

**2023 Report under the *Fighting Against  
Forced Labour and Child Labour in Supply  
Chains Act***

**February 22, 2024**



## 2023 Report – Introduction

This report has been prepared jointly by Teck Resources Limited and its subsidiaries, including those listed in the Approval and Attestation section, below, (collectively, “Teck”) in response to the reporting requirements under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) for our financial year ending December 31, 2023.

Teck recognizes that the mining industry plays an important role in preventing and assessing the risk of forced labour and child labour in Canada’s supply chain. We acknowledge the risks of forced labour and child labour in the mining sector and are committed to continuous improvement in our due diligence, risk assessment, remediation and training processes.

Teck is committed to respecting the human rights of people impacted by our operations and supply chain, consistent with the International Bill of Human Rights, ILO Core Conventions, UN Guiding Principles on Business and Human Rights, and OECD Guidelines for Multinational Enterprises.

## Organizational structure, activities, and supply chain

### Structure

Teck is a diversified resource company operating in Canada, the United States, Chile, and Peru. Teck owns or has interests in nine operating mines, a large metallurgical complex, and several significant copper and zinc development projects, all in the Americas. Teck has approximately 12,000 employees and our headquarters are located in Vancouver, British Columbia.

Teck is a publicly traded company with shares listed on the Toronto Stock Exchange (under the symbols TECK.A and TECK.B) and the New York Stock Exchange (under the symbol TECK).

### Activities

The Act requires Teck to report on our activities in relation to the production, sale, distribution of goods, both in and outside of Canada, and the importation of goods into Canada. This information is set out below. For a detailed description of Teck’s business activities, please refer to our [Annual Report](#).

Teck is a significant producer of copper, zinc, lead, and steelmaking coal. We also produce specialty metals (such as germanium, indium and cadmium), gold and silver, and a range of other industrial products and fertilizer products which are recovered from our zinc or lead smelting and refining operations. Our production operations and locations are as follows:

- In Canada, our Elkview Operations, Fording River Operations, Greenhills Operations, and Line Creek Operations are four steelmaking coal operations located in the Elk Valley of British Columbia. Highland Valley Copper Operations is a copper and molybdenum operation located in south-central British Columbia. Trail Operations is a fully integrated zinc and lead smelting and refining complex, located in southern British Columbia.
- In the United States, Red Dog Operations is one of the world’s largest zinc mines, located in northwest Alaska.
- In Peru, the Antamina mine, a minority joint venture operation, is a large copper and zinc mine located in the Andes mountain range.

- In Chile, Quebrada Blanca Operations is a copper mine located in northern Chile. Carmen de Andacollo Operations is a copper and gold mine located in central Chile.

Teck sells our products globally and in Canada.

Teck occasionally imports equipment into Canada in support of Canadian exploration activities, with imported items generally valued under CAD\$10,000.

## Supply chain

Teck procures a range of goods and services, such as mobile equipment, machinery, fuel and lubricants, explosives, and a variety of other products and services that support large-scale mining and refining operations. Our direct suppliers are closely aligned with the location of our operations in Canada, the United States and Chile; in 2023, 53 percent of procurement spend was with local suppliers.

Teck outsources selected operational activities to third parties in Canada, the United States and Chile, such as heavy mining equipment maintenance, transport and logistics, mechanical, electrical and construction work, general exploration drilling, and technical/engineering consultancy.

## Steps to prevent and reduce the risks of forced labour and child labour

Using voluntary standards and principles, Teck has integrated human rights measures into our business activities, including in social and environmental management, health and safety, procurement, security and human resources. These measures are described in our [Sustainability Report](#).

In our financial year ending December 31, 2023, Teck has taken the following steps to prevent and reduce the risks of forced labour and child labour in our operations and supply chain:

- Working with an external third party to assess the risks of forced labour and child labour in our activities and supply chains;
- Developing and implementing an action plan for addressing forced labour and child labour where risks are identified;
- Developing and implementing due diligence procedures and processes for identifying, addressing and prohibiting the use of forced labour and child labour in our activities and supply chain;
- Requiring our direct suppliers and contractors to have in place policies and procedures for identifying and prohibiting the use of forced labour and child labour in their activities and supply chains;
- Developing and implementing anti-forced labour and anti-child labour contractual clauses for our direct suppliers;
- Developing and implementing anti-forced labour and anti-child labour standards and codes of conduct;
- Monitoring and tracking risks of forced labour and child labour relating to our direct suppliers and contractors;
- Using our existing rights-based grievance mechanisms to set expectations regarding remediation and ensure that complaints or concerns relating to forced labour and child labour are heard and adequately addressed;
- Developing and implementing training and awareness materials on forced labour and child labour; and

- Engaging with certain supply chain partners on the issue of addressing forced labour and child labour.

