

Our Approach to Relationships with Indigenous Peoples

Which Teck sites does this document apply to?

This document summarizes our approach to managing relationships with Indigenous Peoples. This document applies to all Teck sites located within or adjacent to Indigenous Peoples' territories. This does not include operations in which Teck has/had an ownership interest but is not the principal operator.

Relationships with Indigenous Peoples performance information: See our Annual Sustainability Report available for download on our [website](#).



Employee at Red Dog Operations, United States. 2013.

Governance and Accountability

Background

Eight of our nine active operations¹ in Canada, Chile and the United States, and the majority of our exploration sites, development projects and recently closed operations 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.

Accountability and Resourcing

The Board of Directors, through its Safety and Sustainability Committee, broadly oversees health, safety, environment and community policies, systems, performance and auditing, including implementation of our Health, Safety, Environment and Community (HSEC) Management Standards.

The following senior leaders are involved in implementing the management of relationships with Indigenous Peoples:

- The Senior Vice President, Sustainability and External Affairs reports directly to our CEO and is responsible for sustainability, health and safety, environment, community, and Indigenous affairs
- The Vice President, Communities, Government Affairs and HSEC Systems leads activities related to social performance and responsibility, community engagement, community investment and Indigenous affairs

Teck's executive Indigenous Affairs Steering Committee includes our CEO and senior management representatives of our business units, our project and exploration group, and other functional groups such as human resources and legal. This committee provides oversight and guidance on major initiatives with Indigenous Peoples, including the negotiation of agreements. Our engagement with Indigenous Peoples is conducted primarily by our Communities teams at each of our operations, project and exploration sites, and is supported by our corporate Indigenous Affairs team.

Policies and Standards

Teck's [Indigenous Peoples Policy](#) affirms our commitment to respect the rights, cultures, interests and aspirations of Indigenous Peoples. The policy was developed with input and guidance from Indigenous Peoples in our local communities, as well as with leading local and international groups with expertise in Indigenous and mining policy. Other policies that guide our approach to relationships with Indigenous Peoples include our [Human Rights Policy](#), [Inclusion and Diversity Policy](#) and [Expectations for Suppliers and Contractors](#).

Memberships, Partnerships and External Commitments

We work with various local, national and international organizations and programs to support Indigenous Peoples and communities:

- [Reconciliation Canada](#): Engages Canadians in dialogue around the relationships among Indigenous Peoples and

¹ Includes Highland Valley Copper, Quebrada Blanca, Red Dog, Trail and our four steelmaking coal operations in the Elk Valley. This does not include operations in which Teck has/had an ownership interest but is not the operator, e.g., Antamina and Fort Hills.

all Canadians. Teck seeks guidance and promotes the aims of Reconciliation Canada

- **Indspire Awards:** We sponsor the Teck Canadian Aboriginal Bursary in partnership with Indspire, helping Indigenous youth achieve their potential
- **CAPE Fund:** A \$50 million investment fund, of which Teck is a founding member, created to support Indigenous entrepreneurs or communities in Canada in pursuing economic opportunities
- **Champions Table:** Teck is a founding member of the Champions Table, a formal and ongoing opportunity to foster dialogue between Indigenous and business leaders in British Columbia
- **UN Women:** Teck provides financial support to a UN Women initiative to create opportunities for skills development of Indigenous women in northern Chile

Approach to Relationships with Indigenous Peoples

The foundation of our approach is recognizing and respecting the rights of Indigenous Peoples. This starts with acknowledging these rights and interests as they are enshrined in regional, national and international law. Teck engages well beyond our regulatory requirements as we seek to build strong, lasting relationships with Indigenous Peoples in the areas where we operate. Using the principle of self-determination, we aim to share economic benefits, including providing jobs, procurement or community centered investment.

Recognizing and Respecting the Rights of Indigenous Peoples

The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the International Labour Organization Convention No. 169 (ILO No. 169) and the International Finance Corporation Performance Standard 7 provide guidance for government and private sector interaction with Indigenous Peoples. Reconciliation with Indigenous Peoples is an important societal process that involves governments, Indigenous communities, non-Indigenous communities and the business community. While UNDRIP and ILO No. 169 provide an important framework and guidance for reconciliation, every post-colonial nation with Indigenous populations has circumstances that require a unique path forward. Teck continues to advance the development of a Reconciliation Action Plan.

