

Engaging with Indigenous Peoples

Why was Engaging with Indigenous Peoples a Material Topic in 2015?

Global Context: There are more than 370 million Indigenous People living around the world in 90 countries,⁷ who have unique rights, cultures and connection to the land. Historically, many Indigenous Peoples have suffered abuse, discrimination and marginalization and, as a result, many live in poverty and their cultural traditions are threatened. Consequently, Indigenous Peoples are particularly vulnerable to the impacts of commercial development and business activities.

The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), International Labour Organization's Convention No. 169 and International Finance Corporation's (IFC) Performance Standards on Environmental and Social Sustainability provide international standards for engagement with Indigenous Peoples.

Industry Context

In many cases, mining activity is located within or adjacent to the territories of Indigenous Peoples. Exploration, development, operation, closure and reclamation of mines can have positive and negative impacts that can be particularly felt by Indigenous Peoples due to their inherent connection to the land. Positive impacts can include employment creation, opportunities for education and training, local economic development, such as procurement from Indigenous sources, and valuable community investment projects. Negative impacts can include environmental impacts, economic volatility and changes to social well-being. The effects of these impacts can be particularly significant for Indigenous communities in comparison to other populations, including the potential disturbance of local land, water systems, biodiversity and heritage sites — all of which can be of cultural and/or spiritual significance.

In 2013, the International Council on Mining and Metals (ICMM) released an [Indigenous Peoples and Mining Position Statement](#) that applies to all member companies. This statement sets out an obligation for companies to work to obtain the consent of Indigenous Peoples for new projects and changes to existing projects that are located on lands traditionally owned by or under customary use of Indigenous Peoples. In particular, the position statement outlines ICMM's view of

free, prior and informed consent (FPIC) as a process based on good faith negotiation, through which Indigenous Peoples can give or withhold their consent to a project. Members were required to align their practices with this position statement by 2015.

The interpretation of Indigenous rights and their application to the natural resource development industry continues to evolve. In 2014, the Supreme Court of Canada issued a significant decision with respect to the jurisdictional powers and Aboriginal title rights of First Nations in Canada. The case of *Tsilhqot'in Nation v. British Columbia* made Canadian history as the first time that Aboriginal title has been definitively established by the Supreme Court of Canada. The decision also clarified and affirmed the ability of the provincial government to establish regulatory frameworks over natural resource development and environmental values, subject to certain consultation and accommodation requirements. In 2015, the provincial government and Tsilhqot'in Nation worked together towards setting the terms and goals for negotiating land, governance and resource agreements over the Tsilhqot'in territory.

Teck Context

Nine of our 12 operations⁸ in Canada, Chile and the United States and the majority of our exploration and development projects are located within or adjacent to Indigenous Peoples' territories. As such, we recognize that respecting the rights, cultures, interests and aspirations of Indigenous Peoples is fundamental to our business and to meeting our commitment to responsible resource development. In 2015, Teck formalized our Indigenous Peoples Policy, which confirms our approach to working with Indigenous Peoples including our commitment to FPIC.



What is in this Topic?

Management approach and performance related to our work with Indigenous Peoples including engagement, agreements, benefits and disputes.

Performance Highlights

7

new agreements were reached with Indigenous Peoples in 2015, taking our total number of active⁹ agreements in place to 34

300 employees

at 11 sites completed Indigenous Peoples cultural awareness training

In 2015, we formalized our Indigenous Peoples Policy

Learn More

[Indigenous Peoples and Mining Good Practice Guide — ICMM](#)



Pictured above: Nic Milligan, Manager, Community and Aboriginal Affairs, discusses a project with Rosemary Phillips, Industry Engagement Officer with the Ktunaxa Nation Council Economic Sector

⁷ Business Reference Guide: United Nations Declaration on the Rights of Indigenous Peoples. ⁸ Does not include operations in which Teck has an ownership interest but is not the operator i.e., Antamina and Wintering Hills. ⁹ Active agreements are defined as agreements that have come into effect and are currently in force.

How Does Teck Manage Engagement with Indigenous Peoples?

