

## Our Approach to Biodiversity and Closure

### Which Teck sites does this document apply to?

This document summarizes our approach to managing biodiversity<sup>1</sup> and closure. This document applies to all Teck-controlled sites and projects, inclusive of contractor activities. This does not include operations in which Teck has had an ownership interest but is not the principal operator.

**Biodiversity and closure performance information:** See our [Annual Sustainability Report](#), available for download on our website.



*Employee at Teck protected land near to our Carmen de Andacollo Operations, Chile, 2017.*

### Background

Our operations are adjacent to or within areas of high biodiversity value,<sup>2</sup> including temperate and arctic areas, forests and deserts. Effectively managing biodiversity is a part of our commitment to responsible resource development, is integral to meeting regulatory requirements and helps maintain community support for our activities.

We recognize that our activities have the potential to impact biodiversity and to alter ecosystems in a significant way, which can affect individual species as well as the provision of critical ecosystem services that communities rely on. Indigenous Peoples in many areas also rely on the land to maintain traditional ways of life.

We work collaboratively with stakeholders and Indigenous Peoples to develop integrated approaches to land use and to operate in a manner that seeks to avoid, minimize and mitigate our impacts. Through progressive and final closure, we can replace much of the structural and compositional diversity of the natural habitats that existed before we developed our mines.

### Governance and Accountability

#### Accountability and Resourcing

The Board of Directors, through its Safety and Sustainability Committee, oversees health, safety, environment and community policies, systems,

performance and auditing, including Teck's sustainability-related standards (Sustainability Standards). The Standards include specific guidance on biodiversity and closure.

The following senior leaders at the corporate level are involved in implementing the management of biodiversity and closure:

- Our Senior Vice President (SVP), Sustainability and External Affairs reports directly to the President and Chief Executive Officer (CEO) and is responsible for sustainability, health and safety, environment, community, and Indigenous affairs, including biodiversity
- The Vice President, Environment reports to the SVP, Sustainability and External Affairs and oversees compliance with environmental standards for projects, operations and our legacy properties, and regularly reviews environmental performance risks and strategic issues
- The Head of Nature and Closure is responsible for leading our approach to biodiversity and closure

At each of our operations, we have a designated team leading Teck's work in managing biodiversity and closure. These employees are responsible for monitoring biodiversity and closure-related activities and using the results to inform and implement improved stewardship practices. See [Our Approach to Business and Sustainability](#) for more details on our sustainability governance structure.

<sup>1</sup> Biodiversity: The variability among living organisms from all sources, including terrestrial, marine and other aquatic ecosystems and the ecological complexes that they are a part of; this includes diversity within species, between species and within ecosystems.

<sup>2</sup> High biodiversity value areas have features that provide essential ecosystems relied on by humans and animals, and they have an abundance of rare, vulnerable or endemic species and/or large areas of relatively intact natural habitat.

## Policies and Standards

Our [Code of Sustainable Conduct](#) describes how we will integrate biodiversity and closure considerations through all stages of business and production activities. It also outlines our commitment to continually improve our environmental practices and ensure they are fully integrated into each of our activities.

Teck's Sustainability Standards outline the framework for the identification and effective management of sustainability risks and opportunities, including those related to biodiversity and closure, and define a process for continual improvement.

## Memberships, Partnerships and External Commitments

We work with various local, national and international organizations and programs to support biodiversity and closure:

- [International Council on Mining and Metals \(ICMM\)](#): A global industry association that represents leading international mining and metals companies who are required to implement the ICMM Principles, the Position Statements and the Performance Expectations, which include criteria related to the conservation of biodiversity.
- [Mining Association of Canada \(MAC\)—Towards Sustainable Mining \(TSM\)](#): A Canadian industry association that promotes the development of the country's mining and mineral processing industry, works with governments on policies applicable to the sector, and promotes the value that mining brings to the economy and daily life of Canadians while operating responsibly using the Towards Sustainable Mining Protocols including the Biodiversity Conservation Management Protocol.
- [The Copper Mark](#): A multi-metals assurance framework developed by the International Copper Association to promote responsible practices and to demonstrate the contribution of the transition minerals industry to the United Nations Sustainable Development Goals. The Copper Mark criteria includes criteria related to biodiversity and protected areas, and mine closure and reclamation.
- [International Organization for Standardization \(ISO\) 14001](#): An international standard that specifies the requirements for an environmental management system that organizations use to manage environmental responsibilities in a systematic way to enhance environmental performance.
- [The Proteus Partnership](#): A cross-sector collaboration between the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) and multinationals in high-priority sectors to advance best practice approaches to biodiversity management, address common challenges and harness common opportunities.
- [World Economic Forum Champions for Nature](#): A community of leaders using their experience and ambitions to pave the way to a net-zero, nature positive

global economy by 2030. This community gathers champions from the public and private sectors, civil society and academia, and was co-chaired in 2022-23 by Teck President and CEO Jonathan Price.

- [1t.org Corporate Alliance](#): Part of the World Economic Forum's work to conserve, restore and grow one trillion trees by 2030, by committing to leadership, action, integrity, transparency and learning.
- [Nature Conservancy of Canada](#): Our partnership with this leading national land conservation organization includes collaboration on conservation projects, along with financial support from time to time
- [The Nature Trust of British Columbia](#): Through collaboration, Teck supports the organization's goal of conserving B.C.'s biological diversity
- [BC Parks Foundation](#): Teck supports the BC Parks Foundation's Wildlife Forever, Healthy By Nature and Discover Parks programs
- [Fondo Naturaleza Chile](#): Teck is partnering with the Chile Nature Fund to support the conservation of Chile's natural heritage.

## Approach to Managing Biodiversity and Closure

### Contributing to a Nature-Positive Future

Nature loss is a severe global challenge. As a resource company, we want to do more than just mitigate our own impacts—we want to contribute to halting and reversing nature loss. That is why we've set a goal to contribute to a nature positive future. This means that, by 2030, our conservation, protection and restoration of land and biodiversity will exceed the disturbance caused by our mining activities from a 2020 baseline. This builds on our strategic priority to work towards securing a net positive impact on biodiversity at our operations from a pre-mining baseline. To do so, we will take action in three focus areas:

1. Create a culture of nature positive decision-making at Teck that is guided by science and Indigenous knowledge, including evaluating the biodiversity impacts of our actions and our dependencies on nature, assessing material risks and opportunities, and avoiding and reducing our direct negative impacts on nature where possible as part of our planning and execution. (See 'Respecting Protected and High Biodiversity Value Areas' below.)
2. Mitigate our residual negative impacts on nature to achieve a net positive impact on biodiversity at each of our operations. (See 'Achieving a Net Positive Impact' below.) Among other measures, this means we will:
  - Progressively rehabilitate our impacts and accelerate that work to ensure it is planned and in progress for all eligible land impacted by mining at our operations by 2030
  - Improve rehabilitation success and cost-effectiveness through targeted research and development

- Act on a landscape scale in the regions where we operate through ecosystem restoration and conservation projects on ecologically and culturally significant lands aligned with the priorities of, and in partnership with, local communities, Indigenous Peoples and others, at a minimum conserving or rehabilitating at least three hectares for every one hectare affected by our mining activities since 2020
3. Seek to catalyze nature positive transformation across our value chains and the global systems of which we are part. Among other measures, this means we will dedicate 25% of our community investment to nature, and we will form partnerships with our suppliers, customers, Indigenous groups, governments, non-profits and others to halt and reverse nature loss, including by building capacity, sharing learning and advocating for private sector action.

Recognizing the global imperative to halt and reverse nature loss by 2030 and the critical role that natural climate solutions can play in mitigating climate change, our nature positive goal also supports [Teck's net-zero climate strategy](#) and its contribution to the [United Nations Sustainable Development Goals](#).

