

## Diversity and Employee Relations



Pictured above: Employees at Carmen de Andacollo Operations, Chile.

## Diversity and Employee Relations

Globalization and technological improvements have a great impact on society and labour markets worldwide.<sup>22</sup> While certain jobs may disappear, others will emerge. For example, the Organisation for Economic Co-operation and Development (OECD) estimates that 14% of jobs are at high risk of automation. While the United Nations Sustainable Development Goal 5 (SDG 5) on diversity, and SDG 8 on full and productive employment, prioritize these issues, the future of work will also largely depend on the policy decisions that countries make. Companies are responding to these trends by investing in the development of employee skills, implementing internal policies and working to attract and retain a more diverse workforce.

### *Industry context*

New technologies in the mining industry have the potential to enhance safety, reduce the environmental footprint of mining and reduce operating costs. Implementing these technologies will require new skills and in some cases new employees. Throughout the transition to implementing new technology and innovation, inclusion and diversity will be important considerations. Diversity is becoming a more significant priority for the mining industry, where women, Indigenous Peoples and other minorities are under-represented. A diverse workforce that integrates a wider range of people, backgrounds and perspectives not only helps enhance corporate performance; it also makes local economies more resilient.

### *Teck context*

In 2019, we faced increasingly challenging market conditions across our commodities, particularly for steelmaking coal. This economic uncertainty necessitated the implementation of

a company-wide Cost Reduction Program, which included a global workforce reduction of 500 full-time equivalent positions, through a combination of direct reductions, retirements and attrition, the expiry of temporary or contract positions, and not filling current job vacancies.

Supporting a safe, healthy and engaged workforce is foundational to our business. We want to be an employer of choice and a company that continues to attract, develop and retain talented and engaged employees globally. We do this by investing in our people throughout their careers and by offering a diverse and inclusive workforce. For example, as of 2019, women make up 20% of Teck's total workforce, up from 18% in 2018, and 33% of Teck's Board of Directors are women. We are also committed to providing training and development opportunities that will enable our workforce to adapt to the increasing use of technology and innovation in our business. For example, in 2019, we offered digital awareness training as part of our RACE21™ innovation and technology program.

### **GRI Indicators and Topic Boundary**

102-8, 102-41, 202-1, 202-2, 401-1, 401-3, 402-1, 403-4, 404-1, 404-3, 405-1, 405-2, 406-1

This topic is considered one of the most material by our employees and local communities in the context of all Teck sites and the direct or indirect impacts on communities.

### **How Does Teck Manage This Topic?**

Information about how we manage diversity and employee relations, including relevant policies, management practices and systems, is available for download on our website.

**2019 Highlights**

Focused on strengthening diversity, with women making up **32%** of new hires in 2019; women now comprise **20%** of our total workforce, **10%** of senior management and **33%** of the Board of Directors.

Named to **Canada's 2020 Top 100 Employers** by Mediacorp for the third consecutive year.

**Our Performance in Diversity and Employee Relations in 2019**

**Our Targets and Commitments** We are committed to having an inclusive and diverse workforce. By establishing a culture of safety, employee engagement, and support for inclusion and diversity in our workforce, we are able to do more and be more, together. As such, we consciously work to create an environment that respects and values the diversity of the people and communities around us. The following table summarizes our performance against our 2020 sustainability goals for diversity and employee relations, and introduces our new strategic priority and goals.

2020 Sustainability Strategy Goals	Status	Summary of Progress in 2019
Build a diverse workforce that includes more women and Indigenous Peoples.	On track	There were a total of 1,843 hires in 2019. 32% of total hires were female, resulting in a 2% increase in the number of female employees, which stands at 20% of the total workforce.
Develop leaders who can confidently and efficiently manage safe, respectful and productive operations.	On track	345 leaders completed one of our four leadership development programs.