Further details on these activities are provided in the following sections of this report.

## Policies and due diligence processes

### Overview

Teck's due diligence processes involve embedding responsible business conduct into our governance structure, policies, and risk management systems.

### Governance

Teck is committed to strong corporate governance and has established roles that are responsible for overseeing the prevention and mitigation of forced labour and child labour in our operations and supply chain.

- The Safety and Sustainability Committee of our Board of Directors is responsible for managing risks associated with human rights and considers human rights impacts and any risks associated with on-going company activities, including risks associated with forced labour and child labour, along with Teck's senior management team.
- Teck has two dedicated, senior-level positions who are responsible for fulfilling Teck's human rights commitments: our Senior Vice President, Sustainability and External Affairs (who reports directly to the President and CEO) and our Vice President, Communities, Government Affairs and HSEC Systems.
- Our Legal group and Sustainability & External Affairs group oversee our human rights policies and serve as a touchpoint for inquiries from other departments on issues related to human rights, including forced labour and child labour. Our Legal group oversees our grievance mechanisms, including the whistleblower hotline described below.

### Policies

Teck has developed and is implementing policies that specifically address the prevention and mitigation of forced labour and child labour.

- [Teck Code of Ethics](#) affirms our commitment to uphold high moral and ethical principles and specifies the basic norms of behaviour for those conducting business on Teck's behalf; it includes zero tolerance for exploitation of child labour or other abuses of human rights.
- [Teck Code of Sustainable Conduct](#) describes our commitment to responsible ESG performance, including ensuring that no forced labour or child labour occurs in the workplace or our supply chain, and requires that employees and contractors comply with applicable laws and regulations in the countries in which they operate.
- [Teck Human Rights Policy](#) explicitly states that Teck does not tolerate the use of forced labour, child labour or human trafficking of any kind in our operations or supply chain. It commits us to avoid

infringing - directly or complicitly - on the human rights of our employees, contractors, workers in our supply chain or on the rights of members of communities where we are active; it commits us to communicating our expectations that suppliers have processes that respect human rights, and that they remedy their offending practice or policy if they are in violation of these rights.

- [Teck's Expectations for Suppliers and Contractors](#) sets the minimum standard of conduct expected of all suppliers of goods and contractors performing services for or on behalf of Teck. This policy expressly states that suppliers must not use forced labour, human trafficking or any type of modern slavery, and as described in more detail below, sets expectations on suppliers to address known risks of forced labour and child labour, such as recruitment, freedom of movement and training on forced labour.

## Management approaches

- [Our Approach to Value Chain Management](#) outlines our governance related to supply chain, and it communicates our policies and standards which apply to employees and suppliers. It also describes our approach to identifying and managing sustainability risks, which is inclusive of human rights risks, in our supply chain.
- [Our Approach to Human Rights](#) communicates that Teck does not tolerate any form of forced labour or child labour and describes our human rights management throughout the mining life cycle, from exploration to closure. It includes our human rights governance and accountabilities, and outlines our approach on responding to possible human rights impacts and access to remedies for those affected.
- *Human Rights Due Diligence Procedure* (internal) describes the governance and compliance steps related to human rights due diligence to be implemented at all Teck corporate and controlled sites.

## Due diligence processes

Teck has implemented risk assessment and due diligence processes to evaluate, prevent and mitigate human rights risks in our operations and with our suppliers.

At our operations, our risk management process includes identifying, classifying and evaluating, and addressing economic, social and environmental risks and opportunities on a regular basis. The likelihood and impact of individual risks fluctuates based on external factors, such as geopolitical developments, current events, and social and business trends.

Teck also performs human rights risk assessments every three to five years at our sites; the frequency of these assessments depends on the risk level of the country within which the site is located. In 2023, human rights risk assessments (HRRAs) were conducted at Red Dog Operations, Carmen de Andacollo Operations, Quebrada Blanca Operations, and Highland Valley Copper Operations.