## Respecting Protected and High Biodiversity Value Areas

Protected areas include those protected by national or regional law or designated by international organizations, including United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage sites and International Union for Conservation of Nature (IUCN) category Ia, Ib, II, III or IV protected areas. High biodiversity value areas have features that provide essential ecosystems that are relied on by humans and animals, and they have an abundance of rare, vulnerable or endemic species and/or large areas of relatively intact natural habitat.

As a member of the ICMM, we are committed to not explore or develop in UNESCO World Heritage sites. Currently, none of our operations or projects are located within areas protected by UNESCO or recognized by IUCN. The road between Red Dog Operations and the port facility, which is owned by the state-owned Alaska Industrial Development and Export Authority, passes through the Cape Krusenstern National Monument, an IUCN category V protected area.

We have identified protected areas, areas of high biodiversity value and species at risk<sup>3</sup> that occur within 50 kilometres of our operations and major development projects. We use this information as important inputs during the development, implementation and monitoring of biodiversity management plans for each operation. Our strategy places a high priority on addressing potential impacts on critical habitat for species at risk. A summary of the results of the proximity analysis, including those prioritized by international conservation initiatives, can be found in the Biodiversity and Closure section of our [Sustainability Performance Data](#).

<sup>3</sup> IUCN Red List Species and National Conservation List Species

<sup>4</sup> Net Positive Impact (NPI) on Biodiversity: Where biodiversity gains realized through mitigation activities exceed biodiversity losses from the impacts of operations.

## Achieving a Net Positive Impact

Our nature positive vision includes securing a net positive impact (NPI)<sup>4</sup> on biodiversity in areas affected by our activities. This encompasses our commitment to secure no net conversion of natural habitat, including no net deforestation, at our sites by 2030 (from a 2020 baseline).

### Biodiversity Management Plans

We currently have biodiversity management plans at each of our operations that set out how NPI can be achieved by following the biodiversity mitigation hierarchy (avoid, minimize, rehabilitate, offset). These plans are reviewed internally and updated as needed annually.

Biodiversity management plans:

- Identify ecosystems and biodiversity elements (EBEs) in the site's footprint and in its area of influence, including terrestrial, freshwater and marine habitats and ecosystems; critical landscape functions; highly valued or threatened populations and species of plants and animals; and ecosystem services
- Assess impacts that the site and its activities pose to the extent and condition of these EBEs. We quantify the magnitude of impacts against established baselines using metrics, models and tools that reflect viability or function as appropriate to the EBE for which they are designed. The Integrated Biodiversity Assessment Tool (IBAT) is one example of a methodology we use.
  - We use established classification systems to delineate different types of ecosystems. We then measure the extent of ecosystems with conventional units such as hectares, and we measure their condition by comparing their similarity to benchmarks in undisturbed locations. We also measure the suitability of the habitats for wildlife that these ecosystems provide, based on ecological variables that are important for the species in question. In some cases, we may also monitor the number of individuals of a species directly.
- Perform a risk assessment on the identified environmental impacts.
- Design mitigations to achieve NPI that:
  - Comply with applicable regulatory requirements
  - Wherever possible, avoid impacts on EBEs, particularly those to which the site poses high or extreme risks; in some cases, this may require significant changes in our plans in order to protect critical areas
  - At all times, minimize impacts that are unavoidable, adopting best practices in mine operations risk mitigation and management actions to reduce any high or extreme risks to the viability of EBEs to low or medium levels
  - Then implement appropriate rehabilitation practices on a progressive basis to enable a self-sustaining

trajectory to restore, to the extent practicable, the ecological structure, composition and function that existed at the time development commenced for the site. The practices incorporates consideration of resilience to climate change where possible. For EBEs assessed at lower risk, we may rehabilitate to higher conservation value ecosystems if higher conservation value is demonstrated by a scientifically credible framework for determining the conservation status of an ecosystem and supported by local Indigenous Peoples and other communities of interest. We develop and implement rehabilitation monitoring programs that support adaptive management, including milestones and corrective actions.