Our approach is to engage with Indigenous Peoples early in our planning processes, and work to achieve their free, prior and informed consent when proposing new or substantially modified projects. It is our aim to integrate the perspectives of Indigenous Peoples into company decision-making throughout the mining life cycle and to create lasting benefits that respect their unique interests and aspirations. Not only is early and meaningful engagement with Indigenous Peoples a matter of international law and governance, it also helps Teck advance projects in a timely, cost-effective manner.

Our engagement with Indigenous Peoples is conducted by Communities staff at each of our operations, project or exploration sites and supported by our corporate Indigenous Affairs team. Our Vice President, Community and Government Relations and Senior Vice President, Sustainability and External Affairs provide guidance and oversight on our engagement with Indigenous Peoples. We also have an executive Indigenous Affairs steering committee that includes our CEO and senior management representing our business units, projects and exploration group, which provides oversight and guidance on major initiatives with Indigenous Peoples including the negotiation of agreements.

In this section, we outline our Indigenous Peoples Policy, our approach to recognizing and respecting the interests and rights of Indigenous Peoples, negotiating

agreements and supporting traditional knowledge and land use studies.

Teck's Indigenous Peoples Policy

In 2015, Teck released an [Indigenous Peoples Policy](#) that confirms our commitment to working with Indigenous Peoples to ensure Indigenous rights, cultural heritage and traditional land use are respected. In particular, it confirms our commitment to working to achieve the free, prior and informed consent of Indigenous Peoples when proposing new or substantially modified projects. The policy was developed with input and guidance from Indigenous Peoples from our local communities as well as leading international and local agencies with expertise in Indigenous and mining policy. Teck's Indigenous Peoples Policy is included in full in the snapshot.

Snapshot

Indigenous Peoples Policy

Teck respects the rights, cultures, interests and aspirations of Indigenous Peoples and is committed to building strong and lasting relationships that help us understand each other's perspectives and priorities.

Teck engages with Indigenous Peoples potentially affected by our activities to:

- Build respectful relationships through early, inclusive dialogue and collaborative processes
- Provide resources to build the capacity

of both Indigenous Peoples and Teck for meaningful dialogue

- Integrate Indigenous Peoples' perspectives and traditional knowledge into company decision-making throughout the mining life cycle to enhance benefits and address impacts
- Work to achieve the free, prior and informed consent of Indigenous Peoples when proposing new or substantially modified projects
- Work with Indigenous Peoples to achieve self-defined community goals that provide lasting benefits

Teck is committed to responsible resource development and we recognize

that building relationships with Indigenous Peoples is fundamental to our success. We are guided by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the International Labour Organization (ILO) Convention No. 169 on Indigenous and Tribal Peoples, and the International Council on Mining and Metals (ICMM) Position Statement on Indigenous Peoples and Mining. This policy is supported by our Health, Safety, Environment and Community Management Standards and other internal guidance, and will be reviewed regularly and updated as required.

Recognizing and Respecting the Interests and Rights of Indigenous Peoples

We acknowledge and respect Indigenous Peoples' rights and interests as enshrined in regional, national and international law, and we understand that the extent to which Indigenous Peoples' rights are legally recognized varies by jurisdiction. In Canada, for example, certain Indigenous Peoples' rights regarding access to land have been articulated in treaties, while other historical or traditional rights are generally not documented or clearly defined. The law related to Aboriginal title in Canada, as elsewhere, continues to evolve. In Chile, the federal government intends to establish a Ministry of Indigenous Communities to define a national policy to implement and strengthen the rights of Indigenous Peoples and their socio-economic, political and cultural development.

International law continues to shape requirements related to working with Indigenous Peoples. For example, application of International Labour Organization's Indigenous and Tribal Peoples Convention is already represented in Chilean law, which requires the state to consult Indigenous Peoples in regards to their lands and resources.

Consultation can play an important role in regulatory approval processes and project development. As required by international conventions and typically by domestic law, many governments acknowledge various duties to consult with Indigenous Peoples. In certain situations, some or all aspects of consultation activities may be delegated to us. When our activities have the potential to affect Indigenous Peoples' rights or traditional access to land, we seek opportunities for meaningful consultation to share information on our activities, to understand the interests of Indigenous Peoples and to develop measures to address impacts on those interests.

