

Relationships with Indigenous Peoples



Pictured above: Employee at Red Dog Operations, United States.

Relationships with Indigenous Peoples

The majority of mining industry operations and many development projects are located within, or immediately adjacent to, Indigenous Peoples' traditional territories, making it vital to establish and maintain trust throughout the mining life cycle.

The confirmation of unmarked graves of children at former residential schools across Canada in 2021 also reinforces that collaboration to support reconciliation and to maintain active and respectful engagement with Indigenous Peoples is of the utmost importance.

Teck recognizes and respects the rights, cultures, knowledge, interests and aspirations of Indigenous Peoples, and we are committed to building strong and lasting relationships. We are guided by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the International Labour Organization Convention No. 169 on Indigenous and Tribal Peoples, the International Council on Mining and Metals (ICMM) Position Statement on

Indigenous Peoples and Mining, and the Mining Association of Canada's Towards Sustainable Mining (MAC TSM) Indigenous and Community Relationships Protocol. We work to achieve the free, prior and informed consent of Indigenous Peoples for our activities, and we support self-defined community goals that provide lasting benefits.

We focus on the negotiation of mutually beneficial agreements as a foundation for strong and positive relationships, and we have signed 10 new agreements with Indigenous communities in 2021, bringing the total number of agreements to 85. We also continued to support the efforts of Indigenous communities to manage the impacts of COVID-19 through our COVID-19 Response Fund.

GRI Indicators and Topic Boundary

204-103, 411-103, 411-1, G4-MM5, G4-MM6

This topic is considered one of the most material by Indigenous Peoples, regulators and society in the context of all Teck sites located within or adjacent to Indigenous Peoples' territories.

How Does Teck Manage This Topic?

Information about how we manage relationships with Indigenous Peoples, including relevant policies, management practices and systems, is available for [download on our website](#).

2021 Highlights

\$267
million

spent on Indigenous businesses through procurement

10

new agreements and **85** total agreements with Indigenous Peoples

Our Performance in Relationships with Indigenous Peoples in 2021

Our Targets and Commitments Teck is committed to responsible resource development, and we recognize that building strong relationships with Indigenous Peoples that help us understand each other's perspectives and priorities is fundamental to our success, as outlined in our [Indigenous Peoples Policy](#). The following table summarizes our performance against our sustainability strategy and goals for relationships with Indigenous Peoples.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priority: Collaborate with communities and Indigenous Peoples to generate economic benefits, advance reconciliation efforts and improve community well-being		
<p>Goal: Achieve greater representation of Indigenous Peoples across our business by 2025 by increasing employment and procurement through business development, capacity-building, education and training opportunities.</p>	On track	<p>Continued to implement commitments to employment and procurement at all sites under site-level agreements with Indigenous Peoples.</p> <p>Conducted a review of our cultural awareness training and updated the program with a consistent framework while reflecting the culture, traditions and priorities of local Indigenous communities.</p>
<p>Goal: Deliver positive social, economic and environmental outcomes for communities and Indigenous Peoples by contributing \$100 million to community organizations and global initiatives, including our Zinc & Health and Copper & Health programs, by 2025.</p>	On track	<p>Provided a total investment of \$23.9 million to local, regional, national and global programs supporting positive social, economic and environmental outcomes. This includes \$2.8 million via 96 organizations to support Indigenous Peoples, representing 11.3% of Teck total community investment spend in 2021.</p>

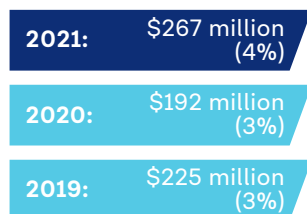
Performance Metrics

Indicator

Procurement spend with Indigenous suppliers

Target

Increase procurement spend with Indigenous suppliers relative to total spend



Indicator

Number of agreements with Indigenous Peoples

Target

Negotiate agreements with Indigenous Peoples affected by our activities

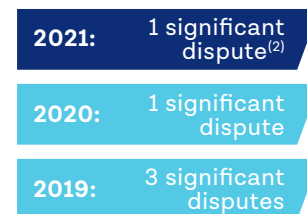


Indicator

Significant disputes⁽¹⁾ relating to land use and the customary rights and other rights of local communities and Indigenous Peoples

Target

Zero significant disputes



(1) In 2021, the definition of "significant disputes" was refined to match severity thresholds for HSEC incident reporting. Accordingly, the results may not be comparable to previous years' reporting. See page 90 for the revised definition.