**New Strategic Priority and Goals**

Strategic Priority	Goals
<ul style="list-style-type: none"> <li>Foster a workplace where everyone is included, valued and equipped for today and the future</li> </ul>	<ol style="list-style-type: none"> <li>Increase the percentage of women working at Teck — including women in leadership positions — and advance inclusion and diversity initiatives across the company by 2025.</li> <li>Equip our employees for future workplace and leadership needs, including upskilling and reskilling, by investing \$200 million in training and skills development programs by 2025.</li> <li>Expand employee engagement opportunities, including employee-driven community initiatives and a company-wide feedback program, by 2025.</li> </ol> <p>Details about the context, definitions and key performance indicators related to this strategic priority and these goals are available on our website at <a href="http://www.teck.com/responsibility">www.teck.com/responsibility</a>.</p>

## Key Performance Indicators

<b>2019:</b> 20% female employees	<b>2019:</b> 10% total turnover	<b>2019:</b> \$48 million
<b>2018:</b> 18% female employees	<b>2018:</b> 8% total turnover	<b>2018:</b> \$43 million
<b>2017:</b> 17% female employees	<b>2017:</b> 9% total turnover	<b>2017:</b> \$38 million
<b>Indicator</b> % of women working at Teck <b>Target</b> Increase % of women at Teck	<b>Indicator</b> % of total employee turnover <b>Target</b> Keep total employee turnover under 10% each year	<b>Indicator</b> Annual investment spend on training

## Global Workforce Demographic

At the end of 2019, there were 10,613 employees, temporary and permanent, working at Teck operations and offices.