Negotiating Agreements

We believe that the best foundation for the establishment of stable, constructive and mutually beneficial relationships

with Indigenous Peoples is through the development of clear and predictable benefit agreements. These agreements create a framework for greater cooperation and clarity on topics such as consultation and engagement, the environment and land stewardship, employment and business opportunities, and typically include a financial component.

Our approach in negotiating agreements focuses on:

- Recognizing the importance of building trust, mutual respect, cooperation and open communication of interests and concerns
- Improving community well-being
- Working with Indigenous Peoples in innovative and collaborative ways
- Reducing business risk through effective consultation and other processes
- Increasing project certainty

Agreements establish processes to work through grievances and other challenges, and help to fulfill our commitment to improving community well-being in self-defined ways while gaining the broad support of Indigenous communities.

Sharing Traditional Knowledge and Supporting Land Use Studies

For Indigenous communities, the landscape and its features provide sustenance and spiritual attachment. The stories communicated through song and dance and the ongoing practice of ceremony, or traditional practices, give places and features significance. To minimize impacts to Indigenous heritage and culture, Teck consults with Indigenous Peoples to promote mutual understanding and cooperation.

At our operations and resource development projects and, in some cases, at our exploration projects, we support the development of traditional land use studies and other community-based traditional knowledge studies to help us better understand the interests of Indigenous Peoples and our potential impacts on those interests.

Our Targets and Commitments

Teck respects the rights, cultures, interests and aspirations of Indigenous Peoples and is committed to building strong and lasting relationships that help us understand each other's perspectives and priorities as outlined in our Indigenous Peoples Policy.

How did Teck Manage Engagement with Indigenous Peoples in 2015?

Case Study

Engaging with Indigenous Peoples: Collaborating with the Nlaka'pamux People to Study Dust and Traditional Plants

Teck's Highland Valley Copper Operations is located in territory traditionally occupied by the Nlaka'pamux people. For many generations, the Nlaka'pamux have used local plants for medicine, food and other traditional activities.

In recent years, Nlaka'pamux communities have asked about dust emissions from the mine and whether there is a potential impact on local ecosystems and on those traditional plants used by community members. To answer this question, Highland Valley Copper and the Nlaka'pamux communities jointly launched a study to examine dust deposition from the mine and assess any potential effects on traditional plants.

The study was designed to address Nlaka'pamux community members concerns regarding the potential impact of mine dust on the land and the traditional plants in the Highland Valley area. Many traditional plants are still used by the Nlaka'pamux communities today for food, medicine and spiritual purposes.

The first was a study to examine how dust from the mine was travelling. This was done by collecting and analyzing lichens, which are particularly sensitive to dust because they are physiologically dependent on atmospheric deposition for nutrients. The study compared an area within 10–15 kilometres of the mine boundary with a reference area identified by Nlaka'pamux community participants as dust-free and good for comparison to dust-affected areas. The community members were also

engaged to ensure the study included specific gathering areas where concerns about dust had been identified.

This information on dust patterns was used to develop the next phase of the study — determining any potential effect of the dust deposition on traditional plants. Nlaka'pamux workshop participants decided to focus the study on the shoots and berries of soapberry, which is important to the Nlaka'pamux for medicine, food and other values. Soapberry is a good species to study the effects of dust because the plant is ubiquitous across the Highland Valley area.

Fieldwork for the traditional plants study was carried out within the mine study area and in the reference area. Community engagement consisted of six workshops over the course of the study, in which Nlaka'pamux representatives were involved in setting study objectives, developing the study design and methodology, interpreting results, and planning for sharing results with the communities. The study included collection of berries and other plant samples and soils, which was led by Nlaka'pamux elders and youth. This included a field workshop with elders to show the techniques used for harvesting and processing the various parts of the plant. Youth participated in the workshop as an opportunity to learn traditional harvest techniques. To address community concerns about any changes that could occur during processing, not only were the

berries and leaves analyzed, but the tea and juices as well.

Overall, the traditional plants study indicates that, while there is a measurable effect of mine dust on soapberry plant parts in the study area and derivatives such as tea and juice, the levels of metals in these materials are generally very low and it is safe to consume soapberry products within the study area.

“Working with input and guidance from the Nlaka'pamux, we have been able to comprehensively study this issue and answer the questions raised, as well as increase our understanding of how dust from the operation interacts with the local environment.”

