

Environmental Management



Environmental Management

The health of land and water ecosystems around the world is increasingly at risk, making environmental stewardship paramount.²⁶ Responsible environmental management creates value for the communities near mining operations as well as for our stakeholders and shareholders. Meeting or exceeding environmental standards contributes to support for mining, for recruitment and retention of employees and, on the global stage, helps to meet the objectives of several UN Sustainable Development Goals.

Due to the physical disturbance of the land, generation of air- and water-based emissions, use of resources and associated production processes, mining has the potential to adversely impact the environment. Many of these impacts can be mitigated or avoided through proper management and recognition of the interrelated nature of environmental issues, the cumulative nature of many environmental impacts and the need to look at impacts across the mining life cycle and value chain.

Teck context

We work in highly regulated jurisdictions with stringent and rigorously applied environmental legislation, which also makes environmental

management a key compliance issue. Changes in environmental laws may have a material effect on our operations, both in terms of effort required to receive permits and in terms of investments required to achieve and maintain compliance.

In 2019, we continued to make progress in several aspects of environmental management, including Water Stewardship as described on pages 20–27, Climate Change and Energy Use as described on pages 55–64, Biodiversity and Reclamation as described on pages 93–97, Air Quality as described on pages 75–80 and in Waste Management as described on pages 81–85. We met our target of having zero significant environmental incidents in 2019.

GRI Indicators and Topic Boundary

306-2, 307-1

This topic is considered most material by our employees, local communities, government regulators and society in the context of all Teck sites.

How Does Teck Manage This Topic?

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

2019 Highlight

Zero / significant²⁷
environmental
incidents

Our Performance in Environmental Management in 2019

Our Targets and Commitments We are committed to conducting regular audits of the environmental compliance of our sites. We develop corrective action plans based on findings and we regularly assess the implementation of these plans. Our target is to have zero significant environmental incidents each year. We continually review our facilities and procedures and are committed to maintaining the highest standard of safety and environmental protection, including standards set by the Mining Association of Canada (MAC) and the International Council on Mining and Metals (ICMM).

Significant Environmental Incidents

We assess the severity of environmental incidents based on the potential environmental, safety, community, reputational and financial impacts. Based on our incident severity criteria, there were no significant environmental incidents or significant spills in 2019. As noted in the Water Stewardship

section on pages 23–24, we are continuing to implement the water quality management measures under the Elk Valley Water Quality Plan (EVWQP). For information on our management of water quality in the Elk Valley, see our website.

Environmental Litigation

Environmental litigation regarding the Upper Columbia River and involving the Confederated Colville Tribes and the

Spokane Tribe of Indians continues. For more information, see pages 111–113 of our 2019 Annual Information Form.

Charges, Fines and Penalties Related to Environmental Performance

In February 2019, Teck was ordered by the B.C. Ministry of Environment and Climate Change Strategy to pay an Administrative Penalty of \$37,500, in relation to permit exceedance of permit limits at our Elkview Operations coal breaker stack and failure to maintain authorized works since 2015.

In August 2019, Teck was issued a CDN\$1.6 million fine by Chile's environmental regulator, for historical deficiencies from 2008 to 2017 at Quebrada Blanca Operations in water infrastructure maintenance, elevated levels of electrical conductivity and sulphides in groundwater, and conducting environmental monitoring tests without properly certified personnel. Teck has lodged a submission seeking to have the fine reduced.

During the third quarter of 2018, Teck received notice from Canadian federal prosecutors of potential charges under the *Fisheries Act* in connection with discharges of selenium and calcite from steelmaking coal mines in the Elk Valley. Since 2014, compliance limits and site performance objectives for selenium and other constituents, as well as requirements to address calcite, in surface water throughout the Elk Valley and in the Koocanusa Reservoir have been established under a regional permit issued by the provincial government, which references the Elk Valley Water Quality Plan. If federal charges are laid, potential penalties may include fines as well as orders with respect to operational matters. We expect that discussions with respect to the draft charges will continue into 2020.

Outlook for Environmental Management

In 2020, we will continue working to improve our environmental performance and we will continue maintaining the highest standards for environmental management. This includes implementing the Elk Valley Water Quality Plan by advancing a number of innovative measures and advancing our work in a range of other environmental areas, including climate change and energy use, biodiversity, air quality and waste management.