Figure 16: Global Workforce in 2019

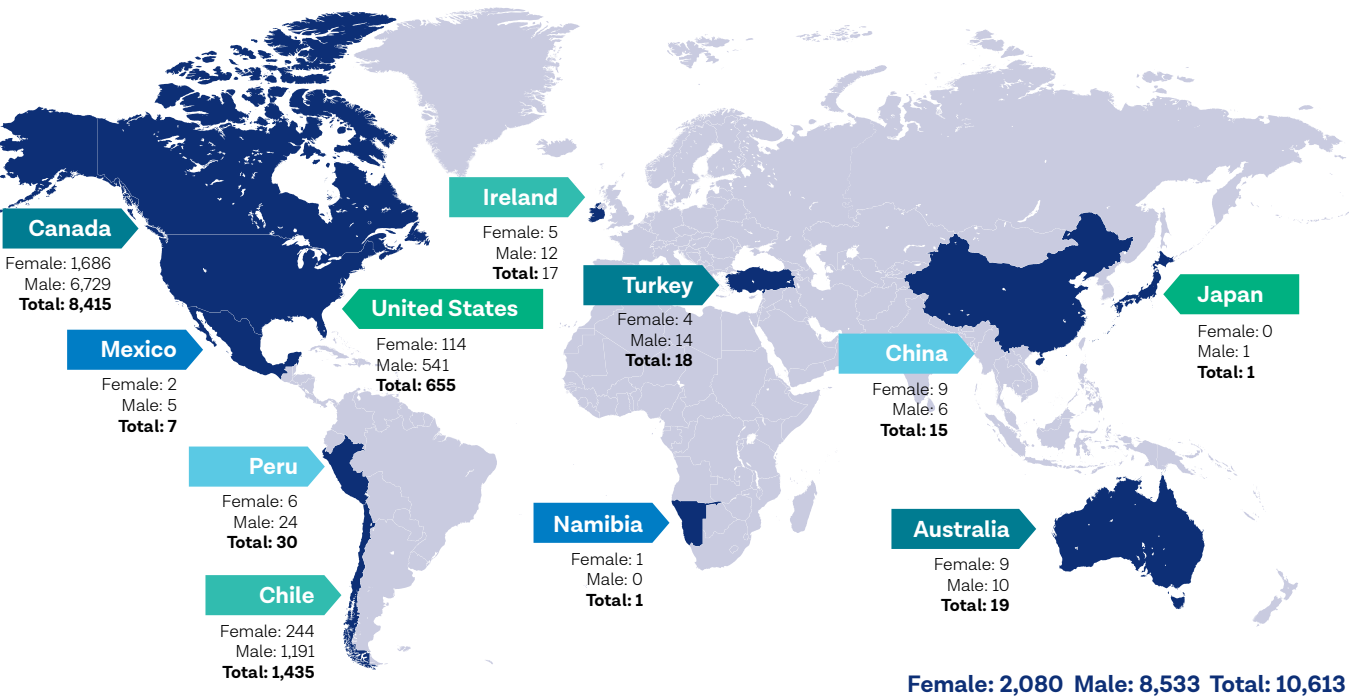


Figure 17: Global Workforce by Employment Level

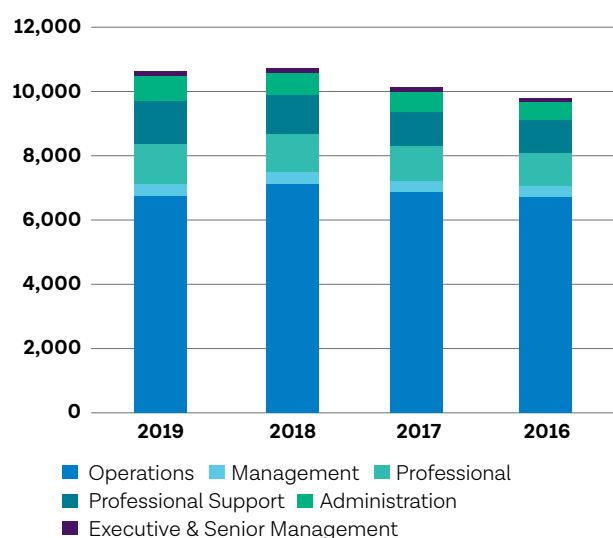
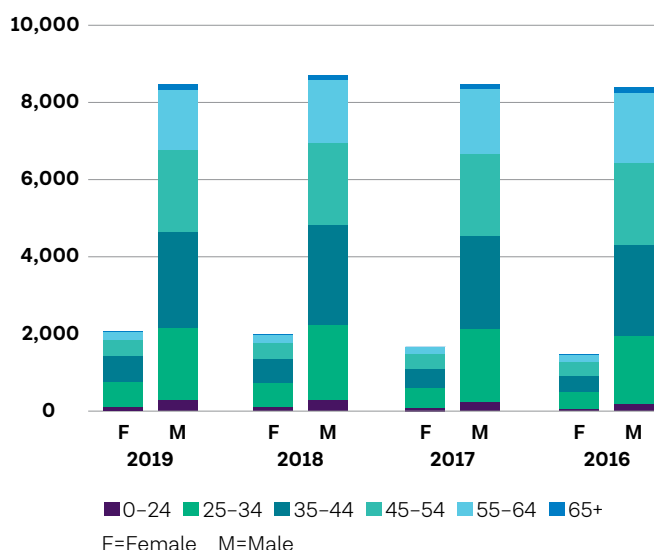


Figure 18: Global Workforce by Age and Gender



## Labour Relations

In total, 56% of our workforce is unionized. Table 20 presents a list of collective bargaining agreements covering unionized employees at our principal operations (including Antamina). In 2019, collective agreements at Line Creek, Coal Mountain, Quebrada Blanca and Carmen de Andacollo operations expired. A collective agreement was signed with two unions at Carmen de Andacollo (CdA) and one union in Quebrada Blanca in 2019 following the expiry of their collective agreements. There was one strike at CdA in 2019 that lasted for 52 days and concluded with the signing of a new collective agreement. The Coal Mountain collective agreement was renewed for one year, as the operation is in care and maintenance; collective bargaining at Line Creek commenced and was still underway at year-end.

Table 20: List of Collective Agreements

Operation	Expiry Dates
Antamina	July 31, 2021
Line Creek <sup>(1)</sup>	May 31, 2019
Carmen de Andacollo	September 30, 2022 (Operators' Union) December 31, 2022 (Supervisors' Union)
Coal Mountain	December 31, 2020
Elkview	October 31, 2020
Fording River	April 30, 2021
Highland Valley Copper	September 30, 2021
Quebrada Blanca	January 31, 2022 (Union Admin) November 30, 2022 (Union 1) March 31, 2022 (Union 2)
Trail	May 31, 2022
Cardinal River	June 30, 2022

(1) Bargaining continues with the International Union of Operating Engineers, Local 115 at Line Creek, whose collective agreement expired on May 31, 2019.

## Talent Attraction

In 2019, Teck conducted recruitment events in several towns near our operations and at over 20 post-secondary institutions, and used social media to amplify our engagement. Teck also had a recruitment presence at events including Association for Mineral Exploration of BC Roundup, Soaring Youth Conference, Prospectors & Developers Association of Canada, Canadian Institute of Mining, Metallurgy and Petroleum and the Tailings & Mine Waste Conference. These and other

activities help ensure Teck attracts top talent and a sufficient volume of applications to fill vacancies, with a focus on co-op students and professionals-in-training (e.g., Engineers and Geoscientists).