(2) See page 90 in the Relationships with Communities section for description of disputes.

Recognizing and Respecting the Interests and Rights of Indigenous Peoples

We 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. We continued to use both virtual and in-person

engagement methods during the COVID-19 pandemic. We also continued to support efforts to manage the urgent community impacts of the pandemic through funding from our community investment fund.

Table 40: Key Engagements with Indigenous Peoples in 2021

Site	Major Activities
Highland Valley Copper Operations	Engaged on the implementation of agreements and the HVC 2040 project with 17 Indigenous communities. This work was impacted by COVID-19, the findings at the Kamloops Residential School, the B.C. wildfires and the B.C. atmospheric river events. Despite the challenging year, advancements were made in the areas of the cultural heritage program, contracting opportunities and employment of agreement-holder membership.
Quebrada Blanca Operations	Engaged on the commitments of RCA 72, including the Livestock Development program with Indigenous communities. Several commitments were suspended due to COVID-19; however, priority projects focused on animal husbandry, including the delivery of fodder, were maintained.
Quebrada Blanca Phase 2 (QB2) project	Supported the implementation of the 12 collaboration agreements in the Andean high sector and coastal edge sector. In addition, the commitments associated with RCA 74 were maintained with partial compliance due to COVID-19 conditions, with many activities being restarted in the second half of the year.

Table 40: Key Engagements with Indigenous Peoples in 2021 (continued)

Site	Major Activities
Red Dog Operations	Engaged with the 11 Indigenous communities, regional organizations, local governments, the Subsistence Advisory Committee and the Employment and Training Committee on Red Dog Operations and the COVID-19 response. Engaged with the mine’s two closest Indigenous communities on site water balance challenges, management and mitigation, as well as a focused engagement on exploration activities. Additionally, shared information with regard to the draft water discharge permit modification and other mine- and port-related permitting activities.
Steelmaking coal operations in the Elk Valley	Continued to engage with the Ktunaxa Nation on environmental and cultural stewardship issues related to Teck’s current operations, particularly those related to water quality and fish populations, as well as the proposed Fording River Extension Project (FRX). For portions of 2021, the Ktunaxa Nation reduced its external engagement to prioritize efforts on internal governance matters, and Teck adjusted its approach to respect Ktunaxa Nation’s request. Teck also engaged other Indigenous communities in British Columbia, Alberta and the United States as part of the environmental assessment of FRX.
Trail Operations	Engaged with the Okanagan Nation Alliance (ONA) related to the Northern Pike Program and with the Upper Columbia White Sturgeon Recovery Initiative’s Technical Working Group. We are also part of the Columbia River Integrated Environmental Monitoring Program (CRIEMP), which seeks to collaborate on aquatic ecosystem monitoring, evaluation and reporting on the Lower Columbia River, and includes Indigenous participation. Ongoing engagement with the Circle of Indigenous Nations Society (COINS) to ensure support for critical outreach for their clients and members, as well as for their day-to-day operations throughout the pandemic.
Galore Creek mine	Engaged on continued implementation of the Participation Agreement, originally signed with the Tahltan Nation in 2006. Additional engagement occurred through a series of technical working sessions covering a variety of topics ranging from traditional knowledge to tailings management. Engagement within communities and participation in community events was restricted due to the COVID-19 pandemic.
Legacy sites	Engaged with community members, government agencies and Indigenous Peoples for several legacy properties regarding post-closure activities, including water quality monitoring programs, water collection and treatment (where occurring), ecological risk assessment studies, reclamation research studies, and/or planning for closure.
Exploration	Conducted early, proactive engagement for all active projects in all countries in which Teck explores to establish dialogue and build relationships. Obtained support from local Indigenous communities to proceed with exploration programs for projects spanning Canada, Chile and Peru, either through formalized new agreements or by meeting pre-existing commitments, in addition to agreements from non-Indigenous local communities across all global active projects. During the year, at least five contracts were awarded to Indigenous businesses and 16 contracts were awarded to local organizations, in addition to recruiting a total of 374 local and Indigenous applicants to support exploration activities.
Cardinal River mine ⁽¹⁾	Continued to engage with six communities on Cardinal River mine’s closure planning. Conversations continue to explore the interests of communities in revegetation/plant species, environmental monitoring, land use and business opportunities.

