vulnerable to current social and economic systems.

Indirect Economic Impacts
As defined by the GRI Economic Indicator Protocols Set, they are the result, often non-monetary, of direct economic impacts (the transactions between the organization and its stakeholders).

Indirect Energy Use
The energy used by Teck Cominco but generated by sources owned and controlled by another company (imported electricity, heat or steam).

ISO 14001
International standard for environmental management systems

Licence to operate
Earning, securing and maintaining trust from the communities in which we operate and from regulators in order to conduct present and future business operations.

Life-cyle Analysis
A full assessment of a product's lifespan, from mining the product to process and function.

lpm
Litres per minute

LTI
Lost-time injuries

MABC
Mining Association of British Columbia

MAC
Mining Association of Canada

MSDS
Material Safety Data Sheet

NGO
Non-governmental organization

NPRI
National Pollutant Release Inventory

OHSAS 18001
OHSAS 18001 is an Occupational Health and Safety Assessment Series for health and safety management systems.

PM-10
Particulate matter less than 10 microns

PTC
Product Technology Centre. Based in Mississauga, Ontario, the PTC group develops products and technologies that support metal sales and Teck Cominco's customers, particularly related to zinc and lead but also various specialty metals.

Stakeholders
A stakeholder is any person or group of people that may be affected positively or negatively by the financial, environmental (including health and safety) and social aspects of our operations, and those who have an interest in, or those who have an influence on our activities. Stakeholders are also referred to as communities of interest (COI).

Sustainability
Development that meets the needs of the present without compromising the ability of future generations to meet their own needs—as defined by the World Commission on Environment and Development (Bruntland Commission), 1987.

TCAMI
Teck Cominco Advanced Materials Inc.

TCL
Teck Cominco Limited

TRI
Toxic release inventory

TSM
Towards Sustainable Mining is an initiative sponsored by MAC for improving the mining industry's performance by aligning its actions with the priorities and values of Canadians.

UNGC
United Nations Global Compact is an initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies and to report on them.

Universal Declaration of Human Rights
The Universal Declaration of Human Rights (also UDHR) is a declaration adopted by the United Nations General Assembly, describing the human rights guaranteed to all people.

CONVERSION FACTORS

Unit Definitions & Conversion Factors	
t	tonnes (1,000 kg)
kt	kilotonnes (1,000 tonnes)
mg	milligram (0.001 g)
µg	microgram (0.000001 g)
ppm	parts per million
L	litre
m^3	cubic metre (1,000 L)
GJ	gigajoule (10^9 joules)
TJ	terajoule (10^{12} joules)
kWh	kilowatt-hour (0.0036 GJ)
GWh	gigawatt-hour (10^6 kWh)

Greenhouse Gas Conversion Factors for Fuel				
	CO_2	**CH_4**	**N_2O**	**GJ**
Diesel	2,730 g/L	0.12 g/L	0.1 g/L	38.68 GJ/m^3
Gasoline	2,360 g/L	0.19 g/L	0.39 g/L	34.66 GJ/m^3
Natural gas	1,880 g/m^3	0.048 g/m^3	0.02 g/m^3	0.03723 GJ/m^3
Propane	1,530 g/L	0.03 g/L	ø	25.53 GJ/m^3
Heavy fuel oil	3,090 g/L	0.12 g/L	0.013 g/L	38.68 GJ/m^3
Coal	2,110 g/kg	0.015 g/kg	0.05 g/kg	30.5 GJ/t
Coke	2,480 g/kg	0.12 g/kg	ø	28.83 GJ/t

Source: Mining Association of Canada

Carbon Dioxide Equivalents (CO_2e) *A measure of global warming potential*	
1 tonne carbon dioxide (CO_2)	1 tonne CO_2e
1 tonne methane (CH_4)	21 tonnes CO_2e
1 tonne nitrous oxide (N_2O)	310 tonnes CO_2e

Source: Government of Canada

This is

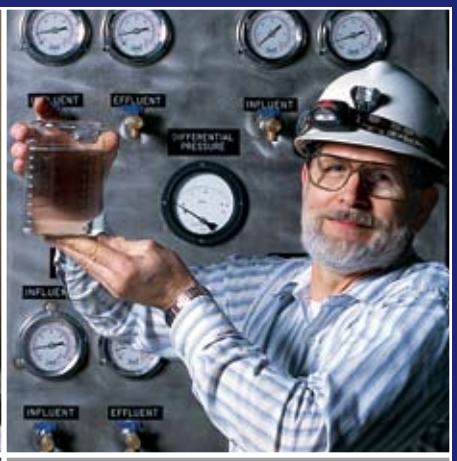
teckcominco

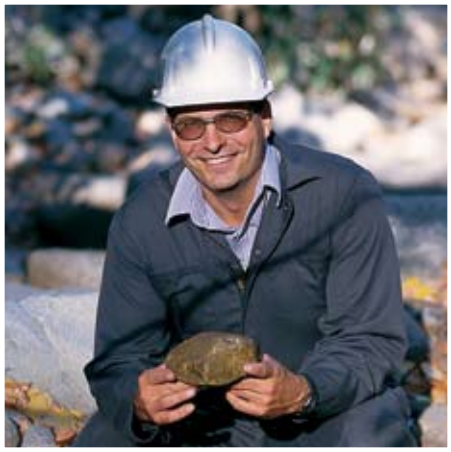
Community

Environment

Innovation

Achievement



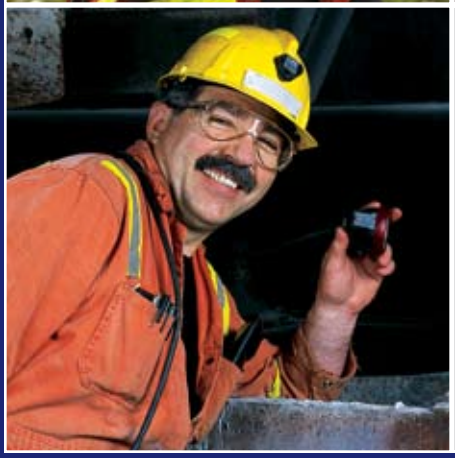


Stewardship

Collaboration

Technology

Diversification



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