Teck

PURPOSE DRIVEN

2021 SUSTAINABILITY REPORT

OUR PURPOSE

To provide the essential resources the world is counting on to make life better while caring for the people, communities and land that we love.

IN THIS REPORT

On the cover: Kelsey Kynoch, Health and Hygiene Coordinator at Highland Valley Copper Operations in B.C., Canada.

Photographs contained in this report were either taken prior to the COVID-19 pandemic, or during the pandemic in accordance with all necessary health and safety protocols.

About This Report

Teck's 2021 Sustainability Report marks our 21st year of annual reporting on the sustainability topics that are most material to our stakeholders and to our business.

This report contains:

- Detailed performance in our 2021 material sustainability topics
- Summary of progress towards achieving our long-term sustainability strategic priorities and goals in the areas of Biodiversity and Reclamation, Climate Change, Communities and Indigenous Peoples, Health and Safety, Our People, Responsible Production, Tailings Management, and Water

Available in English and Spanish, our report is in conformance with the member requirements of the International Council on Mining and Metals (ICMM), including the implementation of the ICMM Mining Principles, and any mandatory requirements and corporate- and asset-level aspects set out in the Position Statements and the Performance Expectations (PE). Disclosure related to our self-assessments and validation (i.e. our Highland Valley Copper Operations and Line Creek Operations) can be found in our Sustainability Report and Disclosure Portal. Teck is also in conformance with the Mining Association of Canada's Towards Sustainable Mining (MAC TSM) Protocols.

Our report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option and the GRI G4 Mining and Metals Sector Disclosures, and is aligned with both the Sustainability Accounting Standards Board (SASB) Standards and elements of integrated reporting.

See Methodology & Restatements on page 114 for information about our reporting scope. This report has been reviewed and approved by Teck's senior management and Board of Directors.

Management Approach Information

Management approach information for each material topic is available on our website at teck.com/sustainability/.

Assurance

Our assurance process is a combination of reasonable- and limited-level assurance to comply with various reporting frameworks, as outlined below.

PricewaterhouseCoopers LLP independently reviewed our application of the following and provided limited-level assurance on selected data in this report.

- Reporting of disclosure in accordance with the GRI Standards: Core Option and the GRI G4 Mining and Metals Sector Disclosures
- The alignment of our practices with ICMM's Mining Principles and Performance Expectations guided by the ICMM Validation Guidance and the ICMM Assurance and Validation Procedure; this included validation at our Highland Valley Copper and Line Creek operations
- The alignment of our practices with the MAC TSM Protocols

PricewaterhouseCoopers LLP independently reviewed and provided reasonable-level assurance on:

- The application of *The Copper Mark Criteria* utilizing *The Copper Mark Criteria Guide* and *Copper Mark Assurance Process*

We have also undertaken reasonable-level assurance on our conformance to the provincial Greenhouse Gas Emission Reporting Regulation and the requirements of the CleanBC Industrial Incentive Program (CIIP).

See pages 115–117 for the assurance letter from PricewaterhouseCoopers LLP. Supporting information related to our ICMM PE self-assessment and validation summary reports is available on our website and our Copper Mark certification and assurance report can be found on The Copper Mark website. PricewaterhouseCoopers LLP is also Teck's independent auditor.

Contact

If you have any questions about this report, email us at sustainability@teck.com or contact Jillian Lennartz, Manager, Sustainability Reporting, at jillian.lennartz@teck.com.

Other Reports

The 2021 Sustainability Report is part of Teck's annual reporting suite, available on our website at teck.com, which includes:

Annual Report
Management's discussion and analysis and audited consolidated financial statements

Annual Information Form
Describing our business, including our reserve and resource disclosure, and disclosure on risks that may affect Teck

Management Proxy Circular
Information on business to be conducted at the annual meeting, including details on executive compensation and our corporate governance practices

Climate Change Outlook Report
Information on how we are analyzing and preparing for the risks and opportunities emerging from climate change and on our plans to move to a lower-carbon future; aligned to the recommendations of the Task Force on Climate-related Financial Disclosures

Economic Contribution Report
Information on the economic benefits of our activities, including payments to governments, wages and other economic contributions in line with the requirements of the Extractive Industries Transparency Initiative (EITI)

Message from the President and CEO, Don Lindsay

Donald R. Lindsay
President and Chief Executive Officer
Vancouver, B.C., Canada
March 17, 2022

At Teck, sustainability is part of the fabric of our company. With over two decades of sustainability reporting and a long-term sustainability strategy in place since 2011, our commitment to environmental and social responsibility is part of who we are. We also know that the materials we mine are critical to a better, cleaner future. Metals like copper are essential to decarbonization and electrification, steelmaking coal is needed to produce the steel required for low-carbon infrastructure such as rapid transit, and renewable energy sources like wind and solar are more metal- and mineral-intensive than fossil fuel sources. This direct connection between what we produce and how we produce it is embodied in Teck's Purpose:

To provide the essential resources the world is counting on to make life better while caring for the people, communities and land that we love.

What We Do

"Provide the essential resources the world is counting on to make life better."

From the 62 different metals in your smartphone to up to 11 minerals in your toothpaste, every aspect of modern life depends on the products of mining. This also applies to the technologies and infrastructure necessary for the transition to a low-carbon economy. At Teck, our focus is on producing the metals and minerals needed to improve people's quality of life and to make possible the technology and infrastructure for a low-carbon future.

Copper is a critical component in everything from smartphones to electric vehicles and clean power generation and transmission, with renewable power requiring up to 12 times more copper than standard power systems. Zinc and steelmaking coal are necessary to make the high-quality steel used in the construction of modern buildings, vehicles, renewable power, and more. We also produce other critical metals and minerals — such as germanium, which is essential for fiber optic cables, and indium, which is used in touch screens and solar panels.

We believe that the minerals and metals upon which we build a better future should themselves be produced responsibly, and we hold ourselves to a high standard of sustainability performance. Environmentally, our products rank among the lowest carbon emissions for each tonne of metals and minerals produced. Socially, we have committed to invest at least 1% of our total earnings back into our communities, and we have achieved an average of 69% employment by local community members. Our value chain partners can be confident that the products we provide are produced with sustainability in mind.

We also work to support innovative uses for mining products to enhance community health and safety. For example, through our **Copper & Health** program, we are building partnerships, raising awareness and seeking to improve health outcomes in hospital and public settings through the use of copper — a naturally antimicrobial material — on high-touch surfaces.

We know the world is counting on these transformational products to build a better future, and we are committed to delivering them and to helping make the world a better place.

How We Do It

"Caring for the people, communities and land that we love."

How we responsibly mine the metals and minerals that the world needs is just as important as what we produce. To ensure we meet the expectations of our employees, communities and stakeholders, our sustainability strategy sets out ambitious long-term goals in eight categories: health and safety, climate change, tailings management, our people, responsible production, biodiversity and reclamation, water, and communities and Indigenous Peoples.