In 2019, 28% of total new hires (219) were women. For a breakdown of new hires by age group and gender, as well as by employment type, see our online 2019 Sustainability Performance Data.

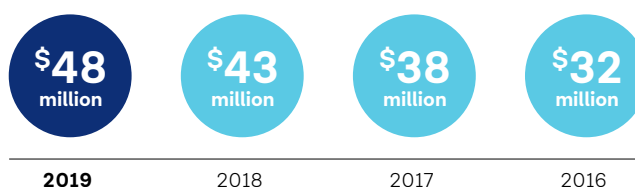
**Table 21: New Hires by Age Group, Country and Gender in 2019**

	Country	Under 30 years	30 to 50 years	Over 50 Years	Total
Female	China	1	0	0	1
	Australia	0	1	0	1
	Canada	51	74	11	136
	United States	3	7	8	18
	Chile	20	42	1	63
	<b>Female Total</b>	<b>75</b>	<b>124</b>	<b>20</b>	<b>219</b>
Male	Canada	131	208	44	383
	Mexico	1	0	0	1
	United States	12	34	7	53
	Chile	17	94	29	140
	<b>Male Total</b>	<b>161</b>	<b>336</b>	<b>80</b>	<b>577</b>
	<b>Grand Total</b>	<b>236</b>	<b>460</b>	<b>100</b>	<b>796</b>

## Retention, Training and Development

Teck is committed to the ongoing development of our people, with a focus on leadership development, safety training, new-hire training, cross-training, refresher training and knowledge transfer. We track training hours for all activities related to the further development of employees' skills. These hours can include training provided by Teck trainers and/or external consultants; it does not include basic compliance training. In 2019, training included Spanish language training, Mining 101 education, leadership development for new leaders at Quebrada Blanca, frontline supervisors training and leadership development, middle managers development and coaching, emerging senior leadership development, business education courses, as well as the continuation of the Executive Masters in Business Education program.

**Figure 19: Investment Spend on Training (millions)**



**Table 22: Average Hours of Training per Employee**

Type	2019	
	Male	Female
Hourly	128	115
Staff	32	51
<b>Total</b>	<b>160</b>	<b>166</b>

**Table 24: Return to Work and Retention Rates after Parental Leave**

	2019		2018	2017	2016
	Female	Male			
Number of employees who took parental leave	69	86	134	123	122
Number of employees who returned to work after parental leave ended	46	92	124	111	96
Number of employees who returned to work after parental leave ended that were still employed 12 months after their return to work	49	61	N/A	N/A	N/A
Return to work rate of employees who took parental leave (%) <sup>(1)</sup>	67%	107%	93%	90%	79%
Retention rate of employees who took parental leave (%) <sup>(2)</sup>	94%	87%	88%	92%	N/A

(1) Return to work rate is the total number of employees who returned to work after parental leave, expressed as a percentage of total number of employees due to return to work after taking parental leave.

(2) Retention rate is the total number of employees retained 12 months after returning to work following a period of parental leave, expressed as a percentage of total number of employees returning from parental leave in the prior reporting period.

## People Central (formerly known as Building Strength with People)

We evaluate employee engagement by measuring the effectiveness of our People Central program (formerly known as Building Strength with People — BSWP), a framework through which salaried employees have regular performance reviews, development planning and career conversations with their supervisors. On an annual basis, we conduct a survey of participants to evaluate their satisfaction with the program from 0% to 100% in each of the three categories of the framework. This year's overall BSWP effectiveness score was 74%, a 2% decrease from last year. Although we received a lower overall score, we were able to survey all program participants (a 130% increase in sample size) and collect meaningful data to form recommendations to improve the employee experience with regards to performance, development and career conversations.

## Employee Turnover

For an overall understanding of workforce dynamics and changes, we track employee turnover, including voluntary resignations, involuntary layoffs and retirements. In 2019, turnover increased due to involuntary layoffs.