Negotiating Agreements

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

Our approach in negotiating agreements focuses on:

- Building trust, mutual respect, cooperation and open communication of interests and concerns
- Improving community prosperity
- Working with Indigenous Peoples in innovative and collaborative ways
- Reducing business risk through increasing project and operational certainty

Teck incorporates commitments into internal tracking tools to ensure they are understood and fulfilled. Our *Annual Sustainability Performance Data spreadsheet* includes a full list of our active agreements with Indigenous Peoples for projects and operations.

Although we recognize that agreements are important milestones that guide specific commitments to cultural heritage, jobs and training, procurement and establish communication processes, a positive and trusting relationship is the true indicator of success.

Consultation

Consultation is an essential component in our regulatory approval processes and project development. As required by international conventions and typically by domestic law, many governments recognize the duty to consult with Indigenous Peoples. In certain situations, some or all aspects of consultation activities may be delegated to Teck.

In keeping with ICMM and TSM's stance on Free, Prior and Informed Consent (FPIC), when our activities have the potential to affect Indigenous Peoples, we are committed to working to achieve the free, prior and informed consent of Indigenous communities throughout all stages of the mine development process. In so doing, we are able to build strong relationships through information sharing, dialogue, and responding to community concerns and interests.

Sharing Traditional Knowledge and Supporting Land Use Studies

Indigenous traditional knowledge is core to understanding and mitigating the environmental impacts of a mine—from project design, to developing and executing monitoring plans, to planning and implementing reclamation. Further, incorporating the unique knowledge about local environments that Indigenous communities can provide is important in integrating the perspectives of Indigenous Peoples into decision-making to strengthen relationships and to respect Indigenous interests and aspirations.

At every stage of the mining life cycle, we support the integration of traditional knowledge and Indigenous perspectives into project planning and development. For example, at Highland Valley Copper (HVC), work is underway with the Nlaka'pamux Nation to conduct studies and integrate traditional knowledge to help us better understand the impacts of our activities on Indigenous Peoples and their territories. We invest in these studies to promote mutual understanding and to encourage a collaborative approach to decision-making.

Engagement with Indigenous Peoples

We engage with Indigenous Peoples and work to achieve their free, prior and informed consent when proposing new or substantially modified projects. We aim to foresee any interruptions or complications to our projects by proactively integrating the perspectives of Indigenous Peoples into company decision-making throughout the mining life cycle, and by creating lasting benefits that respect their unique interests and aspirations. To ensure strong, lasting relationships are initiated as early as possible, Indigenous rights holders and stakeholders are identified and engagement activities occur from exploration through to closure.

Identifying and Engaging with Potentially Impacted Indigenous Peoples

Prior to any work in an area, our site Communities teams are required to develop an Area of Influence map and a Communities of Interest (COI) map in order to identify potentially affected rights-holders at an early stage. Our Corporate Indigenous Affairs team, and site Communities teams determine the jurisdictional and regulatory context regarding Indigenous rights, and work with COIs to determine the scope of any agreements or consultation appropriate for the project. These agreements may include provisions regarding cultural heritage and culturally significant sites, including access, use and stewardship of traditional or customary lands and the resources within where heritage considerations are jointly identified and managed between the parties. Site teams are then responsible for the execution of any agreements and for the maintenance of healthy dialogue-based relationships with indigenous communities.

Sharing Economic Benefits

Commitments in the agreements with Indigenous Peoples reflect their priorities and can include training, employment and procurement, such as offering specific roles exclusively to qualified Indigenous Peoples, establishing employment processes and related key performance indicators, and supporting local apprenticeship and training programs, including internship opportunities for Indigenous students. For example, at our Red Dog Mine in Alaska, we have an operating agreement with the landowner, NANA Regional Corporation, Inc., a Regional Alaska Native corporation owned by the Iñupiat people of northwest Alaska. Under the agreement, NANA receives a portion of the mine's profits, and a majority of Red Dog's employees and contractors are NANA shareholders.

In British Columbia, in addition to resource revenue sharing established directly through agreements with Teck, the Province negotiates Economic and Community Development Agreements (ECDAs). ECDAs with Indigenous Peoples are for sharing the direct mineral tax revenue on new mines and major mine expansions. Specific to Teck's operations, the Ktunaxa Nation has entered into an ECDA regarding Teck's Elk Valley steelmaking coal operations, and Nlaka'pamux communities have entered into an ECDA regarding Teck's Highland Valley Copper Operations.

We also pursue company-wide approaches to increasing Indigenous employment, training and retention through



Engaging with Indigenous Peoples. 2015.

investing in the implementation of our Indigenous Peoples Policy and our sustainability strategy.

