# Human Rights



#### What is in this Topic?

Anticipating and preventing impacts on the human rights of the people foreseeably touched by our activities, particularly people in our supply chain and living near our operations.

### **Performance Highlights**

Completed corporate human rights assessments for our business units.

Integrated key Human Rights considerations into corporate management tools.

#### Learn More

For more information, see a brief video introduction on the <u>UN Guiding Principles</u> on Business and Human Rights.

ICMM conducted Human Rights and Indigenous Peoples workshops through a multi-COI platform. <u>Some of the</u> challenges and opportunities to applying the Guiding Principles are highlighted in these reports.



# Why was Human Rights a Material Topic in 2015?

Global Context: Companies have the potential to impact human rights both positively and negatively wherever they operate. As businesses are increasingly becoming global, they may operate in areas with higher human rights risk or areas where economic or political conditions make rights more difficult to protect. The United Nations Guiding Principles on Business and Human Rights were created in 2011 to provide clarity on the responsibilities of companies and governments to uphold human rights. According to the Guiding Principles, businesses must refrain from violating human rights, wherever and however they do business. Companies must know their human rights impacts and take steps to improve them through due diligence, even if governments do not fulfill their own duties. In addition, companies must have processes that allow for communities of interest to file grievances and allow them to participate in the remedies.

#### Industry Context

Mining requires access to a variety of resources including land and water, and therefore there is a risk that companies can potentially infringe on a broad range of human rights such as those related to water, land appropriation, Indigenous Peoples, local communities, health and safety, and security. As resources become increasingly scarce, many mining companies are moving into areas with higher socio-political risk to access deposits, which may increase the potential for impact on human rights<sup>11</sup>. At the same time, the mining industry has a significant opportunity to contribute to social and economic development and well-being that can assist in alleviating existing human rights issues within communities.

Human rights have become a central concern as well as an opportunity for members of the International Council on Mining and Metals (ICMM) and the wider mining sector. Through their participation, ICMM members commit to taking practical steps to respect human rights at all their operations as well as providing public support for the UN Guiding Principles on Business and Human Rights. This means showing commitment through policy and establishing practices throughout the organization that demonstrate respect for human rights.

#### **Teck Context**

Teck operates primarily in relatively low-risk jurisdictions that are characterized by stable political and economic conditions, as well as by high standards for legislation and regulation. This means our risk of infringing on human rights may be lower than that of other global mining companies. Despite operating in relatively low-risk jurisdictions, we recognize the importance of this issue to our communities of interest in the broader global mining context, and that concerns about mining companies potentially infringing on human rights are increasing.

We are committed to respecting the rights of our employees, the communities in which we operate and others affected by our activities through the life cycle of our products and operations. Furthermore, we work to advance human rights values in the areas where we operate as identified in collaboration with communities of interest.

# How Does Teck Manage Human Rights?

Teck's Human Rights Policy outlines our commitment to respecting the rights of our employees, the communities in which we operate and others affected by our activities. Our management of human rights is guided by this policy and supported by company-wide codes, charters and standards as outlined below.

# **Human Rights Policy**

Through our <u>Human Rights Policy</u>, we commit to:

- Respecting and observing all human rights, as articulated in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Labour Organization Core Conventions
- Diligently seek not to infringe directly, or through complicity in acts of others, on the human rights of our employees, workers in our supply chain, members of the communities where we operate or others who are affected by our activities

Our due diligence processes with respect to human rights, and compliance with the Human Rights Policy, are overseen by our Senior Vice President, Commercial and Legal Affairs and are managed by our communities team.

We expect our suppliers and business partners to share this commitment and to put in place policies and processes that support respect for human rights. We put special emphasis on the rights of vulnerable groups that may be impacted by our operations, including Indigenous Peoples, women and children, with the goal that communities are better off as a result of our presence.

As part of our efforts to fulfill our duties under the United Nations Protect, Respect and Remedy Framework, commonly known as the Ruggie Framework, we have adopted a policy consistent with UN Guiding Principles on Business and Human Rights. These require us to respect human rights and, where relevant, address human rights grievances. This includes carrying out due diligence with respect to those potential and actual human rights impacts relating both to our business activities and to our business relationships. In addition, we are committed to Principles 1 and 2 of the United Nations Global Compact, meaning we actively support and respect the protection of human rights and avoid complicity in human rights abuses.

# **Human Rights Management**

We operate primarily in relatively low-risk jurisdictions that are characterized by stable political and economic conditions, as well as by high standards for legislation and regulation. This means our risk of violating Human Rights may be lower than that of certain other global mining companies. Despite operating in relatively low-risk jurisdictions, we take our various human rights commitments seriously.

Our approach to managing human rights is outlined in Figure 15. At the highest level. we are guided by our Charter of Corporate Responsibility, Code of Ethics and Code of Sustainable Conduct. Our policies for Human Rights, Human Resources, Security, Materials Stewardship and Supply Chain outline our commitments, and our Health, Safety, Environment and Community Management Standards frame how the policies, codes and charters are applied. Our Social Management and Responsibility at Teck (SMART) framework, social risk assessments and several other tools guide our corporate and operational implementation. Through training, we ensure our people have the skills they need to implement these tools. Finally, we report our performance in respecting human rights internally and externally.

#### **Our Targets and Commitments**

As a responsible company operating globally, we are committed to respecting and observing all human rights, as articulated in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic. Social and Cultural Rights, and the ILO Core Conventions. In addition, we are committed to Principles 1 and 2 of the UN Global Compact, meaning we actively support and respect the protection of human rights and avoid complicity in human rights abuses. Furthermore, we are committed to engaging with our communities of interest on our human rights impacts and to reporting on our performance.