- For areas where it may not be possible to replace all of the EBEs that our sites impact, or where our impacts need to be mitigated before rehabilitation is possible, we seek to implement biodiversity offsets. The design and implementation of offsets draw on international and national best practices, including demonstrating quantifiable additionality,<sup>5</sup> being located as close to the site as possible, and benefiting the relevant EBEs. Offsets that would achieve significantly greater gains for biodiversity at a location distant from the site, or for a higher priority EBE, may be considered

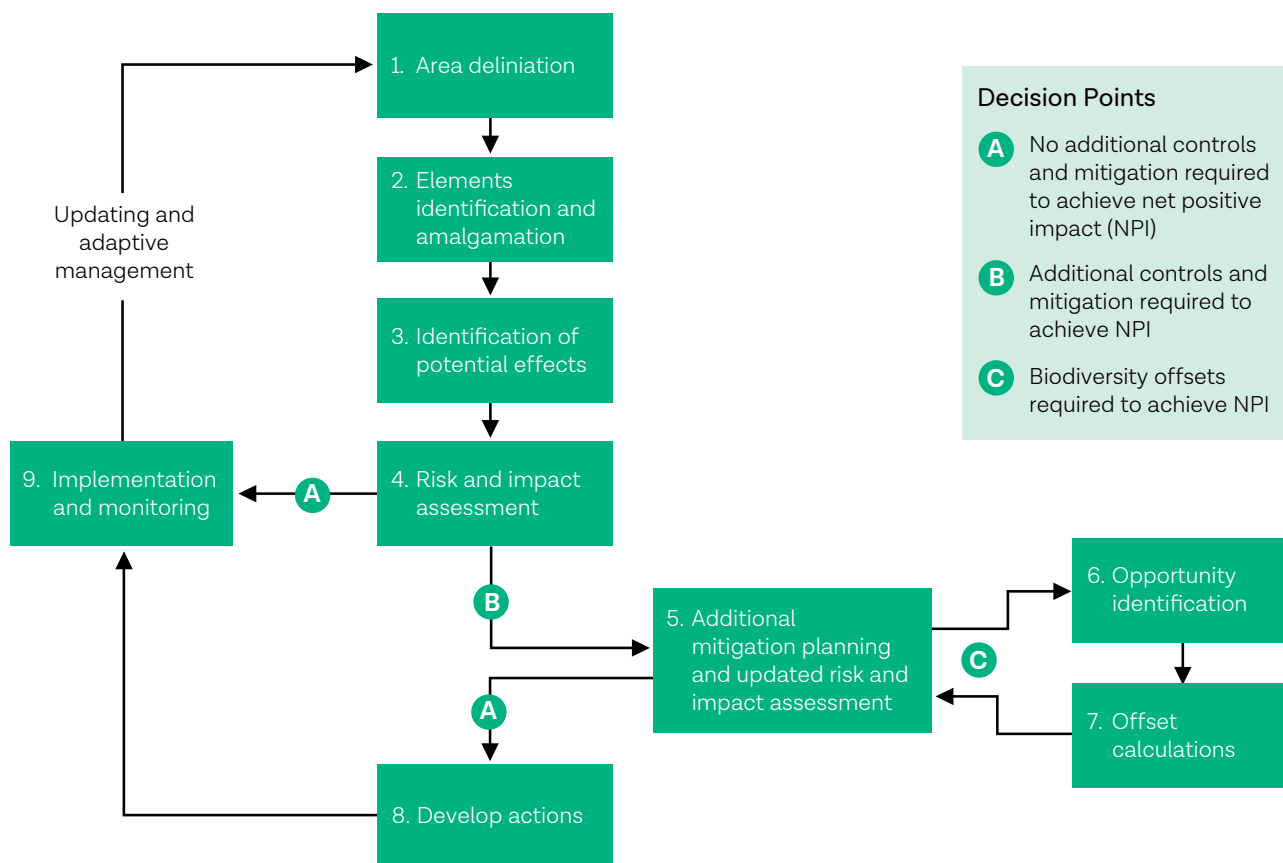
if higher conservation value is demonstrated by a scientifically credible framework for determining the conservation status of an EBE and supported by local Indigenous Peoples and other communities of interest. We seek to obtain legal protection of biodiversity offsets or equivalent permanence, and commit to or secure adequate and permanent funding for the management of offsets. We develop and implement offset monitoring programs that support verification and adaptive management, including milestones and corrective actions.