Jaimie Dickson,
Environmental Supervisor,
Highland Valley Copper



What was Our Performance in Engagement with Indigenous Peoples in 2015?

In this section, we report on agreements, feedback from and disputes with Indigenous Peoples, procurement from Indigenous suppliers, community investment focused on Indigenous Peoples and cultural awareness training.

Agreements with Indigenous Peoples

Building constructive relationships with Indigenous Peoples and pursuing understanding and shared commitments through agreements have taken on increasing importance in our activities. Negotiations to reach an agreement can take considerable time, and there must be a shared understanding of the expectations of both parties. Although we recognize that agreements are important milestones, the relationship itself is the true indicator of success.

As a result of our long-standing commitment to reaching agreements with Indigenous Peoples, Teck currently has agreements in place with Indigenous

Peoples at the majority of our operations and major exploration projects. In 2015, we focused on advancing agreements for Quebrada Blanca Operations, Frontier and Quebrada Blanca Phase 2 projects and our steelmaking coal operations.

Of the 12 operations covered in the scope of this report, nine are located within or adjacent to Indigenous Peoples' territories, and we have established or are negotiating agreements with all of these Indigenous groups.

Our agreements with Indigenous Peoples traditionally address the full range of our activities from early stages of exploration to closure. Agreements can cover short-term, seasonal project work and long-term operations.

Perspective on Engaging with Indigenous Peoples

"As stewards of our homeland, the protection of the Elk and Flathead Valleys has always been a priority for the Ktunaxa Nation. Our partnership is demonstrative of the commitment the Ktunaxa Nation and Teck have to wildlife and habitat conservation and the protection of land of significant cultural value. It is my hope the Ktunaxa Nation and Teck continue to work together for the benefit of not just Ktunaxa citizens, but all those who call Ktunaxa Territory home."

Kathryn Teneese,
Ktunaxa Nation Council Chair

Table 17: **Active Agreements with Indigenous Groups at our Operations**

Operations Within or Adjacent to Indigenous Peoples' Territory	Name of Indigenous Group	Formal Agreements with Indigenous Groups
Cardinal River	Alexis Nakota Sioux	Impact Benefit Agreement
Elk Valley	Ktunaxa Nation Council	Working Protocol Agreement
	Shuswap Indian Band	Memorandum of Understanding
Highland Valley Copper	Nlaka'pamux Nation Tribal Council (NNTC)	Joint Relationship Agreement
	Nlaka'pamux Participating Bands (CNA)	Participation Agreement
	Lower Nicola Indian Band	Negotiation Agreement
Quebrada Blanca	Tamentica and Copaquire	Working Protocol Agreement
	Ecozona Matilla	Framework Agreement
	Quechua Indigenous Community from Huatacondo	Benefits and Protocol Agreement
Red Dog	Iñupiat of Northwest Alaska	Development and Operating Agreement

What was Our Performance in Engagement with Indigenous Peoples in 2015?

To date, Teck has negotiated many agreements with Indigenous Peoples in countries such as Canada, Chile, Peru, Australia and the United States. These agreements range from general Memoranda of Understanding to more comprehensive, long-term agreements such as those noted in Table 17. The total number of agreements varies from year to year, as shorter-term agreements, common at the exploration stage, may expire or evolve into more comprehensive agreements. In 2015, there were 34 active¹⁰ agreements in place with Indigenous Peoples, including newly signed agreements or agreements already in implementation.

Grievances and Litigation

There are a number of processes through which our COIs can inform us of concerns, including formal grievance mechanisms, dispute resolution clauses in agreements and ongoing engagement. In 2015, there were five grievances under our existing agreements or through our formal grievance mechanisms involving Indigenous Peoples. This includes a concern regarding recreational hunting near one of our advanced projects.

Environmental litigation regarding the Upper Columbia River and involving the Confederated Colville Tribes and the Spokane Tribe of Indians continues. For more information, visit the [Upper Columbia River project website](#).

Procurement from Indigenous Peoples Suppliers

In 2015, our operations spent approximately \$142 million on suppliers who self-identified as Indigenous; this represents an overall increase of 11%, or nearly \$17.5 million over the prior year. The vast majority of this spending is at our Red Dog Operations, where Indigenous Peoples' procurement is a cornerstone of our operating agreement, which governs the operation and development of the mine. In 2015, 67.9% of Red Dog's spending was with Indigenous suppliers.