(1) As of June 2020, Cardinal River Operations has transitioned to closure. However, active engagement with Indigenous Peoples and communities, among other activities, took place in 2021.

Incidents and Significant Disputes

There was one significant dispute for Teck that involved Indigenous Peoples in 2021. Please see page 90 in the Relationships with Communities section for further details on this dispute as well as other grievances.

Cultural Awareness Training

We regularly deliver training on Indigenous Peoples' rights and cultural awareness for exploration, operations and management staff. Cultural awareness training is intended to support effective relationships with the Indigenous communities we work with and with our Indigenous colleagues. This is part of Teck's commitment to inclusion and diversity in the workplace.

In 2021, Teck conducted a review and refresh of our approach to cultural awareness training across the company. Two new modules were developed, including an online component and a live facilitated session. The program now includes a consistent framework that reflects the culture, traditions and priorities of local Indigenous communities. Over 600 employees from eight sites participated in pilot sessions and a full rollout is planned for 2022.

Action on Reconciliation

Teck is committed to reconciliation with Indigenous Peoples. We continue to work in partnership with Reconciliation Canada to support their vision of revitalizing the relationships among Indigenous Peoples and all Canadians. In addition, we support the implementation of the Memorandum of Understanding on economic reconciliation between the Business Council of British Columbia and the BC Assembly of First Nations. We also continue to proactively engage in government-led initiatives to improve the lives of Indigenous Peoples in several jurisdictions through their participation in mining-related activities.

Teck responded to the confirmation of unmarked graves of children at former residential schools in Canada by pausing

our engagement activities with Indigenous Peoples to provide space, by lowering flags to half-mast across our Canadian operations and by providing contributions to organizations that help advance reconciliation. See the Community Investment Focused on Indigenous Peoples section on page 101 for more detail. Teck also recognized the National Day for Truth and Reconciliation as an opportunity to engage in meaningful discussions about the effects of residential schools and their legacy. We launched a new Employee Indigenous Library Program through a partnership with Raven Reads, an Indigenous-owned subscription service focused on Indigenous authors and literature. Teck covered the cost of a book by an Indigenous author for all interested employees in Canada to provide the opportunity to learn more about Indigenous history, traditions and culture.

Negotiating and Implementing Agreements

In 2021, there were 85 active agreements in place with Indigenous Peoples, including 10 new agreements ranging from exploration agreements to impact benefit agreements.⁴⁰ For a full list of our active agreements with Indigenous Peoples for projects and operations, see our [2021 Sustainability Performance Data](#).

Implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)

In November 2019, B.C. became the first province in Canada to legislate its endorsement of UNDRIP, implementing the *Declaration on the Rights of Indigenous Peoples Act* (DRIPA). The legislation includes a commitment to ensure the laws of B.C. are consistent with UNDRIP. In June 2021, the federal government of Canada implemented similar legislation: The *United Nations Declaration on the Rights of Indigenous Peoples Act*. As set out in Teck's Indigenous Peoples Policy, we continue to implement our commitment to work to achieve the free, prior and informed consent of Indigenous communities.

Case Study: Supporting the Leadership Development of Indigenous Employees at Red Dog Operations

Red Dog Operations (RDO), one of the world's largest producers of zinc, is located about 170 kilometres north of the Arctic Circle in northwest Alaska. Red Dog was developed under an innovative operating agreement between the landowner NANA Regional Corporation (NANA) and Teck. NANA is an Alaska Native Corporation owned by more than 14,500 Iñupiat shareholders, or descendants, who live in or have roots in northwest Alaska. For more than 30 years, Red Dog and the people of the northwest Arctic region have worked together to

create jobs and opportunities to strengthen the region.