We are working hard to achieve these goals, with progress in 2021 including:

- Reduced our High-Potential Incident Frequency by 38% in 2021 compared to 2020
- Increased our electricity sourced from renewable, zero-carbon power sources to 96%, up from 88% in 2020
- Increased the number of women in our senior management from 20% in 2020 to 29% in 2021, with women now comprising 21% of our total workforce — up from 12% in 2011
- Invested $23.9 million in our local communities, including $9.25 million directly related to COVID-19 response

We are accelerating projects to further reduce our carbon emissions, including announcing an agreement with Caterpillar Inc. to work towards deploying 30 zero-emissions large haul trucks at our steelmaking coal operations, and an agreement with shipping provider Oldendorff Carriers to use energy-efficient eco-bulk carriers to ship a portion of our steelmaking coal to international destinations. In 2021, we reduced the carbon intensity of our operations by 5%, progressing towards our goal of reducing carbon intensity by 33% by 2030.

This year we completed two key projects designed to treat mine-affected water from our steelmaking coal mines in the Elk Valley in British Columbia. As a result of these projects and with a third project currently underway, we have a roadmap to a fourfold increase from our 2020 treatment capacity. With this additional capacity, beginning in 2022, we expect to achieve the primary objective of the Elk Valley Water Quality Plan: stabilizing and reducing the selenium trend in the valley.

Moving Forward

We know that sustainability performance and financial performance are intrinsically linked. Our ability to continue operating and generating value depends on strong sustainability performance. Likewise, achieving our ambitious goals in areas such as climate change, water, and supporting our people and communities requires us to maintain the financial health of our business and to stay resilient through commodity cycles.

In 2021 we took another step in increasing the integration of our performance against our sustainability goals with our financing plan. We finalized a US$4 billion sustainable financing facility — the largest sustainability-linked loan in Canada — which sets out sustainability metrics that affect the interest rate on our borrowings. These metrics are focused on reducing carbon emissions, improving health and safety, and strengthening gender diversity in our workforce.

In addition, our sustainability performance to date has been recognized through inclusion in the Dow Jones Sustainability World Index for the 12th straight year, with Teck achieving the top-ranked performance score for the third year in a row on the underlying S&P Corporate Sustainability Assessment. Teck has also been ranked the #1 mining company by Sustainalytics and Moody's ESG, and we are in the top 10% of our industry for environmental, social and governance (ESG) performance according to MSCI, ISS ESG and FTSE4Good.

As we look ahead to 2022, we know this will be a transformational year for Teck. We expect to achieve first production at our Quebrada Blanca Phase 2 (QB2) project in Chile, which will double Teck's consolidated copper production, reducing the proportion of carbon in our portfolio and helping meet the growing global copper demand driven by the low-carbon economy. Already this year we have expanded our climate action strategy, including setting our ambition to achieve net-zero Scope 3 emissions by 2050. We will also take major strides forward in achieving the goals of our Elk Valley Water Quality Plan. As we move forward to a low-carbon future, we remain focused on continual improvement in our sustainability performance while at the same time responsibly providing the essential metals and minerals the world needs.

Our Commitments:

United Nations Global Compact

International Council on Mining and Metals Mining Principles

Mining Association of Canada Towards Sustainable Mining initiative

The Copper Mark

GRI Standards

United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)

Council for Clean Capitalism

Carbon Pricing Leadership Coalition

International Labour Organization Labour Standards

30% Club Canada

And many others listed on our Memberships and Partnerships page

Recognition in 2021

Dow Jones Sustainability World Index – Named to the DJSI for the 12th straight year. Top-ranked in the S&P Global SAM Corporate Sustainability Assessment Metals and Mining sector in 2021.

MSCI ESG rating upgraded to 'AA' in 2021, placing Teck in the top 10% of Metals and Mining – Non-Precious Metals subindustry. Member of MSCI World ESG Leaders Index since 2015.

Sustainalytics: Ranked second in the Diversified Metals industry as of February 2022. Teck's ESG Risk Rating is also ranked as Low.

ISS E&S: Prime rating for ESG performance, placing Teck in the top decile of the mining industry.

Moody's ESG (Vigeo Eiris): 1st among North America Metals and Mining companies and 2nd among all North American companies regardless of industry, as of December 2021.

FTSE4Good Index Series: Listed on the FTSE4Good Index Series.

Bloomberg Gender-Equality Index: In January 2022, Teck was named to the Bloomberg Gender-Equality Index for the fifth year in a row.

Canada's Top 100 Employers: Named as one of Canada's Top 100 Employers in from 2018 through to 2022.

Global 100 Most Sustainable Corporations: Teck is the top-rated mining company on the Global 100 Most Sustainable Corporations list for 2022.

CDP: Score of C for climate change disclosure in 2021. Teck's score for water security disclosure has remained B since 2019.

Named to Forbes World's Best Employers 2021 list.

And others listed on our Awards and Indices page.

Our Purpose and Values

At Teck, we share a strong sense of purpose, and each day we are guided by our values in how we operate and how we conduct ourselves. As the world increasingly shifts to a purpose-driven focus, we refreshed our Purpose and Values in 2021 to reflect this trend. Through this process, we gained a deeper understanding of the principles that drive us and guide our work. Our updated Purpose statement and Values articulate the impact we want to create for the world and for our business.

Our Purpose

To provide the essential resources the world is counting on to make life better while caring for the people, communities and land that we love.

Essential Resources

The metals and minerals we produce are essential for modern life, and for building a better quality of life for people around the world. The technologies and infrastructure needed to tackle big challenges like climate change — electric vehicles, solar panels, wind turbines and more — depend on the resources we provide.

Caring for the People, Communities and Land that We Love

We work with a sense of personal responsibility and genuine care for the people, communities and lands that we're entrusted with. We provide rewarding, family-supporting careers, collaborate with communities and Indigenous Peoples, and work to ensure a healthy environment for generations to come.

Our Values

Our Values describe how we operate and who we are.

This is who we are

Responsible and Courageous

We do the right thing — even when it's hard or requires bold action.

Respectful and Inclusive

We believe everyone matters and we're better together.

Humble and Driven

We are open and we listen, learn, and are relentless in the pursuit of excellence.

This is how we operate

Health and Safety

We are focused on ensuring everyone goes home safe and healthy every day.

Sustainability

We ensure the wellbeing of the people, communities and environments we're entrusted with.

Excellence

We achieve leading performance through innovation and commitment to continuous improvement in efficiency and productivity.

Engaging with Stakeholders and Indigenous Peoples

Engagement with stakeholders — including investors, customers and local communities — and with Indigenous Peoples helps to enhance our mutual understanding of interests, concerns and aspirations, and strengthens relationships. Stakeholders are identified based on the degree to which they are affected by our activities, by our relationships with them and by their ability to influence the achievement of our business objectives. In particular, stakeholder identification helps us:

- Understand the positive and negative impacts of our business
- Understand the risks and opportunities — for stakeholders and our business — associated with these impacts
- Manage these impacts in a responsible and effective manner
- Understand the effectiveness of our management actions

Direct and Indirect Stakeholder Engagement and Management

Teck conducts direct engagement, which involves speaking and working directly with stakeholders and Indigenous Peoples, as well as indirect engagement, which involves reviewing publications that reflect our stakeholder expectations. Our direct engagement with stakeholders is carried out on an ongoing basis, and is organized around three levels: disclosure, dialogue and participation. We carry out indirect engagement through the application of externally developed standards and frameworks. Our engagement with community stakeholders and Indigenous Peoples is guided by our Health, Safety, Environment and Community (HSEC) Management Standards, and our Social Management and Responsibility at Teck (SMART) Framework. Engagement outcomes are reported to the Safety and Sustainability Committee of our Board of Directors and to our HSEC Risk Management Committee.