**Table 23: Employee Turnover**

	2019	2018	2017	2016
Voluntary Turnover Rate	<b>6.5%</b>	6%	6%	6%
<b>Total Turnover</b>	<b>10%</b>	8%	9%	7%

Key recommendations from the survey included improving the employee experience with regards to performance, development and career conversations. Following on these recommendations, in 2019 we worked to increase the visibility of employees with senior leadership, we provided regular training to both supervisors and employees in meaningful performance conversations and setting effective objectives, and we conducted a full review of the program and system for improvement, including mobile accessibility.

## Leadership Development

Teck's approach to leadership development is primarily focused on four programs: Leading for the Future, Leading for Excellence, Leading Together and Emerging Leaders. In 2019, we conducted five Leading for the Future cohorts, five Leading for Excellence cohorts, four Leading Together cohorts and one Emerging Leader Program cohort.

Outside of these programs, each business unit also provides separate leadership development opportunities. One example from our base metals business unit is the Practical Coach program developed in 2019 that helps supervisors develop the skills and confidence to tackle poor staff performance. In addition, within our Base Metals business unit in Chile, we developed and implemented two new leadership programs, one program (QB90) for our QB2 contract supervisors that is designed to ensure that supervision is aligned with Teck's values, and the other to onboard our new QB2 leaders, accelerate their development and introduce Teck's leadership principles.

### Engaging Employees through Our Company Magazine

Teck's *Connect* magazine is our source for company-wide communications. In this quarterly publication, we highlight employee achievements, community engagement activities, a letter from our CEO and much more. Visit [www.teck.com/connect](http://www.teck.com/connect) to read the current volume and archived volumes of *Connect*.

## Diversity and Equal Opportunity

In 2019, we continued to work towards building a diverse workforce that includes more women and Indigenous Peoples, focusing on a number of initiatives tied to the six

areas of our Inclusion and Diversity Plan. For information about Indigenous employment in 2019, see the Relationships with Indigenous Peoples section on page 34.

**Table 25: Implementation of Inclusion and Diversity Plan**

Area of Inclusion and Diversity Plan	2019 Example Activities
1. Develop our people — grow a culture of inclusion that values diversity	Enhanced our four leadership development programs to include a focus on inclusive leadership and fostering a workplace that embraces diversity.
2. Measure and report	Tracked the percentage of women within the workplace and continued to align against our objectives for attracting, retaining and developing women at Teck.
3. Attract the right people — strengthen our recruitment practices	Updated our recruiting materials to use inclusive language that attracts a diverse set of candidates, and worked with our recruiting team to ensure a diverse set of candidates are put forward.
4. Foster a more inclusive culture and increase employee engagement	Established 2019–2020 inclusion and diversity objectives endorsed by senior management and worked to drive consistency across the company in the approach and initiatives that will continue to foster inclusion, such as developing inclusive leadership behaviours that have been embedded in our leadership programs and creating central governance for site-based inclusion and diversity committee chairs to come together and share best practices.
5. Remove systemic barriers and biases — make processes more inclusive	Reviewed key talent management processes to identify any barriers related to inclusion and diversity and created a plan to address any concerns for 2020.
6. Continue to build our brand as an inclusive and diverse company	Participated in industry events and supported initiatives that focus on inclusion and diversity within the industry and the communities in which we work, such as participation in the Kootenay Celebration of Pride and support of events in Chile with a focus on women in mining.

### Case Study: Empowering Women in STEM and Mining

As part of our commitment to inclusion and diversity, in 2018 we joined Project RISE, a research program in partnership with University of British Columbia and University of Waterloo that is part of a larger consortium named Engendering Success in STEM. The objectives of Project RISE are to highlight women's often-untapped potential, equip women with strategies for coping with social challenges and empower men to become effective

allies for equality. In 2019, a group of women from our Technical Services Trail centre — formerly known as Applied Research and Technology (ART) — participated in an Empowering Women in STEM course hosted by Project RISE to develop and empower them with communication and personal leadership skills. Read the full case study at [teck.com/news/stories/](https://teck.com/news/stories/).

### Representation of Women at Teck

There were 2,080 women working at Teck at the end of 2019, which represents 20% of the total workforce, compared to

18% of the total workforce in 2018. In addition, 32% of total new hires (588) in 2019 were women.