- Set performance thresholds for mitigation and specify adaptive management responses to adjust our actions based on ongoing monitoring and research
- See this [case study](#) for additional details on how we measure our NPI

### Social, Environmental and Regulatory Approvals (SERA)

Typical environmental assessments for new mines or mine extensions are similar to our biodiversity management plans, in which the EBEs relevant to a project or operation are identified, the impacts and risks on these EBEs are assessed, and a mitigation plan is developed that will reduce the project’s net impacts to a targeted level.

### Teck’s Approach to Developing Biodiversity Management Plans



<sup>5</sup> Additionality: biodiversity offsets must secure additional conservation outcomes that would not have happened otherwise. [Biodiversity Offsets](#). IUCN. 2021.

Despite the similarities, our biodiversity management plans are typically more expansive than the scope of an environmental assessment for the same site. Additionally, while the goal of most environmental assessments is to minimize the residual impacts on biodiversity to an acceptable level, Teck's goal across all sites is to achieve NPI, as described above.

## Closure

Responsibly closing our sites and managing our legacy properties means following our closure principles: meeting safety requirements; assuring physical, chemical and ecological stability; promoting socio-economic transition; executing cost-effectively; and contributing to risk mitigation and reduction in complexity, including costs of post-closure management. While we are still operating at a mine site, we progressively rehabilitate portions of the site that are no longer required for current or possible future mining purposes. We conduct regular monitoring against closure-related legal requirements, along with regulatory, stakeholder and internal commitments and success criteria, and use these results to continually update our closure and post-closure management.

When divesting current or former operating assets, we seek to include provisions in the transaction agreement to ensure that the purchaser will fulfill a minimum set of closure requirements, and require evidence where necessary that the purchaser has made financial provision so that these closure requirements can be met and that Teck will be protected from future liability.

For more information about closure, see the [Responsible Mine Closure and Reclamation](#) page on our website.

## Rehabilitation Excellence

Our rehabilitation activities include the development of diverse ecosystems. This is supported by monitoring, such as annual wildlife surveys, documentation of wildlife using trail cameras and environmental DNA (eDNA), and the development of tracking databases to record sightings of rare and unusual wildlife.

We implement leading rehabilitation practices through ongoing research and maintain an internal community of practice to share this knowledge across our operations.

## Financial Assurance for Mine Closure

Many jurisdictions require mining companies to post financial assurance (or security) for the remaining future costs associated with implementing the mine closure and reclamation plan. This is a precautionary measure to ensure that governments will not have to unreasonably contribute to the costs of closure and reclamation of a mine site if a company is unable to do so.

At Teck, we take our closure responsibilities seriously, and we meet all government requirements for financial assurance in the jurisdictions where we operate. We are also committed to ensuring that this financial security never needs to be accessed. We responsibly plan for and close our mine sites,

in accordance with all legal obligations and our internal standards, at no cost to government or taxpayers.

Our mine closure plans are periodically updated over the life of the operation to incorporate updated input from communities of interest, advances in engineering design for closure measures, learnings from progressive closure during operation, and the results of any new research into rehabilitation and other closure issues. Closure planning is an iterative process, and plans become more detailed as a mine nears the end of its life. Our closure plans are updated at least every five years, or more often if there is a material change in the life of mine plan that would invalidate the existing closure plan. In British Columbia, Alaska and Chile, mine closure plans are legally required to be updated at least every five years.