Engagement with Local and Indigenous Communities

All of our operations, exploration sites, projects and closed properties identify, prioritize and directly engage local and Indigenous communities. Our work in this area is focused on:

- Disclosing and appropriately communicating accurate and timely information
- Maintaining an open dialogue so all parties can fully understand each other's views and concerns
- Engaging in decision-making around joint aims
- Collaborating on issues of mutual interest
- Creating social value and maintaining our ability to operate
- Understanding the potential impact of our activities on the rights of Indigenous communities

Those responsible for engagement with local communities and Indigenous Peoples are trained to conduct dialogue that is focused on building and maintaining relationships, and on addressing issues important to those communities. This helps to enable engagement that is productive and constructive, and that directly contributes to the building and maintenance of long-term, trust-based relationships. Our engagement with our workforce, communities, civil society and Indigenous Peoples also supports our commitments to respecting human rights and Indigenous rights across Teck.

Table 1: Key Engagement Topics with Stakeholders and Indigenous Peoples Identified and Managed in 2021

Stakeholder	Description	Priority Engagement Topics in 2021	Learn More
Our Workforce	Union, non-union, full-time and part-time employees and contractors	• Health and safety • COVID-19 response and support • Inclusion and diversity • Bargaining and collective agreements • New technology and opportunities for innovation	Pages 56, 71
Investors, Financial Institutions	Institutional investors, other equity holders, debt holders, banks and credit rating agencies	• Financial and operational performance • Social and environmental management • Equity, diversity and inclusion • Climate change and carbon pricing • COVID-19 impact and response • Project execution • Capital allocation • Governance • Developments in financial markets • Sustainability-linked financial products	See the 2021 Annual Report for information on financial and operational performance
Communities	Indigenous communities, non-Indigenous communities, vulnerable communities (including women and children), community-based institutions, and those outside of project- and site-affected communities	• Community investments, including those in response to COVID-19 • Water quality and/or availability • Climate change impacts • Cultural heritage • Health and safety • Dust, noise and vibration issues • Local procurement and employment • Participative community monitoring • Tailings management • Biodiversity management • Reclamation • Permitting activities	Pages 10, 16, 22, 40, 47, 56, 83, 95
Civil Society, Non-Governmental and Multinational Organizations	Regional, national and international organizations focused primarily on advocacy	• Community investment opportunities • Global development topics • Public health partnerships, including those in response to COVID-19 • Transparency on the payments we make to governments and others • Climate change and carbon pricing • Cultural heritage	Pages 22, 56, 83, 95, 102
Academic Institutions and Researchers	Academic institutions and research organizations	• Research partnerships, including water research and those in response to COVID-19 • Training programs	Pages 47, 71, 83
Governments	Local government bodies or institutions, provincial/ sub-national governments and national/federal governments	• Industry competitiveness • Climate change and carbon pricing • Innovation • Environmental management • Health and safety • Transportation regulations • International trade and development • Environmental regulatory and permitting • Taxation policy	Pages 22, 56, 102

Table 1: Key Engagement Topics with Stakeholders and Indigenous Peoples Identified and Managed in 2021 (continued)

Stakeholder	Description	Priority Engagement Topics in 2021	Learn More
Indigenous Governments and Communities	Formal governance structures representing Indigenous communities and organizations, including businesses identified by Indigenous communities and traditional land users	• Traditional knowledge and land use • Indigenous rights and free, prior and informed consent • Agreement negotiation and implementation • Environmental aspects, including water quality and access • Economic opportunities • Truth and reconciliation • Cultural heritage • Regulatory approvals • Implementation of the United Nations Declaration on the Rights of Indigenous Peoples • Community investment opportunities • Subsistence and local livelihoods	Pages 83, 95
Commercial Interests	Joint venture partners, large contractors and customers	• Logistics and transportation • Climate change and emissions • Materials stewardship • Supply chain sustainability • Health and safety • Responsible mining practices • Technology and innovation	Pages 22, 34, 56, 109
Industry Associations	Associations representing businesses (e.g., mining associations, sustainable business organizations)	• Regulatory issues • Social issues and best practices • Environmental management • Business competitiveness • Health and safety • Tailings management • Implementation of the United Nations Declaration on the Rights of Indigenous Peoples • Cultural heritage	Pages 34, 40, 56, 83, 95, 109

Supporting the United Nations Sustainable Development Goals (SDGs)

Through our activities and initiatives, Teck is contributing to progress on the UN SDGs. While we recognize that the mining industry has an opportunity to positively contribute to all 17 of the SDGs, Teck's sustainability strategy is most strongly aligned with the following goals:

An overview of the work Teck is doing to help address each of the 17 Sustainable Development Goals is available on our website.

2021 Materiality Assessment

At Teck, sustainability and related risks are considered alongside other major business risks highlighted in our Annual Information Form. A material sustainability topic is one that reflects our company's most significant economic, environmental and social impacts, or one that could substantively influence the assessments and decisions of our stakeholders, in accordance with guidance from the Global Reporting Initiative (GRI).

The content of our annual sustainability reporting is determined through a detailed materiality assessment, which identifies and evaluates the most material sustainability topics for our business, for our stakeholders and for Indigenous Peoples during the previous year and for the near-term future.

Our annual process for determining material sustainability topics follows a three-year cycle and involves three phases: identification, prioritization and validation. The first year involves intensive consultation and research to identify a full list of topics that is analyzed by internal experts and external stakeholders and validated by our senior management team. Sustainability topics in the mining industry are relatively consistent year over year, given the long-term nature of operations. As such, the second and third years build on the results from the first year, and the assessment is updated to reflect emerging issues.

Figure 1: Materiality Assessment Process at Teck

In 2021, we built on the comprehensive materiality assessment conducted in 2020. During the identification phase, we conducted research on trends in our industry using external sources, and we evaluated internal strategy documents and information compiled as part of the update of our sustainability strategy and goals. We also took existing information from our 2020 comprehensive assessment, which mapped our impacts and the boundary of our material topics across the value chain. In this phase, we identified a total of 20 topics for review and prioritization.

During the prioritization phase, we conducted engagement aimed at further understanding the current state of the identified topics within the company and our outlook for sustainability. During this process, a range of topics were identified as most significant in terms of risks and opportunities. In this phase, 20 sustainability topics were organized into 13 thematic areas prioritized as potentially meeting our threshold for reporting.

During the validation phase, the results of the materiality assessment were reviewed by members of Teck's senior management team and the Safety & Sustainability Committee of the Board of Directors.

The 20 sustainability topics that were identified are outlined in the Materiality Matrix in Figure 2.

1. Health, Safety and Well-Being
2. Indigenous Peoples Relationships
3. Climate Change
4. Water Management
5. Community Relationships
6. Innovation and Technology
7. Regulatory Landscape
8. Equity, Diversity and Inclusion
9. Tailings and Mine Waste
10. Reclamation and Remediation
11. Biodiversity and Land Use
12. Workforce of the Future
13. Responsible Production
14. Labour Rights and Collective Bargaining
15. Air Quality
16. Value Chain Responsibility
17. Human Rights
18. Business Ethics
19. Geopolitical Uncertainty
20. Data Privacy and Cybersecurity

Of these 20 topics, those that were prioritized as meeting our threshold for reporting were organized into 13 thematic areas, listed below:

ENVIRONMENTAL

1. Air Quality
2. Biodiversity and Reclamation
3. Climate Change
4. Responsible Production
5. Tailings Management
6. Water Stewardship

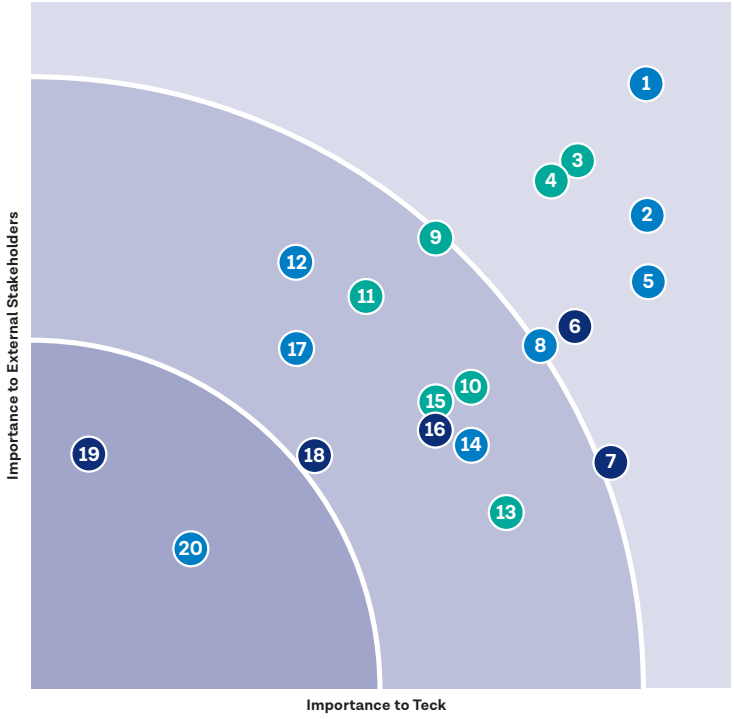
SOCIAL

7. Health and Safety
8. Human Rights
9. Our People and Culture
10. Relationships with Communities
11. Relationships with Indigenous Peoples

GOVERNANCE

12. Business Ethics
13. Supply Chain Management

Figure 2: 2021 Materiality Matrix of Sustainability Topics



Information about how we manage our material topics is available in the How We Manage Material Issues section on our website. While our annual performance related to material topics is stated in this report, the order of report chapters does not indicate the materiality ranking.

Air Quality

Pictured above: Employees at Elkview Operations, Canada.

Air Quality

Poor air quality leads to impacts on the environment, human health and the economy.[1] With the damage to global health from air pollution estimated at US$8 trillion annually, or about 6% of global gross domestic product, air pollution continues to be a global concern.[2] Governments increasingly require that industrial air emissions are monitored, mitigated and disclosed to public inventories such as the Toxics Release Inventory in the United States or the National Pollutant Release Inventory in Canada.

Mining and mineral processing can impact air quality through emissions from activities like drilling, blasting, crushing, collection and storage, and transportation along the supply chain. Managing these emissions — through technological and process improvements — allows companies to limit their potential air impacts while benefiting from operational efficiencies and cost reduction.

Teck has an ongoing commitment to improve air quality management, and we undertake comprehensive monitoring and reporting on air quality in the areas of our operations. This is a priority for Teck, as air quality continues to be identified as a key concern by our communities of interest. In particular, dust has been identified as a key concern by local and regional communities around our steelmaking operations in the Elk Valley in British Columbia (B.C.), at Trail Operations in B.C., at Red Dog Operations (RDO) in Alaska and at Carmen de Andacollo Operations (CdA) in Chile. In 2021, wildfires and record-breaking warm temperatures also impacted air quality in local communities and at some of our Canadian operations. Teck continued to work with our local partners to support wildfire relief efforts during this time. As air quality issues require close collaboration with local stakeholders and Indigenous Peoples, we continue to explore initiatives to partner with communities across our operations.

GRI Indicators and Topic Boundary

305-103, 305-7

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

How Does Teck Manage This Topic?

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

[1] Canada's Air Quality. Government of Canada. 2021. [2] Pollution. The World Bank. 2021.

2021 Highlights

100% of community-based air quality stations recording annual average values were within the World Health Organization (WHO) guideline interim target value for ambient concentrations of particulate matter less than 2.5 microns in size

Implemented initiatives to improve air quality monitoring and to minimize impacts from our activities on communities at our operations in the Elk Valley, and at our Trail, Carmen de Andacollo and Red Dog operations

Our Performance in Air Quality in 2021

Our Targets and Commitments Our goal is to continuously improve air quality and reduce dust emissions for the benefit of workers, communities and the environment in areas affected by our activities.

Performance Metrics

Indicator

Sulphur dioxide (SO_2) emissions from stacks, stationary and mobile fossil fuel combustion

2021:	3,094 tonnes
2020:	3,812 tonnes
2019:	3,853 tonnes

Indicator

% of community-based air quality stations with annual mean concentrations of ambient $PM_{2.5}$ within the World Health Organization guideline interim target value of 10 µg/m^3

2021:	100% of stations
2020:	100% of stations
2019:	100% of stations

Indicator

% of community-based air quality stations with annual mean concentrations of ambient PM_{10} within the World Health Organization guideline interim target value of 20 µg/m^3

2021:	75% of stations
2020:	75% of stations
2019:	75% of stations

Minimizing Emissions to Improve Air Quality

In 2021, we implemented measures to minimize impacts on the local air quality within the vicinity of our activities.

Table 2: Air Quality Improvements in 2021

Operation	Activities
Elk Valley steelmaking coal operations	Continued to implement on-site and off-site real-time monitoring of particulate concentrations and meteorological conditions to assist with dust mitigation planning and incident investigation. Integrated two air monitors based in Sparwood and Elkford into the B.C. Air Quality Database, thereby giving public access and transparency to Teck air quality data. Ozone monitoring was also added in Sparwood, thereby enabling a calculation of an Air Quality Health Index (AQHI) value for the Elk Valley in 2022.
Trail Operations	Continued to implement dust management initiatives to support additional reductions of metals in ambient air in the community. Refined the site's wind warning alert and response program, and updated site controls to mitigate fugitive dust from roads and material handling areas during windy periods. Modelled site winds to better understand fugitive dust dispersion from key areas, to update source contribution and to inform the next steps of reduction projects.
Carmen de Andacollo Operations	Continued to implement on-site dust management initiatives, including installing cameras to remotely monitor the trajectory of blasting and measure the efficacy of our dust mitigation measures. An update of the Environmental Monitoring Platform used in the blasting process was also developed, which integrates a geographic information systems (GIS) map to visualize the stations and meteorological information. Added dust suppressant measures within the city to enhance dust mitigation. Continued to conduct research on innovative approaches that may reduce dust emissions, including the use of electromagnetic waves to decrease airborne particles.
Red Dog Operations	Continued to monitor and evaluate performance and evaluate opportunities for further improvement. Since mine operations commenced in 1989, Red Dog Operations has invested more than US$25 million in a program to reduce fugitive dust emissions through operational and facility improvements and activities.

Case Study: Improving Air Quality at Andacollo through a Sustainability-Based Mining Operational Model

Teck's Carmen de Andacollo (CdA) Operations is located in the Coquimbo Region of central Chile, directly adjacent to the town of Andacollo, which has had a long history of mining. In 2009, the air around Andacollo was found to be high in particulate matter of a size less than 10 microns (known as PM_{10}), thought to be due to the strong mining tradition in the area, the mountainous landscape and the arid climate. As a result of this finding, local and national governments in Chile designated the area as a PM_{10} saturated zone. In response, Teck specialists at CdA worked with local government and communities to develop the Atmospheric Decontamination Plan (ADP), with a goal of lowering dust emissions by 65% by 2017. Since the launch of the ADP, Teck has worked intensively on air quality research and innovation projects that resulted in a 78% reduction in PM_{10} by 2017. In 2021, we continued to conduct research on innovative approaches that may further reduce dust emissions. One such initiative we are exploring is the use of electromagnetic waves to decrease airborne PM_{10} particles. Read the full case study at teck.com/news/stories.

Monitoring and Reporting

The most material air quality issues relate to metals and SO_2 near our Trail Operations metallurgical facility, and particulate emissions at our mining operations. In addition to monitoring these two material indicators, our operations monitor and report on other air emission parameters in accordance with permit and regulatory requirements.

As shown in Table 3, SO_2 emissions from stacks and fossil fuel emissions in 2021 were approximately 3,094 tonnes — almost a 19% reduction from 2020. Over a four-year period, SO_2 emissions followed a stable trend and improvement initiatives then enabled a significant reduction in 2021. See the Technology and Innovation section on page 14 for more details. Trail Operations is the most significant source of SO_2 emissions for Teck and, as a result, all other operations have been aggregated in Table 3. Full results per operation are available in the 2021 Sustainability Performance Data.

Trail has been driving down lead levels in the air for several decades. Improvement projects implemented through Trail Operations' Fugitive Dust Emission Reduction program have reduced lead levels in the community by 80% since 2012.

Technology and Innovation

Trail is implementing a three-year program to reduce SO_2 emissions. As part of this program, the expansion of SO_2 scrubbing operations completed in late 2020 resulted in significantly reduced SO_2 emissions in 2021. The $44.8 million KIVCET Dryer Project will allow for lower drying temperatures, which will further reduce community SO_2 emissions, starting in 2023. These improvements are being implemented in accordance with Trail's provincial permit limits for SO_2 concentrations at community stations, which became more stringent in 2021 and will further decrease in 2023.

Table 3: SO_2 Emissions from Stacks, Stationary and Mobile Fossil Fuel Combustion (tonnes)[1],[2],[3],[4],[5]

Operation	2021	2020	2019	2018
All other operations	**15.7**	28.7	42.0	61.4
Trail Operations	**3,078.0**	3,783.5	3,811.0	3,598.0
Total	**3,093.6**	3,812.2	3,853.0	3,659.4

(1) Rounding of individual numbers may cause a discrepancy in the total value.
(2) Aggregate data for all other operations presented here, as numbers are insignificant compared to Trail. See our website for the full set of data.
(3) Information current at time of publication. However, values will be added, confirmed and/or changed once regulatory reporting for the 2021 period is complete. See our website for up-to-date information.
(4) Requirements and methods for determining air emissions can vary widely. Not all sites have monitoring equipment in place to measure releases from all sources and activities, and the frequency of sampling can vary.
(5) Our Canadian sites report annually to the National Pollutant Release Inventory (NPRI) and American operations report to the Toxics Release Inventory (TRI); NPRI and TRI have different reporting requirements and calculation methods. Information in this table may not reflect exactly the contents of NPRI and/or TRI reports, due to different reporting definitions concerning site boundaries as well as the inclusion of mobile equipment in the above table, which is not required in some regulatory reporting requirements.

Ambient Air Quality Monitoring

As part of our ambient air quality monitoring program, we measure the concentration of particulate matter of a size less than 10 microns (PM_{10}) and particulate matter of a size less than 2.5 microns ($PM_{2.5}$) at monitoring stations. These monitoring stations use standardized equipment, per permit and regulatory requirements, and are located on our sites and in a number of community centres. Tables 4 and 5 summarize the ambient air quality during 2021 as measured at a select number of community-based monitoring stations that we manage, based on the significant proximity of the location to our operations. Two values are presented:

- The annual average concentration that is based on the daily 24-hour average concentrations; this value reflects prolonged or repeated exposures over longer periods
- The annual peak 24-hour indicator that is based on the 98th percentile of the daily 24-hour average concentrations; this value reflects immediate exposures

At these monitoring stations, ambient air quality not only reflects the activities at our operations, but also other activities in the area such as other industries, vehicle traffic, firewood burning, forest fires and waste burning.

In 2021, record-breaking temperatures and wildfires in B.C. impacted air quality in local communities and at some of our operations. This is reflected in the increase in particulate matter measured at the Downtown Sparwood and Elkford High School air quality monitoring stations.

For 100% of the stations listed in Table 4, the annual average concentration of $PM_{2.5}$ was below the WHO Guideline value of 10 µg/m^3. For the annual average concentration of PM_{10} at the stations listed in Table 5, 75% of the stations were below the WHO Guideline value of 20 µg/m^3.

Table 4: Ambient Particulate Matter of Size Less Than 2.5 Microns (µg/m³)

Station	Nearest Operation	2021		2020		2019	
		Average Annual	98th Percentile	Average Annual	98th Percentile	Average Annual	98th Percentile
Urmeneta	Carmen de Andacollo	**9**	**18**	9	14	7	14
Downtown Sparwood	Elkview	**9**	**46**	6	15	7	14
Elkford High School	Greenhills	**7**	**49**	5	31	4	16

Table 5: Ambient Particulate Matter of Size Less Than 10 Microns (µg/m³)

Station	Nearest Operation	2021		2020		2019	
		Average Annual	98th Percentile	Average Annual	98th Percentile	Average Annual	98th Percentile
Urmeneta	Carmen de Andacollo	**36**	**65**	35	57	34	59
Downtown Sparwood	Elkview	**17**(1)	**55**	11	34(1)	13	44
Elkford High School	Greenhills	**12**	**62**	9	47	10	43
Butler Park	Trail	**17**	**95**	15	63	14	28

(1) Incomplete hourly data set, per the Canadian Council of Ministers of the Environment: Criteria ii.

For more information about our emissions to air, such as nitrous oxides, volatile organic compounds, and mercury, visit the National Pollutant Release Inventory for our Canadian operations and the Toxics Release Inventory for our American operations.

Significant Incidents and Non-Compliance Related to Air Quality[3]

We assess the severity of environmental incidents based on potential environmental, safety, community, reputational and financial impacts. Based on our incident severity criteria, there were no significant incidents related to air quality in 2021. There were also no significant charges, fines and penalties for non-compliance related to air quality in 2021.

[3] Definition of significant environmental incidents is on page 50.

Biodiversity and Reclamation

Pictured above: Employee at Highland Valley Copper Operations, Canada.

Biodiversity and Reclamation

With more than half of the world's economic output moderately or highly dependent on nature,[4] biodiversity loss and the related impacts on ecosystems represent a significant risk to companies, governments and civil society. As global understanding of ecosystem services improves, it has become clear that protecting, conserving and restoring nature is critical to help address climate change.[5] Recognizing this, in 2021, the Glasgow Climate Pact emphasized the importance of protecting, conserving and restoring nature and ecosystems.[6] Global market-led initiatives supported by governments and financial institutions, such as the Taskforce on Nature-related Financial Disclosures, are also supporting greater action on preserving and enhancing biodiversity.

Mining activities can have direct and indirect impacts on biodiversity and ecosystems. In response to the potential for these impacts, regulatory requirements in many jurisdictions are becoming increasingly stringent. Teck aims to avoid, minimize or rehabilitate the effects of negative impacts on biodiversity at our operations. We have made a commitment to not explore or mine in World Heritage sites and to respect all legally designated protected areas, including International Union for Conservation of Nature (IUCN) category Ia, Ib, II, III or IV protected areas. Our activities span a range of areas of high biodiversity value, and we continue to work towards securing a net positive impact on biodiversity. With operations within or adjacent to temperate, arctic, forested, mountain and desert landscapes, land and biodiversity management is a priority for Teck. The Indigenous Peoples, communities and other stakeholders in the areas where we operate expect us to contribute to the protection, conservation and restoration of biodiversity, and we work collaboratively with them to develop our approach to land use.

GRI Indicators and Topic Boundary

304-103, 304-1, 304-2, 304-3, 304-4, G4-MM1, G4-MM2, G4 MM10

This topic is considered one of the most material by government, Indigenous Peoples, local communities and society in the context of all Teck sites that are in an active or closure state.

How Does Teck Manage This Topic?

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

[4] Major financial institutions, corporates and governments endorse launch of Taskforce on Nature-related Financial Disclosures. TNFD. 2021.
[5] IPBES-IPCC Co-Sponsored Biodiversity and Climate Change Workshop Report. IPBES-IPCC. 2021. [6] Adaptation at the Forefront of COP26 Outcomes in Glasgow. UNFCCC. 2021.

2021 Highlights

129 hectares (ha) of total land reclaimed

Implemented the Elk Valley's largest rehabilitation program to date, with over **800 ha revegetated**

Received government approval for **Quebrada Blanca's compensatory Yuruguaico Protection Area**

Our Performance in Biodiversity and Reclamation in 2021

Our Targets and Commitments The following table summarizes our performance against our sustainability strategy and goals for biodiversity and reclamation.

Sustainability Strategy Goal	Status	Summary of Progress in 2021
Strategic Priority: Work towards securing a net positive impact on biodiversity		
Goal: By 2025, all operating sites have and are implementing plans to secure net positive impact.	On track	Advanced the implementation of biodiversity management plans for operating sites and conducted gap assessments to identify key work that will be required to meet our 2025 goal. Finalized an updated the Teck Closure Standard that includes biodiversity requirements, and updated our Bird Guideline for Canadian sites, which informs site-level plans and actions to achieve net positive impact (NPI).

Performance Metrics

Indicator
Number of sites with completed gap assessments to identify key NPI activities

2021: 13 sites

Indicator
Area reclaimed during the current year

2021: 129 ha

Table 6: Key Activities and Accomplishments in Biodiversity and Reclamation in 2021

Operation	Performance Highlight
Cardinal River mine	Executed a significant reclamation project in the site's MacKenzie Redcap area. Work included road decommissioning, soil placement, creek crossing removal and water management infrastructure removal. This reclamation has reduced the need to further actively manage water using pumps in these areas, reducing risk to the environment.
Elk Valley steelmaking coal operations	Achieved over 180 ha of land recontouring, 300 ha of site preparation and 800 ha revegetated in 2021, as part of the Elk Valley's largest rehabilitation program to date. Utilized new analytical tools, leading to more informed conservation strategies, activities and measurement of results. These tools were used to monitor species such as the federally endangered whitebark pine. Roughly 10,000 seedlings were planted at the Fording River Henretta High Elevation Grassland Trial, creating a new whitebark pine habitat. Collected seeds from 45 native plants from the region, many of which are unavailable commercially, to support native plant reclamation efforts. Initiated a new project to investigate bighorn sheep use of mine-impacted landscapes in the Elk Valley. Rehabilitated 20 kilometres (km) of roads, including 60 exploration drill pads and removed 40 culverts. Performed full reconnection of Chauncey Creek through a culvert removal and highway bridge project, reconnecting approximately 14km of habitat, in order to address recovery of the westslope cutthroat trout.
Highland Valley Copper Operations	Continued several research programs focused on aspects of ecosystem reclamation including aquatic and riparian areas, soil microbial communities and prescribed burning.
Carmen de Andacollo Operations	Continued the work at our El Runco biodiversity area, designed to protect representative biodiversity in the Andacollo Region. The site includes a seed nursery protecting over 4,200 endemic species and is also used for endangered cacti species relocated from the operating area. In addition to new planting on-site in 2021, Peruvian pepper trees were donated to schools in Andacollo for urban planting.
Quebrada Blanca Operations	Obtained approval from the government of Chile for Teck's proposed compensatory Yuruguaico Protection Area. Conservation studies and plans were undertaken for a Peruvian tern nesting colony and marine otters in the vicinity of the port, and for vicuñas and vizcachas near the mine site and roads.
Trail Operations	Completed the expansion of our Grohman Narrows conservation area. Rare brushland plant communities were identified and mapped for the Lower Columbia valley.

Working to Achieve a Net Positive Impact (NPI)

For Teck, achieving NPI means that biodiversity gains realized through mitigation activities in the regions where we operate exceed biodiversity losses from the impacts of our operations. Our operations use quantitative metrics to demonstrate NPI on natural terrestrial, marine and other aquatic habitats and ecosystems; on critical landscape functions; and on biodiversity elements prioritized by stakeholders and Indigenous Peoples, including irreplaceable or highly threatened populations and species of plants and animals.

To secure NPI, each of our operations has a biodiversity management plan (BMP) that is aligned with the International Council on Mining and Metals (ICMM) Performance Expectation 7.2 and the Mining Association of Canada's Towards Sustainable Mining (MAC TSM) Biodiversity Conservation Management Protocol. We use these plans to track potential impacts and plan mitigation actions, and associated engagement with stakeholders and Indigenous Peoples.

In 2021, all Teck sites continued to implement their BMPs. We conducted an internal gap assessment to guide our work on securing NPI, the results of which have formed the basis of our site workplans in 2021–2025. In 2021, we also finalized our Closure Standard, which includes requirements relevant to site-level BMPs.

Table 7: Number and Percentage of Operations with Biodiversity Management Plans (BMPs) in place

Operation	2021	2020
Number of Operations with BMPs in place	**9**	9
Percentage of Total Operations with BMPs in place	**100%**	100%

Case Study: Working with Local Communities to Create the Alconcha Salt Flat Conservation Area

As part of our work on securing a net positive impact on biodiversity, Teck partnered with the Ollagüe Quechua community to develop a biodiversity conservation area for the Alconcha Salt Flat, a unique and high-value wetland ecosystem near our Quebrada Blanca Operations. The initiative, a first of its kind in Chile, demonstrates the innovative results that can come from collaboration between industry and communities. In addition to leading to the creation of an important conservation area, this work will also protect and preserve water rights for the communities and ecosystems in the area. Read the full case study at teck.com/news/stories.

Area Reclaimed and Disturbed

At the end of 2021, Teck had a total footprint of 34,152 hectares (ha), of which 28,026 ha are yet to be reclaimed and 6,126 ha have been reclaimed. As this data relates to both active and closed sites, the area of land yet to be reclaimed will generally increase over time until the mining areas become available for reclamation.

Table 8: Area Reclaimed and Disturbed[1]

	2021[2]	2020[3]	2019[3]	2018
Area reclaimed during the current year (ha)	**129**	212	18	31
Area disturbed during the current year (ha)	**506**	1,094	1,846	1,018
Area of land yet to be reclaimed (ha)	**28,026**	27,648	26,683	24,914
Total area of land reclaimed (ha)	**6,126**	5,930	5,781	5,705
Total footprint (ha)	**34,152**	33,578	32,464	30,619

(1) The area of land disturbed in the current year may include land that was previously reclaimed and has been re-disturbed. The total area of land reclaimed may decrease in a year, due to unsuccessful reclamation attempts or the mining of a previously reclaimed area. Total footprint is the sum of total area of land yet to be reclaimed and total area of land reclaimed. Values are based on estimates stemming from the use of geographic information systems.
(2) Includes data from our active operations, as well as our Cardinal River mine, Coal Mountain mine and Pend Oreille mine. Does not include Duck Pond mine.
(3) Quebrada Blanca Phase 2 project data has been included, as it was an active project with land disturbance.

Significant Incidents and Non-Compliance Related to Biodiversity[7]

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 incidents related to biodiversity in 2021. See page 55 in the Water Stewardship chapter for more information on the resolution of charges under the *Fisheries Act*.

Closure and Closure Planning

Our approach to mine closure begins before mining starts and carries on throughout the life cycle of the mine. We engage with Indigenous Peoples and local communities on our closure planning, with a focus on supporting the economic and social transition after mining ends. We create closure plans grounded in our closure principles. This includes ensuring safety and stability, promoting socio-economic transition and contributing to risk mitigation. For more information, see the Biodiversity and Reclamation page on our website.

In 2021, we finalized a new Closure Standard, which provides mandatory requirements for the effective management of mine closure at Teck. As of 2021, 100% of Teck's operations have considered the impacts of closure, including the cost of decommissioning and reclamation. 50% of current, active operations have comprehensive closure plans. Closure activities progressed in 2021 at our operations where mining has recently concluded:

- **Duck Pond mine** advanced closure work including demolition of the mill and continued progression of groundwater management measures and soil remediation while continuing to operate water treatment
- **Coal Mountain mine (CMm)** completed work on one of Teck's highest-consequence dams to significantly reduce the health, safety and environmental risks to downstream communities and aquatic ecosystems; CMm also progressed innovative rehabilitation initiatives and supported the advancement of ongoing water-related research and development
- **Cardinal River mine** submitted regulatory closure applications, including updated closure and reclamation plans
- **Pend Oreille mine** advanced closure engineering studies while continuing water management and treatment operations

Post-Closure

A legacy property is a property previously explored, constructed, operated or acquired by Teck that is in an inactive state (no longer being explored, developed or operated), not expected to become active again and permanently closed. In total, we actively manage 29 properties, and we track the status of six other properties that are owned and managed by third parties.

[7] Definition of significant environmental incidents is on page 50.

Climate Change

Pictured above: Electric van at Carmen de Andacollo Operations, Chile.

Climate Change

From wildfires to flooding to extreme heat events and droughts, the impacts of climate-related weather events were felt around the world in 2021. Calls for action on climate change continued to grow, with the World Economic Forum's 2021 Global Risks Report identifying climate action failure as the most impactful long-term risk facing the world.[8] Further, the sixth assessment report from the Intergovernmental Panel on Climate Change (IPCC) signals that climate change is widespread, rapid and intensifying, and predicts that, without drastic action, average global warming of 1.5°C will be reached before 2040.[9]

The International Energy Agency's Net Zero by 2050 report shows that the pathway to achieving a net-zero emissions energy grid is narrow but still achievable, requiring rapid deployment of clean energy technologies.[10] The metals and minerals that the mining industry produces are essential to these clean energy and decarbonization technologies, and therefore are a key part of the global transition to a low-carbon economy. For example, global copper demand for alternative energy sources is expected to jump from 2.1 million tonnes in 2020 to 4.3 million tonnes in 2030.[11] In 2021, many companies in the mining industry recognized this opportunity to not only contribute to clean technologies, but to also use these technologies to reduce their own emissions, and renewed their commitments and action towards decarbonizing their production processes.

In early 2022, we updated our climate strategy and goals. Our long-term strategic priority to achieve net-zero emissions at our operations by 2050 now includes a goal that focuses on achieving net-zero Scope 2 emissions by 2025, replacing our goal of achieving 100% clean electricity in Chile by 2030. In addition, we announced our ambition to achieve net-zero Scope 3 emissions by 2050 with supporting short-term goals.[12] In 2021, we continued to work towards our goals, and made progress in several areas, including advancing our Carbon-Reduction Technology Roadmap, which will guide the creation of site-level net-zero plans. We also released our TCFD-aligned Climate Change Outlook 2021 Report to share our detailed approach to, and management of, climate change risks and opportunities.

Teck sites continued to experience the physical impacts of climate change through the past year. The record 2021 British Columbia wildfire season resulted in temporary impacts at our Highland Valley Copper and Trail operations. In the fall and winter seasons, heavy rain, flooding and mudslides disrupted the rail service between our steelmaking coal operations and west coast terminals.[13,14,15] We are taking into account the increased frequency of extreme weather events and working to incorporate climate change scenarios and vulnerability assessments into project design and evaluation, as well as at our existing operations.

GRI Indicators and Topic Boundary

201-2, 302-103, 302-1, 302-3, 302-4, 305-103, 305-1, 305-2, 305-3, 305-4, 305-5

This topic is considered one of the most material by our shareholders, local communities, regulators and society in relation to Teck's sites, power providers, service providers and customers.

How Does Teck Manage This Topic?

Information about how we manage greenhouse gas emissions and energy use, including relevant policies, management practices and systems, is available for download on our website.