# How Does Teck Manage Human Rights?



#### Figure 15: Human Rights Management Framework

As part of our human rights policy implementation and our sustainability strategy, all operations developed and implemented site-based feedback mechanisms. Our feedback mechanisms include human rights grievances and help our sites systematically respond in a time-bound manner and report out on human rights-related feedback. For more information about our feedback mechanism, see the Community Engagement section on page 70.

### Social Risk and Human Rights Assessments

As part of our regular risk processes, we conduct assessments for a range of social risks. Social risk assessments identify potential and actual risks and opportunities that companies and communities can pose on one another. Our operations complete risk registers, which take into account considerations of communities. Social risk assessments have been completed at each of our operations. They include analysis of the risk of potential regulatory delay due to social risk. They also evaluate our performance to date on sharing benefits with COIs relevant to our operations. These can include the assessment of risks relating to:

- Lost opportunity to hire locally (women/ Indigenous Peoples)
- Erosion of community trust, due to increased environmental incidents
- Community rights around water, land and biodiversity
- · Indigenous rights and permitting delays

The social risk assessment process is supplemented by Human Rights Assessments that engage multidisciplinary groups at each operation, including the General Manager and employees from the Environment, Communities and Human Resources departments, and are overseen by a Human Rights Working Group.

#### Human Rights Management During Exploration

Prior to entering a country to conduct exploration activities, we assess a range of risks associated with operating in each jurisdiction including those relating to:

- National security, including terrorism, social unrest, border conflict, religious conflict and ethnic conflict
- Personal security, including kidnapping, extortion, hijacking and robbery
- Personal health, including access to safe water, pollution levels, sanitation and disease

Based on the results of these assessments, a decision is made as to whether it is appropriate for us to pursue exploration activities in a given location.

#### Human Rights Management During Projects

Our approval process for new projects and major investments integrates human rights considerations from the start. As a result, human rights issues are taken into consideration during project design, evaluation and decision-making.

# Human Rights Management in Joint Ventures

Teck has several joint venture partners, including Goldcorp in Project Corridor, a joint venture in the Atacama Region of Chile combining the former El Morro and Relincho projects. In 2015, Teck and Goldcorp committed to ensuring that Project Corridor undertakes meaningful engagement with communities to better understand current human rights conditions and the risks and opportunities associated with human rights in the region.

### Spotlight on Supply Chain Management

# Supply Chain and Human Rights

We set out clear expectations with respect to the human rights performance of our suppliers and service providers in our Recommended Protocols for Suppliers and Service Providers, which were established in 2012 and have since been communicated to suppliers. In addition to addressing issues relating to ethics, health and safety, and environmental stewardship, the Protocols integrate expectations regarding the abolition of child labour, fair working conditions and non-discrimination.

As part of our commitment to fostering ethical practices in our supply chain, we are undertaking pilot activities to assess the compliance of our primary suppliers with the expectations as set out in our Protocols. We are conducting initial evaluations and, where we identify potential risks, we gather additional information on the supplier to support any subsequent management actions. See page 12 for more details on how we manage sustainability, including human rights, in our supply chain.

# **Outlook for Human Rights**

In all of our activities, Teck will remain committed to respecting and observing all human rights. While we have found through our human rights assessments that the risk of our activities infringing upon human rights is low, we will continue to ensure human rights considerations are integrated through the life cycle of our operations and projects. For example, in 2016 we will work to further embed the principles in our Human Rights Policy into our procedures and practices such as social risk assessments. Furthermore, we will work to identify opportunities to advance human rights values in the areas where we operate, as identified in collaboration with communities of interest.

In 2015, Teck worked to demonstrate our ongoing commitment to respecting and observing all human rights, actively supporting and respecting the protection of human rights, avoiding complicity in human rights abuses, engaging with our communities of interest on our human rights impacts and reporting on our performance. In particular, we updated our human rights management practices in our projects and exploration areas and continued to evaluate findings from human rights assessments conducted at our operations. We had one human rights complaint in 2015. A Red Dog employee filed a complaint alleging his rights were violated for being required to undergo medical screening; however, through third-party investigation, the allegation was found to be unjustified.

### Updates to Human Rights Management Practices

In 2015, Teck's Project Delivery Framework was updated to ensure human rights are being considered as part of ongoing impact and risk assessment activities. Furthermore, risk assessments that evaluate potential impacts to human rights were formally integrated into the Community Policy for Exploration; this internal policy will be implemented through training in 2016.

# Progress on Human Rights Assessments

We have completed Human Rights Assessments (HRAs) at our 12 operations to identify and analyze where there may be human rights risks and, if risks were present, their associated impacts. The Human Rights Assessment process found that:

- There are laws in place to specifically protect a number of human rights in the areas where we operate. For example, employees' rights to unionize are well entrenched in Canadian, American and Chilean law.
- Our operations have a number of processes in place that protect the human rights of our employees, our communities and our suppliers. These include feedback mechanisms at each of our operations

and a *Doing What's Right* hotline that allows employees and suppliers to confidentially report their concerns. Concerns around potential impacts on livelihood, including environment, water quality and conservation issues are also being received, and responded to, through our operations-based community feedback mechanisms.

• While significant negative human rights risks were not identified at any of our operations, opportunities to further enhance our performance in this area were identified, such as implementing diversity initiatives to improve attraction and retention of local Indigenous Peoples.

While the risks identified through these assessments were low, they helped set an initial baseline that allows Teck to re-evaluate our practices. In 2015, we evaluated a number of corporate functions including Human Resources, Exploration and Project Development against this baseline to ensure they continue to integrate human rights considerations in their activities. In addition, we continue to monitor for potential human rights issues associated with our operations through processes such as site feedback mechanisms.