In 2023, Teck developed a new approach to assessing human rights risks and impacts at our operations and in our supply chain. Our *Human Rights Due Diligence Procedure* requires our operating sites and corporate teams to develop and implement processes to mitigate human rights risks and impacts throughout the supplier life cycle. These processes must, at a minimum, include supplier prequalification, assurance, and corrective actions, which are described in more detail below in the section: *Assessing*

*effectiveness*. Teck's operating sites have adopted different approaches to implementing this procedure, including:

- At our Trail Operations, Highland Valley Copper Operations, Elkview Operations, Fording River Operations, Line Creek Operations and Greenhills Operations in Canada, Teck has retained an independent third party to perform supplier pre-qualification background checks, which include specific questions on policies and procedures regarding forced labour and child labour.
- At our Quebrada Blanca Operations and Carmen de Andacollo Operations in Chile, Teck's vendor creation workflow includes an evaluation of suppliers into low, medium, and high-risk categories, based on metrics which take into account a supplier's location, the goods and services provided, and other risk factors, such as a history of human rights violations.

When Teck is considering operating in a new jurisdiction, our due diligence process is to perform research on, *inter alia*, the potential human rights risks and impacts associated with the proposed activities in that jurisdiction, to identify the human rights impacts of our activities and implement the necessary controls to mitigate them.

As noted above (see section: *Policies*), our [Expectations for Contractors and Suppliers](#) describes minimum standards of conduct for our suppliers and contractors relating to forced labour and child labour, including:

- Requiring mechanisms for verifying the ages of employees and contractors;
- Mandating appropriate safeguards if anyone aged 18 and younger is working for the supplier;
- Prohibiting suppliers from charging for recruitment, employment or repatriation fees;
- Requiring all employment contracts to be in writing; and
- Specifying that all employees and contractors must maintain control of their own identification documents.

Teck has developed and is implementing anti-forced labour and anti-child labour contractual clauses for our direct suppliers, as described in [Our Approach to Value Chain Management](#), which requires suppliers to contractually agree to uphold Teck's standards with respect to human rights, allow Teck to perform audits of the supplier's operations if necessary to verify more directly whether our standards are being met, and report human rights issues related to the supplier's activities with Teck.

[Our Approach to Value Chain Management](#) also outlines anti-forced labour and anti-child labour standards relating to on-going monitoring and assessment of suppliers, work stoppage and corrective action plans, additional screening questionnaires if the supplier will be on a Teck site for more than 30 days, and additional risk evaluations, including a site visit, if the supplier contract is of significant value.

Teck has developed a process for conducting deep dive risk assessments on specific suppliers carried out according to selected geopolitical or operational risks and triggered on an as-needed basis. Teck's Risk group works with operations to identify targets for deep dive risk assessments. The topic of focus for 2022 and 2023 was forced labour. In 2022, Teck completed 67 deep dive risk assessments and completed 44 in 2023. From 2015 to 2021, Teck's deep dive risk assessments focused on human rights and environmental risks across approximately 2,000 suppliers.

In 2023, Teck focused on due diligence of our critical direct suppliers, including on-going monitoring and assessments. Critical suppliers are suppliers of goods or services that, in the event of an interruption in the supply chain, could have a significant impact on Teck's production, costs and/or revenues. Suppliers may also be considered critical due to the nature of their products and the potential risk and impact on health, safety, the environment and the communities in which Teck operates. Critical suppliers include

inbound suppliers of mobile equipment, fuels, tires, ammonium nitrate, process equipment, consumables such as grinding media, suppliers of related parts and services, and outbound suppliers of rail, marine, trucking, bulk terminal and related distribution services.

In 2023, Teck engaged a third party to monitor and track ESG risks relating to our suppliers and contractors. This process covers nearly 86 percent of our direct suppliers and contractors. Monitoring tracks adverse media reports and controversies relating to human rights, including incidents and allegations relating to forced labour and child labour. Teck is currently working with our third party provider to develop a method to select higher risk suppliers for additional due diligence screening, based on their risk profile within this database.

## Forced labour and child labour risk

Teck's operations are located in relatively low-risk jurisdictions, based on an assessment process that applies a Conflict-Affected and High-Risk Area (CAHRA) tool that uses country-level data indicators spanning multiple topics, including forced labour and child labour. However, Teck acknowledges that the nature of mining activities and related supply chains can create potential human rights risks.

To date, our approach to identifying the risks of forced labour and child labour has focused on the sector we operate in, as well as the location of our activities and operations, and on employees, contractors and direct suppliers at our operating sites.

Our policies and procedures include the following risk identification factors:

- Known ILO red flags associated with forced labour and child labour, including lack of age verification; charging for recruitment, employment or repatriation fees; lack of written employment contracts; and the retention of employee identification documentation.
- The location of the contractor or supplier and the strength of rule of law in those jurisdictions.
- The industry and type of goods and services provided, such as personal protective equipment (PPE) and products originating from mineral exploration or processing.
- Contractor history of known human rights violations or complaints.
- Teck's level of influence and relationship with the supplier and its workers.