## Managing Incidents Related to Biodiversity and Closure

Teck defines an incident as an “undesirable event arising from company activities that is both unplanned and uncontrolled, regardless of the severity of consequences”. Company-wide criteria have been established for sites to identify, report and evaluate the severity of consequences, with respect to community incidents. Sites are expected to follow up on all incidents identified to understand the impacts and implement corrective actions wherever possible, with more significant incidents potentially subject to root cause investigation. We report any significant incidents<sup>6</sup> related to biodiversity and closure in our [Annual Sustainability Report](#).

## Managing Employee and Community Feedback

Teck provides response mechanisms at every operation and project and in every exploration region to specifically ensure that those who want to provide feedback on our business practices—whether it's a comment, question, concern, complaint or compliment—are able to do so easily and, if they wish, anonymously. See [Our Approach to Relationships with Communities](#) for more details on how we manage community feedback and grievances.

Doing What's Right is our program designed to maintain an ethical and safe workplace and uphold the moral and ethical principles within our Code of Ethics. It also specifies the basic norms and behaviours for those conducting business on our behalf. See [Our Approach to Business Conduct](#) for more details on this program.

## Our Targets and Commitments

We've set a goal to contribute to a nature positive future by 2030 and are working to achieve this through conserving or rehabilitating at least three hectares for every one hectare affected by our mining activities.

### Strategic Priority:

- Work towards securing a net positive impact on biodiversity

<sup>6</sup> Teck uses a risk management consequence matrix to determine incident severity, which includes environmental, safety, community, reputational, legal and financial aspects. “Significant incidents” includes incidents assessed as Level 4 or Level 5 based on our risk matrix and guidance.

**Goal:**

- By 2030, contribute to a nature positive future
- By 2025, all operating sites have and are implementing plans to secure a net positive impact.

For more information on our sustainability strategy goals, see the [Sustainability Strategy](#) section of our website.

We report on our performance against indicators and goals related to biodiversity on an annual basis in our [Sustainability Report](#).

## Assurance Related to Biodiversity and Closure

Teck takes an effective, efficient, risk-focused and integrated approach to assurance activities, which ensures internal controls are appropriately designed and operating effectively.

These assurance activities include:

- Risk assessments and control verification at sites and in business units
- Sustainability internal audits and mid-term effectiveness reviews conducted at sites by Teck’s Sustainability Assurance team
- Corporate annual internal audits conducted by Teck’s Assurance and Advisory team
- External assurance by independent auditors for relevant regulatory and voluntary membership requirements

Following each of these processes, applicable management teams use the results to inform future actions and Teck’s five-year planning process.

### Assurance Related to Biodiversity and Closure

Type	Organization	Items Reviewed
Internal	Teck (risk-based sustainability audits)	<ul style="list-style-type: none"> <li>• Adherence to regulatory and permit requirements</li> <li>• Effectiveness of controls based on risk profile</li> <li>• Sustainability Standards</li> </ul>
Internal	ISO 14001 Internal Audit	<ul style="list-style-type: none"> <li>• Components of the environmental management system at each certified site</li> </ul>
External	International Council on Mining and Metals: Sustainability Report Assurance and Performance Expectations	<ul style="list-style-type: none"> <li>• Total area of land reclaimed (hectares)</li> <li>• Total area of land yet to be reclaimed (hectares)</li> <li>• Principle 6: Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change (Performance Expectation 6.1)</li> <li>• Principle 7: Contribute to the conservation of biodiversity and integrated approaches to land use planning (Performance Expectation 7.1 and 7.2)</li> </ul>
External	Mining Association of Canada: Towards Sustainable Mining assurance	<ul style="list-style-type: none"> <li>• TSM Biodiversity Conservation Management Protocol</li> </ul>
External	The Copper Mark	<ul style="list-style-type: none"> <li>• Issue area 21: Biodiversity and Protected Areas</li> <li>• Issue area 22: Mine Closure and Reclamation</li> </ul>
External	ISO 14001 External Audit	<ul style="list-style-type: none"> <li>• Components of the environmental management system at each site</li> </ul>