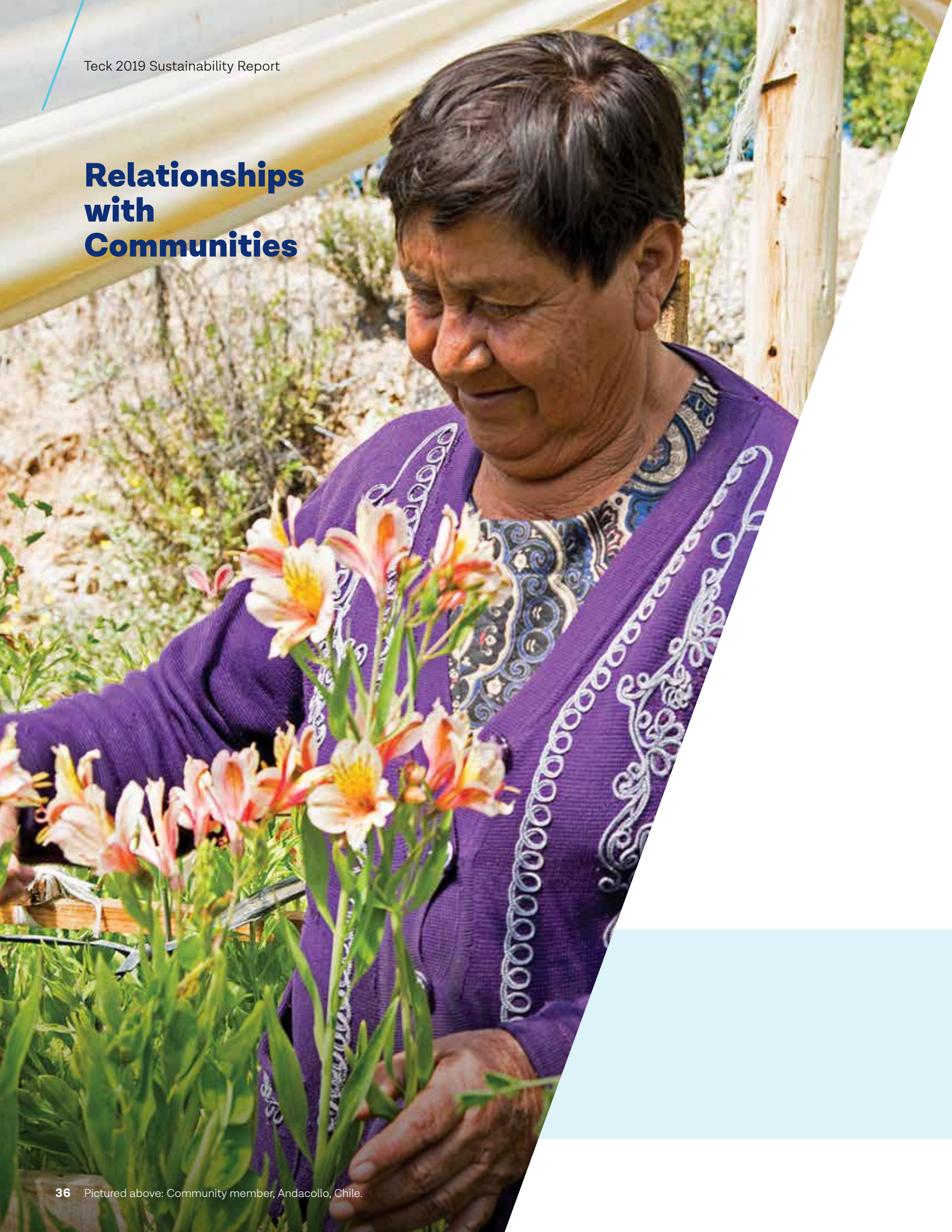


Relationships with Communities



Relationships with Communities

As stakeholder demands intensify, maintaining a social licence to operate remains a top risk for the mining industry and others.¹² Businesses are increasingly being called upon to demonstrate how their activities benefit society.¹³ Strong relationships between companies and their communities of interest, where there are clear mutually defined benefits and mechanisms to resolve conflict, are therefore essential for business continuity and growth.

Industry context

Mining may have varying positive and negative impacts on communities. In recognition of these impacts and opportunities, the International Council on Mining and Metals (ICMM) established stakeholder engagement as one of its 10 Principles. Member companies are expected to work to mitigate negative impacts and to maximize positive impacts. They often focus their efforts on local hiring, local procurement and community investment, which can help to stimulate local economies and empower local people.

Teck context

Building and maintaining good relationships with our stakeholders continued to be a business priority across all of our sites in 2019. Engagement is one of our core social management areas and our Social Management and Responsibility at Teck (SMART) Framework is designed to take a people-centric approach to dialogue that focuses on relationships, rather than on issues. Throughout the year, we engaged communities in relation to the development of all of our projects and continued to advance relationships with communities near all of our sites.

GRI Indicators and Topic Boundary

102-34, 201-103, 203-103, 203-1, 205-1, 413-103, 413-1, 491-1, G4-MM6, G4-MM7

This topic is considered one of the most material by our shareholders, employees, contractors, suppliers, regulators and society in the context of all Teck sites, contractor selection/management and supplier selection.

How Does Teck Manage This Topic?

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

2019 Highlights



Our Performance in Relationships with Communities in 2019

Our Targets and Commitments Maintaining good relationships with communities is essential to facilitating responsible mining. We do that by focusing on policies and practices driven by our understanding of social risk and our work in human and Indigenous rights. We engage with communities to identify social, economic and environmental priorities and to define mutually desired outcomes and measures of success. The following table summarizes our performance against our 2020 sustainability goals for relationships with communities, and introduces our new strategic priority and goals.

2020 Sustainability Strategy Goals	Status	Summary of Progress in 2019
Refine our business policies and practices based on results of our social risk assessments, our work in human rights and developments regarding the rights of Indigenous Peoples.	On track	<p>Completed a review of our SMART Framework and developed updated/revised SMART tools on resettlement and influx management.¹⁴</p> <p>Developed and piloted a new feedback management effectiveness tool and continued our implementation of the new version of the data collection system.</p> <p>Improved social risk management through professional development and collaboration for internal practitioners, and developed new content to incorporate social management and human rights considerations into workplace training.</p>
Engage with communities to identify social, economic and environmental priorities and to mutually define outcomes and measures of success.	On track	<p>All operations are meeting this goal through specific local initiatives. In addition to site-specific engagement activities (see Table 11), this included participating in formal working tables and dedicated working groups to pursue social development objectives at Teck's Chilean sites and Red Dog Operations, collaboration on local, regional and international community investment priorities (for example, partnerships with UN Women in Chile and UNICEF globally) and joint implementation of commitments through impact benefit agreements at Teck's Canadian sites.</p>

New Strategic Priority and Goals

Strategic Priority	Goals
<ul style="list-style-type: none"> Collaborate with communities and Indigenous Peoples to generate economic benefits, advance reconciliation efforts and improve community well-being 	<ol style="list-style-type: none"> Increase local employment and procurement opportunities by 2025 to deliver direct economic benefits to communities. 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>Details about the context, definitions and key performance indicators related to this strategic priority and these goals are available on our website at www.teck.com/responsibility.</p>

Key Performance Indicators

<p>2019: 3</p> <p>2018: 0</p> <p>2017: 0</p> <p>Indicator # of significant community disputes⁽¹⁾ at our operations</p> <p>Target Zero significant community disputes at our operations</p>	<p>2019: 36%</p> <p>2018: 33%</p> <p>2017: 26%</p> <p>Indicator Procurement spend on local suppliers</p> <p>Target Increase procurement spend with local suppliers, relative to total spend on procurement⁽²⁾</p>	<p>2019: 72%</p> <p>2018: 71%</p> <p>2017: 72%</p> <p>Indicator Average % of local employment⁽³⁾ at operations</p> <p>Target Increase % of local employment at operations, relative to total employment</p>	<p>2019: \$19 million (1.17%)</p> <p>2018: \$22 million (1.69%)</p> <p>2017: \$13 million (1.71%)</p> <p>Indicator Amount of funds disbursed through community investment</p> <p>Target At least 1% of our average annual earnings before interest and tax (EBIT) during the preceding five-year period</p>
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(1) Disputes are conflicts between the company and the impacted community related to land use and the customary rights of local communities and Indigenous Peoples. "Significant community disputes" are those disputes that cannot be resolved jointly within a reasonable time frame, are repeated or widespread, or represent potentially significant or long-term financial, legal or reputational consequences for the community or company.

(2) See page 88 for total spend on procurement.

(3) Estimate based on Teck's human resources reported data.

Engagement on Actual or Potential Impacts

Guided by our Health, Safety, Environment and Community (HSEC) Management Standards and our SMART Framework, we require all 12 (100%) of our operations, all eight (100%) of our development projects, both (100%) of our joint ventures, and all of our exploration teams to engage and consult with stakeholders and communities to address potential, current and emerging issues, and to maximize opportunities that provide strategic value, for Teck and for those communities. For a full list of our operations, development projects and joint venture operations not managed by Teck, see the Methodology & Restatements on page 110 of this report.

Activities across the mining life cycle may result in a range of social, economic and environmental impacts, both positive and negative. These may include impacts that are relevant to human rights or Indigenous rights. Examples of specific impacts experienced at our operations in 2019 and major engagements undertaken are discussed in Table 11. See pages 5-6 for a list of key engagement topics with stakeholders and Indigenous Peoples identified and managed in 2019.

Table 11: Selected Major Engagement Activities in 2019

Actual or Potential Impacts on Communities from Our Activities	Sites and Projects	Major Engagement Activities
Socio-Economic/Community: livelihoods, cultural use, employee rights	Cardinal River Operations	Engaged with community members, government and Indigenous Peoples near operations on planning for closure.
Environmental/Socio-Economic: livelihoods and community health	Carmen de Andacollo Operations	Engaged with community members and local government and to address concerns with respect to blasting, dust and vibration from mining activities.
Environmental/Community: livelihoods, cultural use, water quality and community health	Elk Valley Steelmaking Coal operations	Engaged with community members, government agencies and Indigenous Peoples on implementation and advancement of the Elk Valley Water Quality Plan.
Socio-Economic/Community/ Environmental: livelihoods, cultural use, access to land and water	Highland Valley Copper Operations	Engaged with Indigenous Peoples near operations on advancement of environmental approvals to extend the life of existing mine, implementation of agreements and opportunities associated with UNDRIP and reconciliation.
Socio-Economic/Community: livelihoods, employee rights	Pend Oreille Operations	Engaged with community members and local government on planning for closure.
Socio-Economic/Community/ Environmental: livelihoods, cultural use, water quality	Quebrada Blanca Operations	Engaged with local communities and Indigenous Peoples to advance joint water quality management and local agricultural development programs.
Socio-Economic/Community/ Environmental: livelihoods, cultural use and subsistence, community health	Red Dog Operations	Engaged with local Indigenous Peoples and government agencies on advancement of permitting approvals for exploration activities in the Northwest Arctic region.
Environmental/Community: community health, livelihoods	Trail Operations	Engaged with community members and government on Trail's future strategic plan and community engagement programs.

Table 11: Selected Major Engagement Activities in 2019 (continued)

Actual or Potential Impacts on Communities from Our Activities	Sites and Projects	Major Engagement Activities
Socio-Economic/Community: livelihoods, subsistence, community well-being	Quebrada Blanca Phase 2 project	Engaged with local Indigenous Peoples, communities and fishing unions to advance implementation of commitments through community development agreements, grievance management and information delivery related to project construction.
Environmental/Socio-Economic/Community: access to land and water, livelihoods, subsistence, community well-being	Frontier project ⁽¹⁾	Engaged with local Indigenous Peoples and government agencies in responding to recommendations of the Joint Review Panel, joint review of draft federal conditions and advancement of impact benefit agreements.
Environmental/Socio-Economic/Community: access to land and water, livelihoods, subsistence, community well-being	NuevaUnión project	Engaged with communities, local Indigenous Peoples and government agencies on land acquisition and access, water and air quality, community development and Indigenous participation.
Environmental/Socio-Economic/Community: access to land and water, livelihoods	Zafranal project	Engaged with local communities on potential impacts of project activities and socio-economic opportunities, on project water sources, and formalizing agreements with artisanal and small-scale miners.
Environmental/Socio-Economic/Community: cultural use, livelihoods, community well-being	Galore Creek project	Engaged with local Indigenous communities to augment and build capacity within the framework of a comprehensive Participation Agreement and collaborative development of traditional land-use studies and a heritage assessment that will inform project design.
Socio-Economic/Community: cultural use, livelihoods	San Nicolás project	Engaged with local communities, private landowners and communal land owners on the project stage to register their interests and concerns, advance land access for environmental and engineering studies, and acquire land for project development utilizing IFC guidelines.
Socio-Economic/Community: cultural use, livelihoods	Mesaba project	Engaged with local communities and tribal bands on access road improvements to avoid land use impacts such as hunting.

(1) As of February 2020, we have withdrawn the Frontier project from the regulatory review process. However, active engagement with Indigenous Peoples and communities, among other activities, took place in 2019.

Teck's SMART Framework

In 2019, we completed a review of the SMART Framework, with an emphasis on refining critical requirements under the framework. We implemented updates to our SMART toolkit, including new or updated guidance on resettlement and influx management.¹⁵ We also developed a new feedback management effectiveness tool and continued our implementation of the new version of TrackLine, our data collection system.

We also continued to focus on providing support for our communities' practitioners corporately and at sites. This included training in dialogue skills, hosting monthly virtual Community of Practice education sessions, and improved use of new technologies for continued engagement and sharing of best practice.

¹⁵ A mining project can generate significant opportunities for the local and regional economy. When not managed effectively, however, it can also lead to unwanted social and environmental changes. This is especially true in the case of project-induced in-migration (or influx), which is defined as the movement of people into an area in anticipation of, or response to, economic opportunities associated with the development and/or operation of a new project.

Understanding our Communities

In 2019, Teck conducted public opinion surveys with people living near our Elk Valley, Highland Valley, Red Dog, Trail and Cardinal River operations for the third consecutive year, to continue gathering insight on the issues that communities care about most. The data obtained helps us to measure and guide improvements in our performance, assess the impact

of events, inform our planning processes and support our reporting. The surveys were conducted by an independent polling company. Surveys at our Chilean operations were deferred until 2020 in light of the social unrest in the country in fall 2019.

Feedback, Grievances and Disputes

All of our operations, major projects and most of our exploration projects have implemented feedback mechanisms, which help us to understand our impacts on communities and take steps to address them. Feedback received is recorded and categorized as either (i) a neutral request, (ii) positive feedback or (iii) negative feedback and is discerned from regular interactions with community members, in that feedback specifically makes a request or seeks a response from a site. This is a new classification system introduced for the 2019 reporting period. Negative feedback or “grievances” are often specific issues of concern to community members that require a response and potential further action from the company.

Feedback

In 2019, Teck recorded approximately 7,000 interactions with external communities of interest as a result of our various engagement activities. Of that number, we received 559 instances of feedback through direct feedback mechanisms established across our sites, compared to 1,169 in 2018. Feedback levels will vary from year to year for several reasons, including the level of permitting or project activity. As efforts increase by our sites to improve the extent to which feedback mechanisms are used, we may see an increase in the overall amount of feedback received.

Negative Feedback/Grievances

In 2019, of the total feedback received, 402 items were considered grievances. Grievances are reflective of perceived or actual events taking place as a result of company activities and therefore do not necessarily constitute an actual negative impact or non-conformance event. However, grievances may be seen as an indication of concerns from community members that, if repeated or unresolved, could escalate. Teck’s practice is that all feedback, which includes grievances, is acknowledged and assessed and a response is communicated to the complainant, with the goal of providing a satisfactory reply or resolution in a timely manner.

All of Teck’s operations have feedback policies that include a response time for acknowledging and working to resolve feedback. As adopters of the United Nations Guiding Principles, Teck demonstrates its corporate commitment to remedy through effective implementation of its site-based feedback mechanisms. In line with the Guiding Principles, Teck prohibits retaliation against individuals who submit grievances to the company and has received no reported incidences of retaliation.

While the specific conditions and circumstances of individual grievances may vary, Teck monitors grievance trends at sites to inform its response to reported impacts and inform its engagement strategies. Examples of noted trends and responses in 2019 included:

Figure 7: 2019 Feedback Received by Category⁽¹⁾



- Carmen de Andacollo Operations:** Negative feedback associated with the impact of dust, noise and odors on private property in specific neighbourhoods as a result of blasting activity. As a response and remedy, the site has enacted rigorous blasting and dust management practices as well as community notification and information strategies to address these concerns.
- Steelmaking Coal Operations in the Elk Valley:** Negative feedback associated with the impact of dust and debris on private property, specifically in the District of Sparwood. We continue to undertake dust management actions at our sites, provide community information and, where appropriate, implement measures to address immediate impacts.

(1) Our feedback system allows for multiple labels to be assigned to each grievance/feedback. For the purposes of these diagrams, we have chosen the primary label assigned by our community relations practitioners.

- Red Dog Operations:** Negative feedback associated with perceived lack of access to employment opportunities for local shareholders, impacts on regional subsistence activities (caribou hunting) and public health impacts specific to the Village of Kivalina. The site has enacted collective engagement processes with interested communities to identify opportunities to improve both local hiring and subsistence management practices, as well as specific initiatives jointly with Kivalina to address public health concerns.

Figure 8: 2019 Grievances Received by Category⁽¹⁾



(1) Our feedback system allows for multiple labels to be assigned to each grievance/feedback. For the purposes of these diagrams, we have chosen the primary label assigned by our community relations practitioners.

Disputes

Disputes represent conflicts between the company and the impacted community related to land use and the customary rights of local communities and Indigenous Peoples. Disputes are considered significant when they cannot be resolved jointly within a reasonable time frame, are repeated or widespread, or represent potentially significant or long-term financial, legal or reputational consequences for the community or company. In 2019, Teck sites experienced a total of three significant disputes.

Table 12: Significant Disputes⁽¹⁾

	2019	2018	2017	2016
# of significant disputes	3	0	0	4

(1) Total number of significant disputes relating to land use and the customary rights of local communities and Indigenous Peoples at Teck sites.

A brief description of the three significant disputes are as follows:

- Quebrada Blanca Operations:** In late 2017, one of the unions representing operations employees filed a request for intervention and mediation by the Chilean National Contact Point (NCP) under the OECD Guidelines for Multinational Enterprises, citing alleged human rights concerns with respect to environmental impacts and collective agreement negotiations. Following extended dialogue with the NCP as it evaluated the union’s request, in 2019 Teck formally entered into NCP mediation on the issues raised. The dispute was resolved in September 2019, resulting in requirements for both parties to resume dialogue under the collective agreement and for Teck to undertake specific actions that will be regularly monitored through 2020.
- Quebrada Blanca Phase 2 project:** Following the regulatory approval of the Quebrada Blanca Phase 2 project, nine legal or administrative actions were filed in 2019 by Indigenous communities or individuals to governmental agencies claiming impacts were not adequately addressed during the Indigenous consultation process or seeking additional or expanded consultation. The project has actively participated in responding to these legal or administrative processes, with six actions resolved in support of the project’s permit during the year. The remaining actions continue to be evaluated by authorities with project participation in 2020.
- Red Dog Operations:** Representatives of the Village of Kivalina, an Indigenous community in Northwest Alaska, registered a complaint claiming Teck violated the Memorandum of Agreement signed with the Village establishing a joint working group to address specific claimed impacts of mining activity in the region. This complaint was escalated to formal third-party dispute resolution under the Memorandum and resolved in Teck’s favour.

Community Incidents

In 2019, we continued to utilize a community incident reporting system to ensure we are capturing and responding to all community concerns in addition to those raised through our usual feedback mechanisms. An incident is an occurrence where individuals or groups may cite real or perceived breaches of law or company policy and real or perceived impacts to human rights, livelihoods, the rights of Indigenous Peoples and/or community health and safety. These events may result in actions taken by communities that have the potential for financial, legal, relationships and reputational consequences to the company.

Teck had no significant community incidents; however, we did experience the following:

- Frontier project¹⁶:** Following the report of the federal Joint Review Panel in mid-2019 that found the Frontier project to be in the public interest, protest action by advocacy groups against the project occurred in late 2019. These

actions were short in duration with no impact on operations, but did generate some media attention.

- **Carmen de Andacollo Operations:** On October 14, the union representing workers at the operation commenced strike action, resulting in a suspension of all non-essential operational activities. This action included several public protests in the community of Andacollo. A new three-year agreement was reached and ratified on December 12 (effective December 5).
- **Red Dog Operations:** An incident was reported related to a caribou jumping directly in front of a pickup truck and being killed. The operation took immediate mitigating actions by modifying haulage and traffic on the Port Road and port site. Due to the significance of caribou to the l̓n̓upiat people, an investigation was completed with an l̓n̓upiat representative in attendance and corrective actions are being monitored.

- **Carmen de Andacollo Operations:** Due to a water pipeline overflow, the shallow wells of three families located downstream of the operation were muddied and could no longer be used. The well water was used for drinking water and for farm animals. A new well has been built in response to this incident and in coordination with the families to resolve and remedy the issue.
- **Steelmaking coal operations in the Elk Valley:** Elevated selenium levels were reported as part of Teck's ongoing water quality monitoring in the well water of Whispering Winds Mobile Home Park. Elevated selenium levels are to be expected during low river flow. In November 2019, residents were notified and provided with bottled water until selenium levels returned to below British Columbia Drinking Water Quality Guidelines.

Economic Value Generated and Distributed

We contribute to the wealth and prosperity of the countries, regions and communities where we operate by generating economic value that includes tax and royalty payments, local hiring and procurement, and community investments. We work to improve efficiency of our activities and reduce our operating costs to maximize the economic value generated.

In 2019, we had a profit attributable to shareholders of \$339 million or \$0.61 per share. This compares with a profit attributable to shareholders of \$3.1 billion or \$5.41 per share in 2018. See our 2019 Annual Report for more detailed information on our financial performance.

Table 13: 2019 Breakdown of Economic Value Generated and Distributed (millions)

	Economic Value Generated Revenues ⁽¹⁾	Economic Value Distributed							Economic Value Retained	
		Payment to Suppliers ⁽²⁾		Employee Wages and Benefits ⁽³⁾		Payments to providers of capital ⁽⁴⁾	Income and Resource Taxes ⁽⁵⁾	Community Investments ⁽⁶⁾		Total
		Operating Costs	Capital Expenditures	Operating Costs	Capital Expenditures					
U.S.A.	\$ 1,952	\$ 1,063	\$ 191	\$ 169	\$ 5	\$ -	\$ 58	\$ 1	\$ 1,487	\$ 465
Canada	9,060	5,072	1,119	1,270	14	1,149	316	7	8,947	113
Chile	564	344	1,264	92	34	-	65	5	1,804	(1,240)
Peru	877	281	129	113	-	-	156	2	681	196
Other	-	8	32	5	-	-	-	4	49	(49)
Inter-segment elimination ⁽²⁾	(519)	(519)	-	-	-	-	-	-	(519)	-
Total	\$ 11,934	\$ 6,249	\$ 2,735	\$ 1,649	\$ 53	\$ 1,149	\$ 595	\$ 19	\$ 12,449	\$ (515)

(1) Revenues are presented based on an accrual basis. Internal cross-border sales are eliminated as shown.

(2) Operating costs include operating expenses at our mining and processing operations and our general and administration, exploration and research and development expenses and costs relating to production stripping. Operating costs excludes depreciation, employee wages and benefits, and change in inventory which are specified separately. Capital expenditures are payments for purchases of property, plant and equipment, excluding the component relating to capitalized wages and benefits, which is specified separately. Deferred stripping is included in operating costs and not capital expenditure.

(3) Wages and Benefits reflects total amounts paid to employees relating to wages and benefits, including payroll taxes.

(4) Payments to providers of capital include dividends paid to shareholders, interest paid to debtholders, and payments for share repurchases less issuance of shares.

(5) Income and resource taxes include amounts paid in the year.

(6) Community investments include voluntary donations paid during the year.

Local Hiring and Procurement

We track the number of local employees and the value of local procurement as reflected in Tables 14 and 15, with the latter being influenced primarily by the extent of site-level construction and maintenance activity as well as by the availability of suitable suppliers in the local area. We continue to focus on hiring people locally, as it helps to share the economic benefits of our industry with the communities in which we operate. In 2019, our overall average of local employees was 72% of our operational workforce, compared to 71% in 2018.

Team Teck

The Team Teck Community Giving program offers our employees the opportunity to amplify their donations to causes that they care about through donation matching from Teck. In 2019, employees across Teck supported several initiatives such as local food banks, the Red Cross and the Canadian Cancer Society, with a total of \$87,000 provided by Teck in matching funding.

Table 14: Local Employment in 2019^{(1),(2)}

Operation	Local Employees	Senior Management Roles Filled by Locals
Cardinal River	280	12
Carmen de Andacollo	340	18
Coal Mountain	16	2
Elkview	681	29
Fording River	763	29
Greenhills	442	21
Highland Valley Copper	1,300	37
Line Creek	427	22
Pend Oreille	11	7
Quebrada Blanca	176	14
Red Dog	415	30
Trail Operations	1,429	82
Total	6,280	303

Table 15: Percentage of Total Spend with Local Suppliers⁽²⁾

Operation	2019	2018	2017	2016
Cardinal River	14%	14%	12%	9%
Carmen de Andacollo	16%	14%	13%	18%
Steelmaking coal operations in the Elk Valley	36%	41%	26%	41%
Highland Valley Copper	28%	32%	37%	30%
Pend Oreille	18%	14%	14%	20%
Quebrada Blanca	17%	5%	12%	33%
Red Dog	71%	75%	41%	59%
Trail Operations	38%	29%	29%	27%
Total	36%	33%	26%	30%

(1) Data is not directly comparable between operations, as there are differences in how we define "local" and track data for each operation.