## Remediation measures and remediation of loss of income

Teck has established policies and processes to set expectations regarding remediation and ensure that complaints or concerns relating to forced labour and/or child labour are heard and adequately addressed.

Our expectations regarding remediation are described in [Our Approach to Human Rights](#), which states that, where we have caused or contributed to adverse human rights impacts, we will contribute to their remediation. This requirement is set out in our Human Rights Policy. In line with the UN Guiding Principles on Business and Human Rights, our management approach document states that Teck does not impede the access by any person to state-based judicial mechanisms for persons who make allegations of adverse human rights impacts. It also states that Teck does not require these individuals to permanently waive their legal rights to bring a claim through a judicial process as a condition of participation in a grievance or mediation process with Teck.

[Teck's Expectations for Suppliers and Contractors](#) requires all suppliers to provide a sufficient and appropriate remedy to any aggrieved person and to take action to eliminate the cause of the incident or



non-compliance to prevent recurrence. These remedies may include compensation, rehabilitation and a guarantee by the supplier of non-repetition. The document also requires suppliers to communicate the availability of Teck's anonymous whistleblower hotline (described below in this section) to their own employees and business partners.

[\*Our Approach to Value Chain Management\*](#) describes Teck's process for addressing human rights issues at our operating sites, as set out in our Human Rights Policy. This process provides that, if human rights issues are identified, work is stopped for an investigation to be conducted. Based on the results of the investigation, Teck will formulate a corrective action plan for the supplier. If the corrective action plan is implemented by the supplier, work can resume. If not, the contract may be terminated by Teck, as appropriate.

Teck has established a [\*Doing What's Right\*](#) whistleblower hotline that is available to all employees, contractors and suppliers (and their workers) to report human rights issues anonymously. Our Legal group has established a central tracking mechanism for any complaint made through the whistleblower hotline to ensure that complaints are investigated, escalated, and remediated, as appropriate.

To date, Teck has not received any complaints relating to forced labour or child labour in our operations or supply chain, and as such has not taken any remediation measures or remediation of loss of income to families as a result of forced labour or child labour.

## **Employee training**

In 2023, Teck developed and implemented a Human Rights Training Plan; as part of this, we implemented a specific training module on forced labour and child labour.

The training, developed in consultation with an external human rights advisory firm, aims to provide participants with a deeper understanding of forced labour and child labour, international standards, common indicators of risk, how to identify forced labour and child labour, and what to do if they suspect an issue or violation. Training was made available for all employees through Teck's Learning Management System. It was mandatory training for employees and contractors in procurement and supply chain roles. We have the ability to track completion and follow up with employees and their supervisors if the training is not completed within the allocated time frame (i.e. by year-end).

## **Assessing effectiveness**

Teck conducts several types of assessments of effectiveness related to the management of human rights, including internal audits of operations, external annual sustainability assurance and internal mid-year effectiveness checks. Teck's internal sustainability standards and procedures are aligned with industry standards.

In addition to regular internal assessments, Teck obtains independent assurance on its management programs related to human rights and supply chain due diligence through external accreditations, such as The Copper Mark Criteria for Responsible Production, the Mining Association of Canada's Towards Sustainable Mining (TSM) protocols, and the International Council on Mining and Metals (ICMM) Performance Expectations. Our Highland Valley Copper Operations, Trail Operations, Quebrada Blanca Operations and Carmen de Andacollo Operations have all been assured to The Copper Mark Criteria for Responsible Production, which include responsible labour practices, working conditions, and assessing and managing risks of forced labour and child labour.

Teck uses the results of these internal and external assurance processes to inform future actions and opportunities for continuous improvement.



Teck discloses our performance regarding human rights in our annual Sustainability Report, in accordance with the United Nations Guiding Principles Reporting Framework. This annual disclosure allows Teck and our stakeholders to monitor our performance over time. Our Sustainability Report is available at [www.teck.com](http://www.teck.com).

## Approval and attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for Teck Resources Limited, Teck Metals Ltd., Teck Highland Valley Copper Partnership, Teck Coal Limited, Teck Coal Partnership, Fording Partnership, Teck Resources Coal Partnership, Elkview Mine Limited Partnership, TCL U.S. Holdings Ltd., and Teck South American Holdings Ltd. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

"I have the authority to bind Teck Resources Limited "

A handwritten signature in black ink, appearing to read 'Jonathan Price', with a stylized flourish at the end.

Jonathan Price  
President and Chief Executive Officer  
February 22, 2024