**Table 26: Women in Leadership and Technical Positions Category**

	2019	2018	2017	2016
Board of Directors	33%	29%	21%	14%
Senior Management	10%	8%	7%	7%
Management	19%	20%	19%	18%
Operational or Technical Positions	13%	12%	11%	9%
Of the Operational or Technical Positions, the % in Leadership Positions	7%	7%	6%	5%

### Remuneration at Teck

Teck is committed to providing a fair living wage to all employees at our operations. For our hourly employees, see Table 27 for the ratios of entry level wage compared to local minimum wage by gender. For Canada, Teck wages are compared against the B.C. minimum wage. In Washington state and Alaska, they are compared against the Washington

state and Alaska minimum wages, respectively. In Chile, they are compared against the national minimum wage. In all cases, Teck wages exceed the local minimum wage; we have also conducted a review to confirm that we meet living wage expectations for all employees at our operations.

**Table 27: Entry Level Wage Compared to Local Minimum Wage<sup>(1)</sup>**

Countries	2019		2018		2017	
	Male	Female	Male	Female	Male	Female
Canada	2.4:1	2.4:1	2.5:1	2.5:1	2.6:1	2.6:1
United States	2.2:1	2.2:1	1.5:1	1.5:1	1.5:1	1.5:1
Chile <sup>(2)</sup>	2.4:1	2.4:1	2.6:1	2.6:1	2.8:1	2.8:1

(1) The figures represented in this table are for hourly employees, who make up approximately 65% of our workforce. This does not include contractors.

(2) The figures representing Chile are for lowest paid operations role as Chilean operations do not have hourly employees.

## Gender Pay Equity Review

Starting in 2017, we conduct an annual company-wide Gender Pay Equity Review, with the objective of ensuring that female and male employees across the organization receive equitable pay. The reviews were conducted by our compensation team, with results reviewed and validated by a leading third-party global consultancy. In 2019, the reviews found no indication of any systemic gender pay issue within our company; any differences in salaries paid are due to a variety of factors such as average shorter service for female employees in the company. We will continue to maintain gender pay equity in the organization, and similar reviews will be conducted regularly.

## Employee Feedback and Grievances

In 2019, we dealt with individual reports of harassment through our human resources procedures and received no allegations of discrimination through our whistle-blower hotline (the *Doing What's Right* hotline, which is available in all languages of countries in which Teck operates). These reports have been investigated and where allegations were confirmed, appropriate responsive action taken. We prohibit any form of retaliation in relation to reports of harassment or discrimination and have not retaliated against any individuals who have made claims.

**Table 28: Ratio of Basic Salary and Remuneration in 2019**

Employee Category	Average Basic Salary	Average Remuneration
	(Male : Female)	(Male : Female)
<b>Canada</b>		
Executive & Senior Management	1.1 : 1	1.2 : 1
Management	1 : 1	1 : 1
Professional	1.1 : 1	1.1 : 1
Professional Support	1.3 : 1	1.3 : 1
Administration	1.1 : 1	1.1 : 1
<b>United States</b>		
Executive & Senior Management	n/a	n/a
Management	1 : 1	1 : 1
Professional	1 : 1	1 : 1
Professional Support	1.3 : 1	1.3 : 1
Administration	0.8 : 1	0.8 : 1
<b>Chile</b>		
Executive & Senior Management	0.9 : 1	0.7 : 1
Management	1 : 1	1.1 : 1
Professional	1 : 1	1.1 : 1
Professional support	1 : 1	1 : 1
Administration	0.9 : 1	1 : 1

## Outlook for Diversity and Employee Relations

Moving forward, we will work towards our strategic priority of fostering a workplace where everyone is included, valued and equipped for today and the future. We have set new goals in diversity and employee relations, which include increasing the percentage of women working at Teck — including women in leadership positions — and advancing inclusion and diversity initiatives across the company by 2025. Our goals also include equipping our employees for future workplace and leadership needs, including upskilling and reskilling, by investing \$200 million in training and skills development programs by 2025 and expanding employee engagement opportunities, including employee-driven community initiatives and a company-wide feedback program, by 2025. Our focus in 2020 will be on concluding the final steps of our 2020 goals within our previous sustainability strategy, and on making progress towards achieving our new goals.