We are developing initiatives aimed at increasing procurement from Indigenous suppliers through the establishment of

business development support tools and tracking and evaluation systems for our Indigenous procurement process. For example, where we have formal agreements with Indigenous Peoples, we identify local Indigenous suppliers and develop processes to share information on procurement opportunities and our supplier qualification requirements. In some situations, we work directly with Indigenous suppliers to help them meet our qualifications, or provide them with training and business development support. Despite our commitment to working with Indigenous suppliers, challenging market conditions and a focus on cost containment led to a lower proportion of our total spending on Indigenous suppliers in 2015 at several of our operations.

Community Investment Focused on Indigenous Peoples

To support our relationships with Indigenous Peoples, Teck aims to improve the way in which we identify investment opportunities that benefit Indigenous Peoples at a local, regional and national scale. Although the total amount allocated each year for community investment is reflective of current fiscal realities at our operations, the percentage of total community investment that goes toward Indigenous-specific investments was 17% of the total Teck community investment spend in 2015 or \$2.7 million. To support this work, Teck is moving towards a more strategic approach to community investment that aligns investments with opportunities identified in collaboration with Indigenous Peoples.

Cultural Awareness Training

To enhance our capacity to engage with Indigenous communities, one of the goals in our sustainability strategy was to deliver training on Indigenous Peoples' rights and cultural awareness for key exploration, operations and management staff. As such, in 2015, 11 Teck sites located within or adjacent to Indigenous traditional lands hosted cultural awareness training. In total, 300 Teck employees responsible for engaging with Indigenous Peoples or overseeing business activities that may affect Indigenous Peoples completed cultural awareness training in 2015.

Case Study

Engaging with Indigenous Peoples: Supporting Post-Secondary Students in Canada Through Indspire Bursaries

Teck uses targeted community investments to support Indigenous Peoples at a local, regional and national level, and demonstrates our commitment to working with Indigenous communities to achieve self-defined goals that provide lasting benefits.

An example of this is our funding of the Teck Canadian Aboriginal Bursary through Indspire, a national charity created by and for Aboriginal people in Canada. Established in 2012, the Teck Canadian Aboriginal Bursary Award is part of Teck's commitment to developing long-term relationships with Indigenous Peoples in the areas where we operate, and to building capacity in order to support the economic development of communities and Indigenous Peoples. Since inception, more than 19 post-secondary students from across the country have received this bursary. One example is Jamie Davignon, an Environmental Engineering student at the University of Northern British Columbia and recent recipient of the Teck Canadian Aboriginal Bursary. A member of the Tahltan Nation, an Indigenous group near Teck's Galore Creek project, Jamie recently graduated and is working as a junior engineer-in-training.

Why did you choose to study Environmental Engineering?

I wanted a career in a field that was constantly changing so that I can keep learning year after year. I also wanted a career that would allow me to work outside and travel the world. That's why I decided to study environmental engineering, which involves several disciplines, like civil and chemical engineering, and includes everything from waste treatment to clean energy assessments.

What are your career goals?

In the next few years, I plan to work towards earning my Professional Engineer designation, commonly known as the P.Eng., and work in different countries. Eventually, I hope to start my own consulting company in my hometown of Whitehorse.

What does being a recipient of the Teck Canadian Aboriginal Bursary mean to you?

It means a lot to me to be able to represent Aboriginal women, especially in the field of engineering, as a bursary recipient. The Teck Canadian Aboriginal Bursary has allowed me to focus on my studies and enjoy my time at university without having to work part-time or worry about making ends meet.

Why do you think it is important for companies like Teck to support students through Indspire?

From my experience, many Aboriginal students depend on funding through organizations like Indspire to be able to study and live in major cities. Working during the semester is very difficult, if not impossible, depending on course schedules.



Outlook for Engagement with Indigenous Peoples

We will continue to engage with Indigenous Peoples early in our planning processes and work to achieve their free, prior and informed consent when proposing new or substantially modified projects as outlined in our Indigenous Peoples Policy. In 2016, we will focus on concluding negotiations on agreements with other Indigenous communities located near our operations while continuing to build long-lasting and mutually beneficial relationships with Indigenous Peoples.