In 2020, Red Dog initiated an Accelerated Leadership Development Program as part of NANA's and Teck's ongoing commitment to NANA shareholder leadership development. The objective of the program is to increase the number of shareholder-employees in senior roles. The pilot program concluded successfully, with a 5.3% increase in shareholder-employee promotions in 2020. Read the full case study at teck.com/news/stories.

⁴⁰ An agreement typically made with Indigenous Peoples that outlines the potential impacts of a project, the commitment and responsibilities to mitigate these impacts, and the economic and other benefits that will be shared with the Indigenous party.

Sharing Economic Benefits

Employment is one way in which local communities can benefit from our operations, and we work with Indigenous communities to increase the number of Indigenous Peoples employed at Teck.

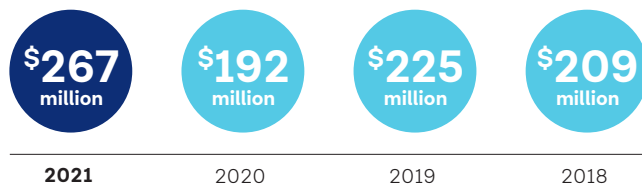
In 2021, there were 166 Indigenous new hires at our Red Dog Operations, which represent 77% of the total new hires at Red Dog; 471 employees were NANA shareholders, representing 61% of the total number of employees at Red Dog Operations. NANA is a Regional Alaska Native Corporation owned by the Iñupiat people of northwest Alaska.

We continue to work on our data collection and analysis processes in order to support efforts towards strengthening our relationships with Indigenous communities by ensuring we are effectively sharing the benefits of mining, including employment and procurement opportunities.

Procurement from Indigenous Suppliers

In 2021, our operations spent approximately \$267 million with suppliers who self-identified as Indigenous; this represents an increase compared to 2020. In 2021, 47% (\$149 million) of spending at Red Dog Operations was with Indigenous suppliers — where Indigenous procurement is one of the cornerstones of our operating agreement with NANA Regional Corporation.

Figure 25: Procurement Spend on Suppliers Who Self-Identified as Indigenous



Procurement with Indigenous businesses is critical in sharing the economic benefits of mining, and may increase or decrease depending on annual business priorities. Many of our agreements with Indigenous Peoples contain commitments to support our shared interest in ensuring Indigenous businesses are able to provide goods and services to our sites. In 2021, we continued to improve site-based tools used for performance measurement of procurement with Indigenous businesses. We recognize that when we are able to build Indigenous businesses, prosperity is increased during and after mine life.

Community Investment Focused on Indigenous Peoples

In 2021, Teck allocated \$2.8 million via 96 organizations to projects that support Indigenous Peoples, compared to \$3.4 million in 2020. Teck contributed to organizations that advance reconciliation in response to the confirmation of unmarked graves of children at former residential schools. This included \$50,000 to the Indian Residential Schools Survivor Society and \$25,000 to the Orange Shirt Society.

We also continued to support the COVID-19 response and future recovery efforts of Indigenous communities. A portion of Teck's community investment fund was dedicated to support Indigenous communities. Examples of investments in 2021 included:

- Supporting the TĀĽTĀN ŁUWE Fish Camp to hire a dedicated team to fish, process, preserve and deliver salmon to 266 Tahltan families, particularly elders, to limit travel into and within the territory to reduce the risk of COVID-19
- Supporting T'eqt'aqtn'mux (Kanaka Bar Indian Band) in their work to improve their land use and infrastructure to increase production of eggs, chickens, honey, medicines, fruits and vegetables to support food security and community self-sufficiency
- Supporting our 11 local Indigenous Villages in the Northwest Arctic region with purchases of food, food storage, and food delivery equipment to ensure that community members, especially those most at risk for COVID-19 were able to remain safe at home and in the community during the pandemic
- Supporting educational organizations, such as Earth Rangers, Science World and Junior Achievements BC in developing virtual and physical programming to continue student education specifically designed to reach Indigenous and rural youth