Procurement and Hiring Practices and Indigenous Peoples

Procurement with Indigenous businesses is critical in sharing the economic benefits of mining. In accordance with our Health, Safety, Environment and Community (HSEC) Management Standards, part of our selection of suppliers considers possible representation from Indigenous or traditionally under represented groups within each supplier's ownership structure. 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 requirements, or provide them with training and business development support. In 2019, we developed site-based tools to enhance procurement with Indigenous businesses, including a review of procurement processes and documents and developing best practice guidance.

Community Investment and Indigenous Peoples

To support our relationships with Indigenous Peoples, Teck invests in a wide range of initiatives and programs that benefit Indigenous Peoples on local, regional and national levels. This includes investments that support Indigenous language and cultural training, youth education and development, health and wellness programs, and various environmental initiatives. For example, in 2019, and as part of a partnership between UN Women and Teck, the "Originarias" training Centre was inaugurated. The centre's core objective is to empower Indigenous women in northern Chile through high-quality, culturally relevant, flexible training programs that focus on economic development, entrepreneurship and business management skills. Additionally in 2020, we created a \$20 million community investment fund to support community responses to COVID-19, and to provide funding for critical local initiatives and future recovery efforts. A portion of this fund has been dedicated to support Indigenous communities, in addition to expediting our payments to local and Indigenous suppliers to support their ongoing economic resilience. Our aim is to ensure these and other community investments align with the needs and opportunities identified in collaboration with Indigenous Peoples.

Cultural Awareness Training

To enhance our capacity to engage with Indigenous communities, we conduct cultural awareness training for Communities teams at a number of our operations including, for example, at Red Dog Operations, where a significant number of our employees self-identify as Indigenous. Cultural awareness training provides an excellent opportunity to develop awareness and understanding of a diversity of Indigenous perspectives to inform Teck's decision-making across the company. In the Elk Valley, the Ktunaxa Nation provides cultural awareness training to Teck teams, sharing valuable context and traditional knowledge to inform work at the site level.

Grievances

There are a number of processes through which Indigenous Peoples and communities can inform us of concerns, including formal grievance mechanisms, dispute resolution clauses in agreements, and ongoing engagement. Additionally, agreements with Indigenous Peoples often establish processes to work through grievances and other areas of concern, and help to fulfill our commitment to improving community well-being in self-defined ways while gaining the broad support of the community. See Teck's Approach to Communities document and Teck's Approach to Human Rights document for more information.

Our Targets and Commitments

Our sustainability strategy guides our long-term approach to forming relationships with Indigenous Peoples as well as all of our stakeholders and communities across Teck. In 2019, we conducted broad engagement with employees and external stakeholders to identify and prioritize global trends and issues and to set a new sustainability strategy, including new goals related to Indigenous Peoples.

Strategic Priority:

- Collaborate with communities and Indigenous Peoples to generate economic benefits, advance reconciliation efforts and improve community well-being

Goals:

- Increase local employment and procurement opportunities by 2025 to deliver direct economic benefits to communities

- 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
- 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

Throughout 2020, we focused on making progress towards our new goals and concluding final steps on the 2020 relationships with Indigenous Peoples goals within our previous sustainability strategy. These goals, which concluded December 31, 2020, included:

By the end of 2020:

- Refine our business policies and practices based on results of our social risk assessments, our work in human rights, and developments in the rights of Indigenous Peoples
- Engage with communities to identify social, economic and environmental priorities and mutually define outcomes and measures of success
- Work with Indigenous Peoples to identify and participate in initiatives to support the self-defined goals of Indigenous communities
- Develop metrics for monitoring Indigenous training, employment and procurement to establish baselines and drive progress

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

Assurance Related to Relationships with Indigenous Peoples

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

We report on our performance against these indicators and our progress towards our management goals in our relationships with Indigenous Peoples on an annual basis in our [sustainability report](#).

Assurance Related to Relationships with Indigenous Peoples

Type	Organization	Items Reviewed
External	Mining Association of Canada: Towards Sustainable Mining assurance	<ul style="list-style-type: none"> • Community of interest (COI) identification • Effective COI engagement and dialogue • COI response mechanism • Reporting
External	International Council on Mining and Metals: Sustainability Report assurance	<ul style="list-style-type: none"> • Total number of significant disputes relating to land use and the customary rights of local communities and Indigenous Peoples • Principle 3: Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities