

# Sustainability Investors' Conference Call

June 3, 2020

Don Lindsay, President and CEO

Marcia Smith, Senior Vice President, Sustainability  
and External Affairs

The Teck logo is displayed in a bold, dark blue, sans-serif font. It is positioned in the lower right area of the slide, which has a white background. The logo consists of the word "Teck" in a clean, modern typeface.

# Caution Regarding Forward-Looking Statements

Both these slides and the accompanying oral presentations contain certain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) and comparable legislation in other provinces (collectively referred to herein as forward-looking statements). Forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variation of such words and phrases or state that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Teck to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements include, but are not limited to, statements concerning: the potential impact of the COVID-19 on our business and operations, including our ability to continue operations at our sites; our ability to manage challenges presented by COVID-19; availability of Teck’s credit facilities and project finance facility; our expectations with respect to QB2, including that it will be long-life, low-cost and have major expansion potential; expectation of strong long-term cash flows in steelmaking coal; life of reserves and resources or our coal operations; expectation that Red Dog will have a long-life and be in the bottom quartile of the cost curve; expectation of low operating costs at Fort Hills; the statement that we are well positioned for a low-carbon economy; goal of being a carbon neutral operator by 2050, and the targets to achieve that goal; water management targets and timing for achieving those goals; expectations for amount of investment in water management from 2020-2024; expectations for the benefits and timing of innovation and technology to achieve our sustainability goals; goals for our Elk Valley water treatment plan, including timing of saturated rock fills and water treatment facilities; cost reduction targets and timing; expectation for timing and benefits for all of our strategic priorities and goals and the initiatives related to those priorities and goals.

The forward-looking statements are based on and involve numerous assumptions, risks and uncertainties and actual results may vary materially. These statements are based on assumptions, including, but not limited to, general business and economic conditions; the availability and effectiveness of technologies needed to achieve our sustainability goals and priorities; the availability of clean energy sources and zero-emissions alternatives for transportation on reasonable terms; our ability to implement new source control or mine design strategies and transition to seawater or low-quality water on commercially reasonable terms without impacting production objectives; statements regarding QB2 include assumptions regarding the timing of completion and costs of production; statements regarding cash flows include assumptions regarding the costs of production, demand and prices obtained for our products, as well as the accuracy of our reserve and resource estimates (including with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based; conditions in financial markets; the future financial performance of the company; our ability to successfully implement our technology and innovation strategy; the performance of new technologies in accordance with our expectations; our ability to attract and retain skilled staff; our ability to procure equipment and operating supplies; and assumptions regarding our liquidity assume our ability to borrow under our credit facilities. In addition, assumptions regarding the Elk Valley Water Quality Plan include assumptions that additional treatment will be effective at scale, and that the technology and facilities operate as expected.

# Caution Regarding Forward-Looking Statements

The forward-looking statements in this presentation and actual results will also be impacted by the effects of COVID-19 and related matters. The overall effects of COVID-19 related matters on our business and operations and projects will depend on how quickly our sites can safely return to normal operations, and on the duration of impacts on our customers and markets for our products, all of which are unknown at this time.

Factors that may cause actual results to vary materially include, but are not limited to, extended COVID-19 related suspension of activities and negative impacts; current and new technologies relating to our Elk Valley water treatment efforts and other sustainability goals and targets may not perform as anticipated or may not be available, and ongoing monitoring may reveal unexpected environmental conditions requiring additional remedial measures; delays in receiving permits for expansions of our QB2 or coal operations; government action or delays in the receipt of government approvals; inability to address concerns regarding permits of environmental impact assessments; and changes or further deterioration in general economic conditions. Current and new technologies relating to our Elk Valley water treatment efforts may not perform as anticipated, and ongoing monitoring may reveal unexpected environmental conditions requiring additional remedial measures. Fort Hills is not controlled by us.

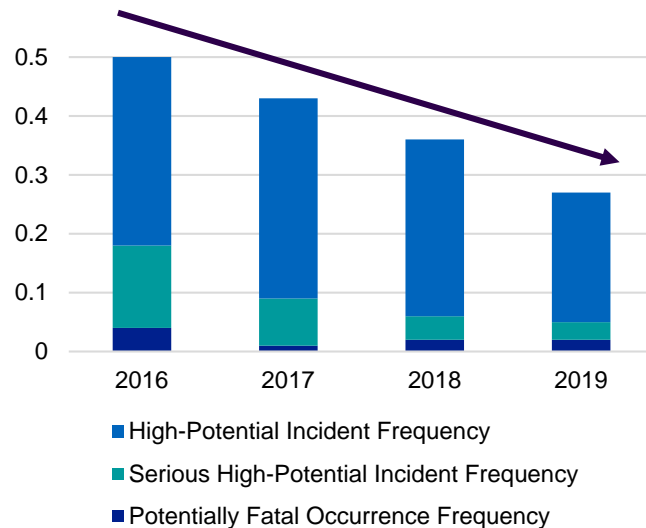
We assume no obligation to update forward-looking statements except as required under securities laws. Further information concerning risks and uncertainties associated with these forward-looking statements and our business can be found in our Annual Information Form for the year ended December 31, 2019, filed under our profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and on EDGAR ([www.sec.gov](http://www.sec.gov)) under cover of Form 40-F, as well as subsequent filings that can also be found under our profile.

# Health and Safety

## 2019 Performance

- **85% of employees trained in new hazard identification program** against a target of 50%
- Safety performance in 2019
  - **16% reduction** in High-Potential Incidents
  - **18% decrease** in Lost-Time Disabling Injury Frequency
- One fatality at Quebrada Blanca Phase 2 project: **carried out in-depth investigation** to learn as much as possible and implement measures to **prevent a reoccurrence**

Incident Frequency (per 200,000 hours worked)



**31% reduction** in High-Potential Incident Frequency rate over past four years

# COVID-19 Response: Five Pillar Approach



Prevention



Employee  
Support



Communities &  
Public Health



Business  
Continuity



Communication

- Nothing is more important than the **health and the safety of our employees, contractors and the communities** where we operate
- **Following the most up-to-date direction** from governments and public health authorities
- **Implementing extensive measures** across our operations to prevent transmission, providing support to employees and local communities, and maintaining operations to the extent possible

# COVID-19: Economic Resilience

## Well Positioned to Weather the Pandemic

### Supporting Workers

- Safely maintaining employment and economic activity to the extent possible
- Maintained wages for employees with reduced hours due to COVID-19 measures
- Eliminated waiting period to qualify for sick benefits and expanded coverage of sick leave benefits

### Strong Financial Position

- Solid liquidity
  - ~C\$5.8 billion<sup>1</sup> of liquidity as of April 20, 2020
  - US\$4.0 billion revolving credit facility is committed to Q4 2024
    - No cash-flow based financial covenant, credit rating trigger, or general material adverse effect borrowing condition
- Investment grade credit rating
- Prudent QB2 funding and financing plan
- No significant debt due until 2035

# Supporting Global and Community Priorities

\$20-million fund to support COVID-19 response building on our existing programs

## COVID-19 Support

Supporting healthcare  
providers and infection  
control

Supporting international relief  
and regional organizations to  
protect food security

Support for women,  
Indigenous peoples, other  
vulnerable groups

## Existing Teck Programs



Teck's Copper &  
Health Program



Teck's Zinc &  
Health Program



UN Women  
Partnership

# Sustainability Leadership

## Teck's Performance on Top ESG Ratings



- “A” rating since 2013 (scale of CCC – AAA)
- Outperforming all 10 of our largest industry peers



- Ranked in the 100<sup>th</sup> percentile
- Tied for 2nd in mining & metals category



- Top-ranked mining company 2019 World & North American Indices
- In the index for 10 consecutive years





# Sustainability Leadership

## Aligned with Leading External Standards and Practices



In the process of joining:



# Our Approach

Better Mining for a Better World

Teck



# Copper: Enabling the Transition to a Low-Carbon Economy

- Aligned with global copper demand for low-carbon shift
- Strong base of existing copper operations
- Building QB2: long-life, low-cost, Chilean operation with major expansion potential
- Sourcing clean energy for QB2




# Steelmaking Coal: Critical for Essential Infrastructure

- Aligned with infrastructure development in emerging markets
- Strong long-term cash flow from four long-life, high-quality steelmaking coal mines
- Lowest carbon intensity
- Focus on managing water quality



# Zinc: Promotes Durability of Steel, Essential Micronutrient for Human Health

- Maximizing value from Red Dog, largest high-grade zinc mine in the world in partnership with NANA 
- Long-life asset in the bottom quartile of the cost curve



# Energy: Powering Modern Society

- 21.3% interest in Fort Hills, Suncor operated oil sands mine in Alberta, Canada
- Low operating costs expected at full production
- Higher quality, lower carbon intensity product
- Reviewing options to realize value

# Long-Term Strategy: Copper Growth from Steelmaking Coal and Zinc

*We are implementing a copper growth strategy, financed by strong cash flows from steelmaking coal and zinc*

## COPPER

- Building QB2: long-life, low-cost operation with major expansion potential
- Strong base of existing copper operations
- Growth aligned with rising global demand for copper driven by low-carbon shift

## STEELMAKING COAL

- Strong long-term cash flow
- Growing margins, not volume
- Lowest carbon intensity in the world

## ZINC

- Maximizing value from Red Dog, highest grade zinc mine in the world

# Focus on Sustainability Leadership

Better Mining for a Better World





# Focus on Sustainability Leadership

## Ambitious Sustainability Goals in Eight Strategic Themes



Health and Safety



Climate Change



Responsible Production



Our People



Water



Tailings Management



Communities and  
Indigenous Peoples



Biodiversity and  
Reclamation

# Climate Action

## Positioning for Low-Carbon Economy



Well positioned for a Low-Carbon Economy



Among **lowest GHG intensity miners** globally on a copper-equivalent basis

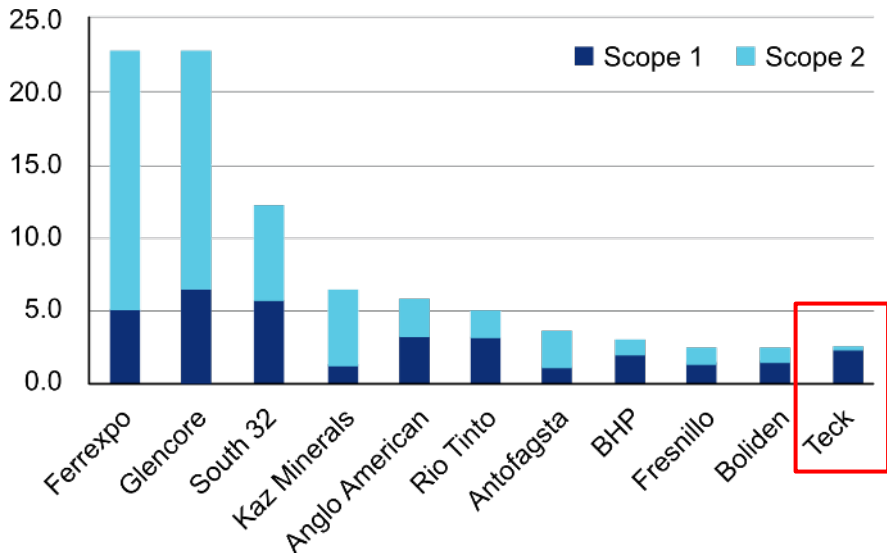


**GHG intensity for steelmaking coal and copper** production among lowest in industry



**Carbon pricing** already built into majority of business

**Scope 1+2 emissions per copper equivalent ranking<sup>1</sup>**  
(tCO<sub>2</sub>e/t CuEq, 2017)



### Be a carbon neutral operator by 2050

Reduce the carbon intensity of our operations by

**33%** by 2030

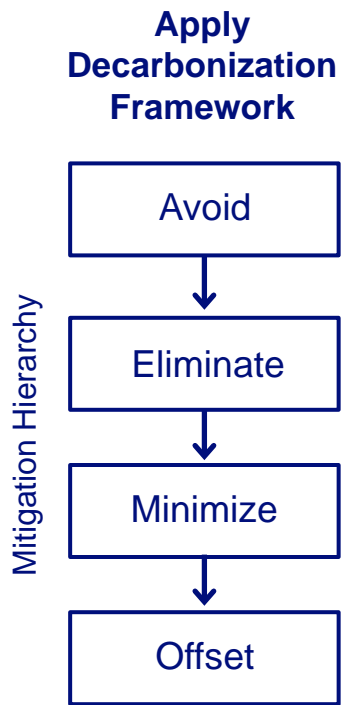
Procure **50%** of our electricity demands in Chile from **clean energy by 2025** and

**100%** by 2030

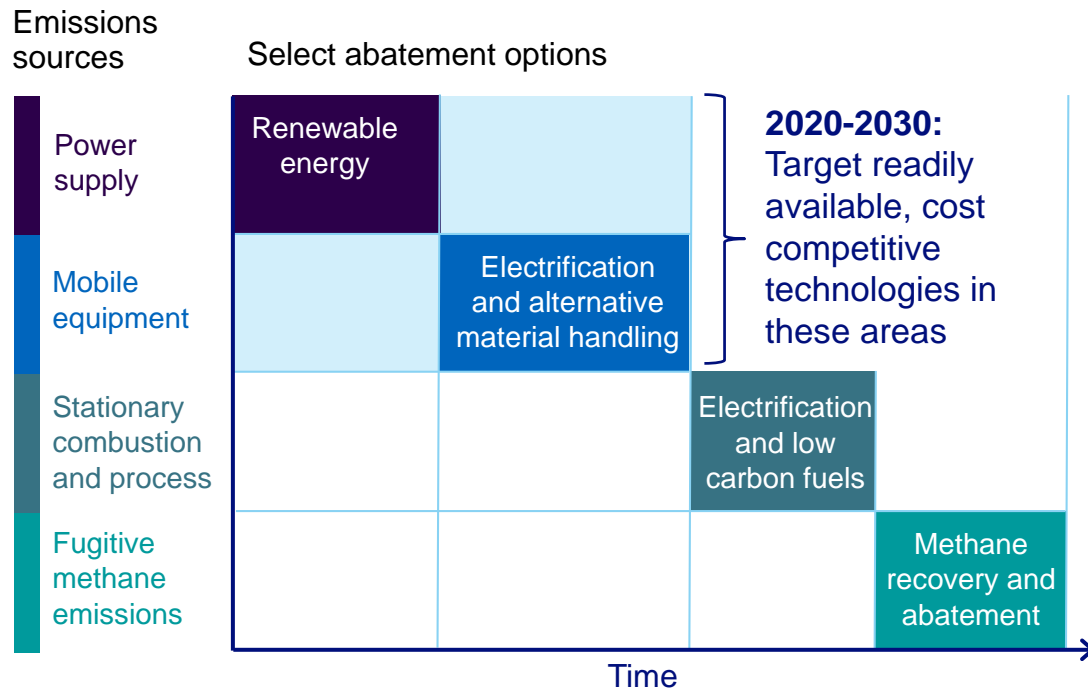
Accelerate the adoption of **zero-emissions alternatives for transportation** by displacing the equivalent of **1,000** internal combustion engine (ICE) vehicles **by 2025**

# Climate Action

## Path to Carbon Neutrality



### Prioritize Opportunities and Deliver Cost Competitive Reductions



# Climate Action

## Cleaner, Safer Vehicles Initiative

- 27 of the world's leading mining companies and OEMs collaborating in a non-competitive space via ICMM
- Accelerating the development of a new generation of mining vehicles with less:
  - GHG emissions
  - Diesel particulate matter
  - Chance of collisions
- Developing energy profiles for a range of haul routes to inform zero-emission alternatives for material movement





# Water Management

## Long Term Strategic Priorities and Goals

**Implement innovative water management and water treatment solutions to protect water quality downstream of all our operations.**

**Transition to seawater or low-quality water sources for all operations in water-scarce regions by 2040.**

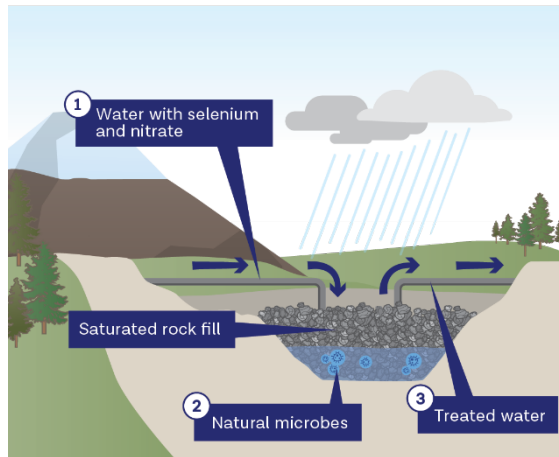


# Water Quality in the Elk Valley

## Advancing Innovative Technologies

Elk Valley Water Quality Plan developed with government, Indigenous Peoples and communities to address water quality challenges

### Saturated Rock Fill



### Tank-Based Plants

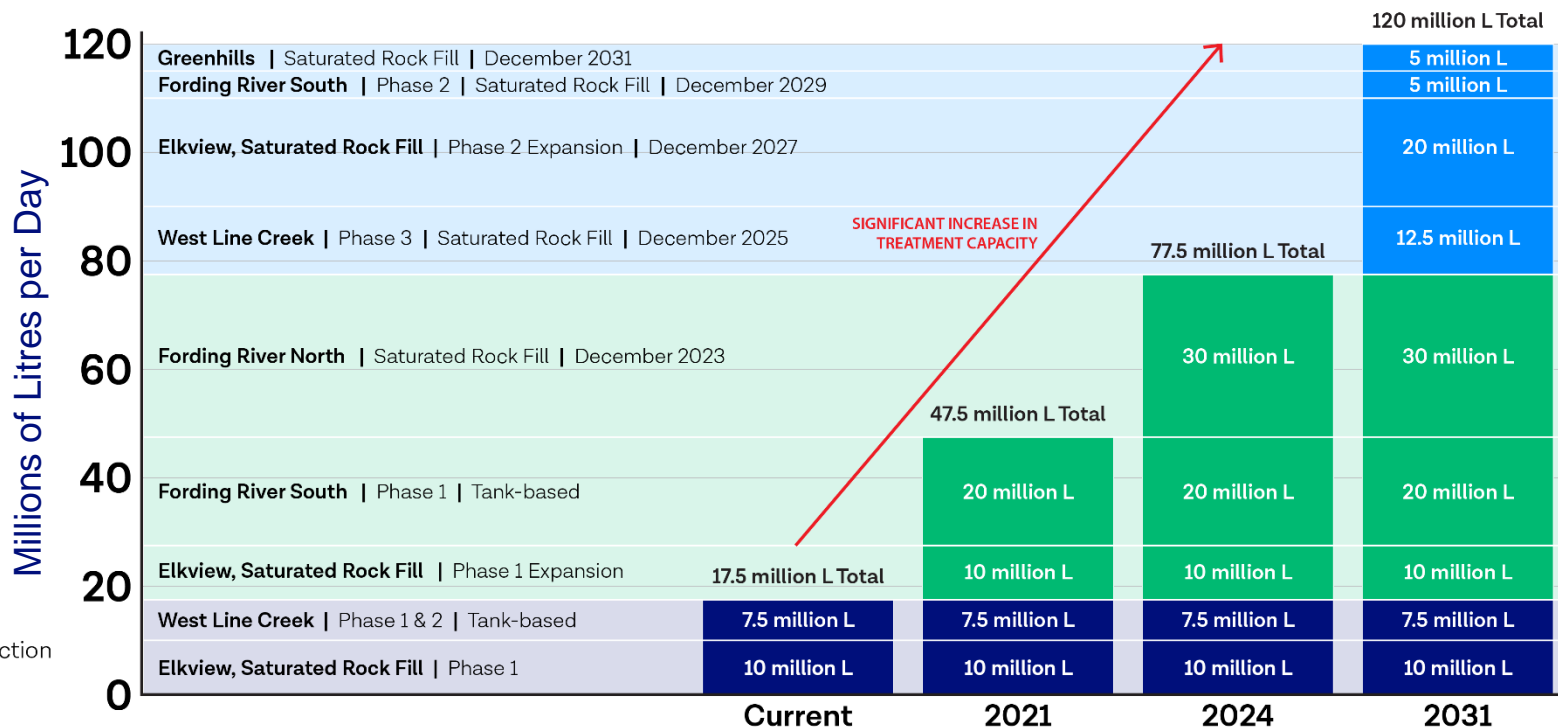


### Nitrate Reduction



# Elk Valley Water Treatment

## Clear Path Forward for Improving Water Quality



**Total investment in water management of \$640 to \$690 million\* from 2020-2024**



# Tailings Management

## Our Approach

- Management and emergency response aligned with ***Towards Sustainable Mining Protocols***
- **Dam Safety Inspection reports and special review by external experts** confirmed no immediate or emerging issues
- Planning underway to fully implement the new **Global Tailings Standard**

Teck has comprehensive systems and procedures in place based on **6 levels of protection**:



# Relationships with Communities and Indigenous Peoples, Respecting Human Rights

- **Agreements in place at all mining operations** within or adjacent to Indigenous Peoples' territories
- **\$225 million to Indigenous businesses** in 2019 through procurement
- 72% of total **local employment** in 2019
- \$19 million in **community investment** in 2019
- Zero significant incidents that were human rights related in 2019
- Released updated Human Rights Policy in April 2020, first established in 2012



# Inclusion and Diversity

- **Non-Discrimination and Anti-Harassment:** well-established codes and policies, conducting unconscious bias training
- **Workplace Flexibility:** family-friendly policies and programs in place, expanding remote working policy
- **Gender:** focused on hiring more women at all levels of the company; 20% of workforce, 25% of Board of Directors, including the Chair; 32% of new hires
- **Employee engagement and feedback:** 24-hour hotline, site-based inclusion and diversity chairs, leadership development programs



Range of projects in place to promote inclusion and diversity, including **STEM leadership courses at Trail Operations**

# Sustainability Performance and Compensation

- Compensation program is linked to sustainability and health and safety performance through individual, department and company-wide objectives.
- Objectives related to climate change, communities and Indigenous Peoples, tailings and water management and others can affect bonuses by at least 10%–20%.
- Incentive compensation of the CEO and senior officers includes sustainability performance indicators.





# Questions and Further Information

## ESG Resources for Investors

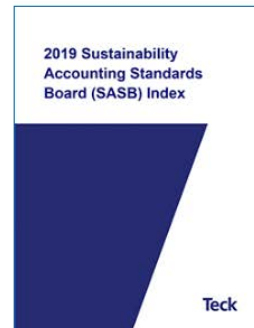
- Sustainability reporting for **19 years** in Core accordance with the **Global Reporting Initiative (GRI)** Standards and G4 Mining and Metals Sector Disclosures
- **Sustainability Accounting Standards Board (SASB) Index** published in March 2020
- **Task Force for Climate-Related Financial Disclosure (TCFD) aligned report** “Portfolio Resilience in the Face of Climate Change” published in 2019
- Detailed **COVID-19** Response page



2019 Sustainability Report



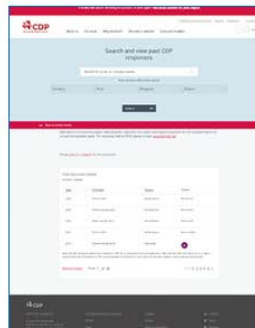
Sustainability Performance Data



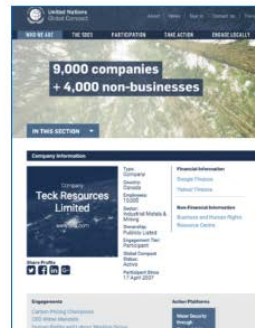
2019 SASB Index



GRI Finder



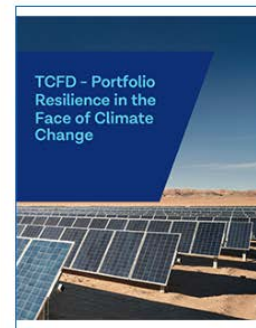
CDP Reports



United Nations Global Compact Report



Form SD (Conflict Minerals Report)



Portfolio Resilience in the Face of Climate Change

# Appendix



# COVID-19 Response

## Prevention and Employee Support

### Prevention



- **Remote work** implemented where feasible
- **Reduced on-site crews** at sites to support physical distancing
- **Comprehensive measures** at all sites:
  - Enhanced cleaning / disinfecting protocols
  - Physical distancing – no large group meetings; reduced occupancy on buses
  - Rapid symptom response protocol
  - Promoting preventative measures like frequent handwashing

### Employee Support



- **Detailed internal protocols and resources:** mandatory declaration for visitors, Take 5 survey, COVID-19 Response Protocol, Contact Tracing Form
- **Maintaining employment**, paid time off during temporary slowdown and offering extended short-term disability benefit
- **Providing access to health care resources:** Employee and Family Assistance Programs and on-demand virtual health care systems
- **“Stopping the Spread. It Starts with Me”** employee culture campaign for prevention

# COVID-19 Response

## Communities & Public Health; Business Continuity

### Communities & Public Health



- **\$20 million COVID-19 support fund** launched, including **Teck Community Response Fund**
- **One million masks** in B.C. and support for healthcare services in Chile

### Communication



- Providing **regular timely communication, early and often**, as new information presents itself
- **Addressing employee concerns**, including advice on staying safe and healthy

### Business Continuity



- All Teck operated sites **continue to operate** with strong prevention protocols in place
- **Increased cost reduction target** to \$1.0 billion of previously planned spending through the end of 2020
- Suspended previous 2020 guidance
- **Close collaboration** with unions, eg: United Steelworkers
- Temporarily suspended construction activities at QB2; temporarily suspended operation at Antamina mine, restarted May 27, 2020



# Strategic Priorities and Goals

## Health and Safety

### Eliminate fatalities, serious injuries and occupational disease



1. Contribute to the elimination of fatalities and serious injuries through significantly enhanced critical control verification for fatal hazards.
2. By 2025, contribute to the elimination of occupational disease by implementing new technologies for real-time exposure monitoring to improve exposure controls for dust and welding fumes.

## Climate Change

### Be a carbon-neutral operator by 2050



1. Reduce the carbon intensity of our operations by 33% by 2030.
2. Procure 50% of our electricity demands in Chile from clean energy by 2025 and 100% by 2030.
3. Accelerate the adoption of zero-emissions alternatives for transportation by displacing the equivalent of 1,000 internal combustion engine (ICE) vehicles by 2025.

# Strategic Priorities and Goals

## Responsible Production

**Be a leader in responsibly providing the metals and minerals needed for the transition to a circular economy**



**Work towards disposing zero industrial waste by 2040**

1. By 2025, establish site-based industrial waste inventories and plans to turn waste into useful and appropriate products. Based on these inventories and plans, set goals for industrial waste reduction.
2. By 2025, develop and implement a responsible producer program and "product passport" that is traceable through the value chain.
3. Be a leader in product stewardship by continuing to implement our Materials Stewardship program and produce secondary metals at our Trail Operations.

## Our People

**Foster a workplace where everyone is included, valued and equipped for today and the future**

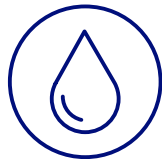


1. Increase the percentage of women working at Teck—including women in leadership positions—and advance inclusion and diversity initiatives across the company by 2025.
2. Equip our employees for future workplace and leadership needs, including upskilling and reskilling, by investing \$200 million in training and skills development programs by 2025.
3. Expand employee engagement opportunities, including employee-driven community initiatives and a company-wide feedback program, by 2025.

# Strategic Priorities and Goals

## Water

**Transition to seawater or low-quality water sources for all operations in water-scarce regions by 2040**



**Implement innovative water management and water treatment solutions to protect water quality downstream of all our operations**

1. By 2025, design all development projects in water-scarce regions with a seawater or low-quality water source.
2. By 2025, implement new source control or mine design strategies and water treatment systems to further advance efforts to manage water quality at our operations.

## Tailings Management

**Continue to manage our tailings across their life cycle in a safe and environmentally responsible way**



1. Preferentially consider milling and tailings technologies that use less water for both new mines and any mine life extensions at existing mines.
2. Expand the use of digitally connected surveillance technologies to assist in monitoring our tailings storage facilities.

# Strategic Priorities and Goals

## Communities and Indigenous Peoples

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



1. Increase local employment and procurement opportunities by 2025 to deliver direct economic benefits to communities.
2. 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.
3. 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.

## Biodiversity and Reclamation

**Work towards securing a net positive impact on biodiversity**



1. By 2025, all operating sites have, and are implementing, plans to secure a net positive impact.

# Climate Action

## Key Activities for Short-Term Goals

Reduce the carbon intensity of our operations by

**33%** by 2030

*Investing in lower-carbon means of transportation such as electric haul trucks, conveyors and other approaches*

Procure **50%** of our electricity demands in Chile from **clean energy by 2025** and **100%** by 2030

*Power purchase agreement for QB2 in Chile will enable the transition to renewable energy for approximately half the power required for operations*

Accelerate the adoption of **zero-emissions alternatives for transportation** by displacing the equivalent of **1,000** internal combustion engine (ICE) vehicles **by 2025**

*Electric bus pilot project represents the first use of electric passenger buses for employee transport in the Canadian mining industry*



# Further Strengthening Tailings Safety and Security

## 1. Special review by external experts

- Confirmed no immediate or emerging issues that could result in failure
- Confirmed Teck tailings management practices industry leading

## 2. Supporting industry-wide improvements

- ICMM-UN-PRI Global Tailings Review

## 3. Enhanced transparency & disclosure

- Facilities inventory posted
- Detailed response to the tailings facility enquiry from the Church of England and the Swedish Council on Ethics for the AP Funds

### Tailings Safety and Security at Teck

#### Overview

Tailings are a common by-product of the mining process. They are typically created as mixed ore is crushed and processed to separate the valuable minerals from a saleable concentrate product. The waste from this process is called tailings. Due to the nature of the ore processing, tailings are commonly in the form of a mineral particles and water. Management of tailings storage in a specially-designed impoundment, called a tailings facility.

Tailings facilities are historically well-managed and few incidents; however, there have been incidents where we know that a tailings incident has the potential to have a significant impact on communities, local and the surrounding environment. As such, we take measures during planning, design, construction, decommissioning of our tailings facilities to confine

• Structures are stable

• Solids and water are managed within designated areas

• Facilities comply with regulatory requirements

• Facilities conform to applicable standards, internal industry best practices and the technical guidelines jurisdictions in which we operate

#### Tailings Facility Construction

Tailings facilities can follow a number of designs, factors including the composition of the tailings is geotechnical considerations, precipitation, seismicity, community preference, and environmental protection. Teck's operations are examples of numerous types of tailings facilities, including facilities for storing desludged tailings at our steelmaking coal operations and utilizing existing mined-out pits. The most common tailings impoundment at Teck and across the mine is created by constructing a dam (or dams) in conjunction with topography to create a tailings storage facility.

There are several primary methods of constructing dams. The specific construction method, or combination of methods, for each of our tailings facility is chosen based on the factors above, with the first priority being the safety of communities, employees and the environment. Within these methods are three basic geometries: how the crest of the dam moves relative to the ore or dam? at the outset of the tailings facility's design.

#### Upstream

#### Teck Tailings Facility Inventory

The below table provides additional detail on each tailings facility with dam(s) managed by Teck at both our active operations and legacy sites. Not included below are 18 unconsolidated stock tailings facilities and two dry-pit tailings facilities located at our steelmaking coal operations.

Mine Operation	Tailings Facility	Construction Method	Consolidation Classification	Status	Number of Tailings Dams	Most Recent Dam Safety Inspection Date	Independent Review Score
<b>Active operations</b>							
Cerro de Amaluza Chile	Embalse de Amaluza Cerro de Amaluza	Downstream	Very High	Active	5	2018	Yes
Duck Pond Canada	Duck Pond Tailings Management Facility	Single Stage	Low	Closed	2	2019	No
Elk River Canada	Lagoon A	Single Stage	Low	Closed	1	2018	Yes
	Lagoon B	Single Stage	Low	Closed	1	2018	Yes
	Lagoon C	Upstream	High	Closed	1	2018	Yes
	Lagoon D	Upstream	Very High	Active	1	2018	Yes
West Park Canada	West Park Tailings Facility	Single Stage	Low	Active	1	2018	Yes
Harding River Canada	North Tailings Pond	Downstream	Very High	Closed	1	2018	Yes
	South Tailings Pond	Downstream	Very High	Active	2	2018	Yes
	Turnbull Pit South Tailings Storage Facility	At-Pit	High	Active	1	2018	Yes
	2 Pit - 3 Pit Tailings Storage Facility	Concentric	Low	Closed	2	2018	Yes
Greenhills Canada	Tailings Storage Facility	Downstream	High	Active	2	2018	Yes
Highland Valley Copper Canada	Highland	Concentric	High	Closed	3	2018	Yes
	Bethune	Upstream/Concentric & Downstream	Very High	Closed	3	2018	Yes
	Tyden	Concentric / Upstream	Very High	Closed	1	2018	Yes
Piedra Verde United States	Tailings Pond 1	Upstream	High	Closed (underlain by landfill)	1	Not Required	No
	Tailings Pond 2	Upstream	High	Closed (underlain by landfill)	1	Not Required	No
	Tailings Pond 3	Downstream	High	Active	1	2018	No
Red Dog United States	Tailings Storage Facility	Downstream/Concentric	High	Active	2	2018	Yes

Teck

# Water Management

## Monitoring Aquatic Health in the Elk Valley

### Event Summary:

- As part of our regular monitoring of fish numbers, results of 2019 Westslope Cutthroat trout counts were 74% lower for juveniles and 93% lower for adults than the 2017 counts in the Upper Fording River

### Immediate Response:

- Re-surveyed, initiated additional monitoring for fish and brought together a team of experts to assess potential causes.
- Limited handling and sampling of fish and limited water use at our operations during low-flow periods

### Cause Unknown, Study Underway:

- The cause is currently unknown with several potential factors involved
- Currently conducting detailed science-based study with industry experts
- Results anticipated in late 2020

# Notes

**Slide 6: COVID-19: Economic Resilience**

1. Includes the undrawn portion of a US\$4 billion committed revolving credit facility and \$525 million in cash on hand as at April 20, 2020.

**Slide 18: Climate Action**

1. Source: Barclays Research, Teck.

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