(2) "Local" is generally defined as persons or groups of persons living and/or working in any areas that are economically, socially or environmentally impacted (positively or negatively) by an organization's operations. The community can range from persons living adjacent to operations to isolated settlements at a distance from operations, but where individuals are still likely to be affected by operations.

Community Investment

In 2019, we exceeded our target of donating at least 1% of our earnings before interest and taxes on a five-year rolling average basis. Our community investment expenditures in 2019 were \$19 million. Noteworthy investments in this area

were our Zinc & Health program and our Copper & Health program. Information on our community investment reporting framework is available on our website.

Table 16: Community Investment by Site⁽¹⁾

Operation	2019	2018		2017	2016
Corporate Offices and Projects ⁽²⁾⁽³⁾	\$ 12,098,000	\$ 13,387,000	\$ 8,956,000	\$ 6,844,000	
Carmen de Andacollo	\$ 2,569,000	\$ 2,264,000	\$ 1,773,000	\$ 1,929,000	
Steelmaking Coal Operations ⁽⁴⁾	\$ 1,038,000	\$ 2,134,000	\$ 675,000	\$ 679,000	
Duck Pond ⁽⁵⁾	\$ 4,000	\$ 12,000	\$ 180,000	\$ 263,000	
Highland Valley Copper	\$ 501,000	\$ 713,000	\$ 391,000	\$ 410,000	
Pend Oreille	\$ 87,000	\$ 20,000	\$ 16,000	\$ 25,000	
Quebrada Blanca	\$ 1,241,000	\$ 1,857,000	\$ 256,000	\$ 368,000	
Red Dog	\$ 707,000	\$ 686,000	\$ 541,000	\$ 948,000	
Trail Operations	\$ 947,000	\$ 326,000	\$ 338,000	\$ 339,000	
Exploration	\$ 91,000	\$ 146,000	\$ 80,000	\$ 35,000	
Total	\$ 19,283,000	\$ 21,545,000	\$ 13,206,000	\$ 11,840,000	

(1) The numbers represent Teck's portion of ownership during 2018 (Carmen de Andacollo 90%, Quebrada Blanca 90% and Galore Creek 50%).

(2) Includes Calgary, Santiago, Spokane, Toronto and Vancouver offices as well as resource development projects (Frontier, Galore Creek, Quebrada Blanca 2 and Quintette).

(3) As of February 2020, we have withdrawn the Frontier project from the regulatory review process. However, active engagement with Indigenous Peoples and communities, among other activities, took place in 2019.

(4) Steelmaking coal operations include Cardinal River, Elkview, Greenhills, Fording River and Line Creek operations.

(5) Legacy property.

Case Study: Creating Local Employment Opportunities Beyond Mining at Quebrada Blanca Phase 2

In 2018, Teck started Elige Crecer (Choose to Develop) in partnership with Fundación Chile, a non-profit organization. Choose to Develop is a training program for local workers in the Tarapacá Region of Chile focused on skill development and long-term employability in mining

and related industries. Since the program started, more than 650 people completed a range of 18 courses in construction, food services and other trades in Iquique and nearby communities. Read the full case study at teck.com/news/stories/.

Outlook for Relationships with Communities

In 2020, we will continue to work to maintain and strengthen relationships with communities at our operations and as we advance major projects. We will work to improve our management of community feedback and incidents to continuously build on our relationships with communities. In particular, we will focus on continual implementation and improvement of community engagement and social practice across our sites to address social and environmental impacts and share the benefits that mining creates with nearby communities. In terms of economic contributions, we will continue to advance corporate and site-led strategies to maximize the impact of our community investments and the value generated through local employment and procurement.

Moving forward, we will work towards our strategic priority of collaborating with communities and Indigenous Peoples to generate economic benefits, advance reconciliation efforts and improve community well-being. We have set new goals related to communities, which includes increasing local employment and procurement opportunities by 2025 to deliver direct economic benefits to communities. We will also 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. 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.