[8] The Global Risks Report. World Economic Forum. 2021. [9] IPCC News Release. Climate change widespread, rapid, and intensifying. IPCC. 2021. [10] Net Zero by 2050. International Energy Agency. 2021. [11] Bloomberg New Energy Finance, 2021. [12] Scope 1 (direct) GHG emissions are those that occur from energy sources that are owned or controlled by the company. Scope 2 (indirect) GHG emissions are those that occur from the generation of purchased electricity consumed by the company and that physically occur at the facility where electricity is generated. Scope 3 emissions are other emissions that arise from sources owned or controlled by other entities within our value chain, such as those arising from the use of our products and the transportation of materials that we purchase and sell. [13] Teck News Release: Temporary Suspension of Highland Valley Copper Operations Due to Evacuation Order. Teck. 2021. [14] Teck News Release: Teck Reports on Wildfire Smoke Impact on Trail Operations. Teck. 2021. [15] Teck News Release: Teck Provides Update on Heavy Rain Impacts in B.C. Teck. 2021.

2021 Highlights

Announced an agreement with Caterpillar Inc. to work towards deploying **30 zero-emissions large haul trucks** at Teck mining operations

Announced an agreement with shipping provider Oldendorff Carriers to use **energy-efficient eco-bulk carriers to ship a portion of our steelmaking coal** from Vancouver ports to international destinations

Adopted zero-emissions alternatives for transportation by displacing the equivalent of **32 internal combustion engine (ICE) vehicles**

Published the **Teck 2021 Climate Change Outlook Report** aligned to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations

First full year of **100% renewable energy use at CdA** approximately 200,000 tonnes of greenhouse gas (GHG) emissions

Decreased our carbon intensity by 5%, in line with achieving our 2030 carbon intensity target

Our Performance in Climate Change in 2021

Our Targets and Commitments Teck is committed to climate action, as outlined in our Climate Change Policy. The following table summarizes our performance against our sustainability strategy and goals for climate change.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priority: Achieve net-zero emissions across our operations by 2050.		
Goal: Reduce the carbon intensity of our operations by 33% by 2030.	On track	Advanced the development of a Carbon-Reduction Technology Roadmap, which will be used to inform site-level net-zero plans. Progressed our Carbon Capture, Utilization and Storage (CCUS) workplan, including evaluating pilot project options. 92% of electricity procured in Chile was from renewable energy.
Goal: Achieve net-zero Scope 2 emissions by 2025.	On track	
Goal: Accelerate the adoption of zero-emissions alternatives for transportation by displacing the equivalent of 1,000 internal combustion engine (ICE) vehicles by 2025.	On track	Participated as a patron in the Charge On Innovation Challenge, a global initiative for technology innovators to develop concepts for large-scale haul truck electrification systems. Announced an agreement with Caterpillar Inc. to work towards deploying 30 zero-emissions large haul trucks at our mining operations. Expanded our electric crew bus pilot at our Elk Valley Operations, and initiated an electric passenger bus pilot at Carmen de Andacollo Operations (CdA). Evaluated multiple zero-emissions options for haulage, including battery-electric and hydrogen cell vehicles.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priority: Ambition to achieve net-zero Scope 3 emissions by 2050.		
Goal: Support partners in advancing GHG reduction solutions capable of reducing the global carbon intensity of steelmaking by 30% by 2030	On track	Announced a partnership with MEDATech to pilot a fully electric on-highway transport truck to haul copper concentrate, marking the first use of a battery-electric truck to haul copper concentrate worldwide. Announced an agreement with shipping provider Oldendorff Carriers to use energy-efficient eco-bulk carriers to ship a portion of our steelmaking coal from Vancouver ports to international destinations.
Goal: Partner with our customers and transportation providers to establish low-emissions supply chain corridors for the transportation of our steelmaking coal and support a 40% reduction in shipping emission intensity by 2030 for shipping we contract.		

Performance Metrics

Indicator
Absolute Scope 1 and Scope 2 GHG emissions[1]

2021: 2,938 kt CO_2e
2020: 2,861 kt CO_2e
2019: 3,310 kt CO_2e

Indicator
GHG/t copper equivalent[2]

2021: 2.5 t CO_2e/t Cu Eq
2020: 2.7 t CO_2e/t Cu Eq
2019: 2.7 t CO_2e/t Cu Eq

Indicator
Energy use from non-carbon-emitting sources

2021: 31%
2020: 28%
2019: 26%

(1) See page 23 for definitions of Scope 1 and Scope 2 emissions.
(2) 2019–2021 performance values were determined by using average commodity prices from 2018–2020 to convert to copper equivalent. This approach is taken to allow for consistent evaluation against our performance in 2020, the baseline year for our carbon intensity target.

Teck's Climate Strategy Framework

To achieve net-zero emissions across our operations by 2050, we have set out an initial roadmap — with corresponding 2025 and 2030 goals — to achieve net-zero by first avoiding emissions altogether where possible or, if not possible, eliminating or minimizing emissions. This will involve looking at alternative ways of moving materials at our mines, using cleaner power sources and implementing efficiency improvements, among other measures.

We identify and evaluate climate-related risks and establish management actions to minimize risks and maximize opportunities. To manage such risks and opportunities, we use a four-pillar framework to guide our strategy (Figure 3).

In early 2022, we updated our climate strategy and goals to encompass both our own operations and our value chain impacts. Steel will continue to be an essential building block in a low-carbon economy. New technologies, many of which are yet to be developed and commercialized, will be required to ensure that emissions from steel production remain low. More than 50% of our steelmaking coal sales are made to customers who have made public commitments to

be net-zero by 2050 or sooner, and we expect this trend to increase over time. While a clear path to net-zero emissions in the steel sector is not yet present, we believe we can support this transition. As such, we announced our ambition to achieve net-zero Scope 3 emissions by 2050 with supporting short-term goals. We also announced a new broader goal that focuses on achieving net-zero Scope 2 emissions by 2025, which replaced our goal of achieving 100% clean electricity in Chile by 2030. This reflects our commitment to decarbonize at an accelerated pace across our operations.

Figure 3: Teck's Four-Pillar Climate Action Framework

Positioning Teck for a low-carbon economy

- Producing metals and minerals required for the transition to a low-carbon economy
- Rebalancing portfolio towards copper
- Efficient, low-cost and low-carbon operations will keep Teck competitive

Reducing our carbon footprint

- Long-term targets:
- Net-Zero by 2050
- Reduce carbon intensity of operations by 33% by 2030
- Net-Zero Scope 2 Emissions by 2025
- Net-Zero Scope 3 Emissions by 2050

Support for appropriate carbon pricing policies

- We support broad-based, effective carbon pricing
- Best method to encourage global action on climate change
- Work with associations/ government on policy solutions to limit climate change to 1.5°C

Adapting to the physical impacts of climate change

- Increase resilience of operations
- Incorporate climate scenarios into project design and mine closure planning

Case Study: Bringing Mobile Charging to the East Kootenays

Teck continues to work closely with partners on a range of sustainability initiatives to support local communities in the Elk Valley. In the summer of 2021, we worked with Portable Electric and Community Energy Association to launch Canada's largest clean-energy, mobile electric charger unit in the East Kootenays. In addition to being able to charge multiple electric vehicles (EVs) simultaneously, the charger offers a range of unique features. It can power a broad range of applications, including farmers' markets, concerts, festivals, e-bikes and much more; it's silent and emissions-free, making it ideal for closed spaces and natural settings; and it can be recharged in a number of innovative ways, including through an EV station or solar generation. Most importantly, it will provide an opportunity to deepen engagement with the public on the future of low-carbon transportation. Read the full case study at teck.com/news/stories.

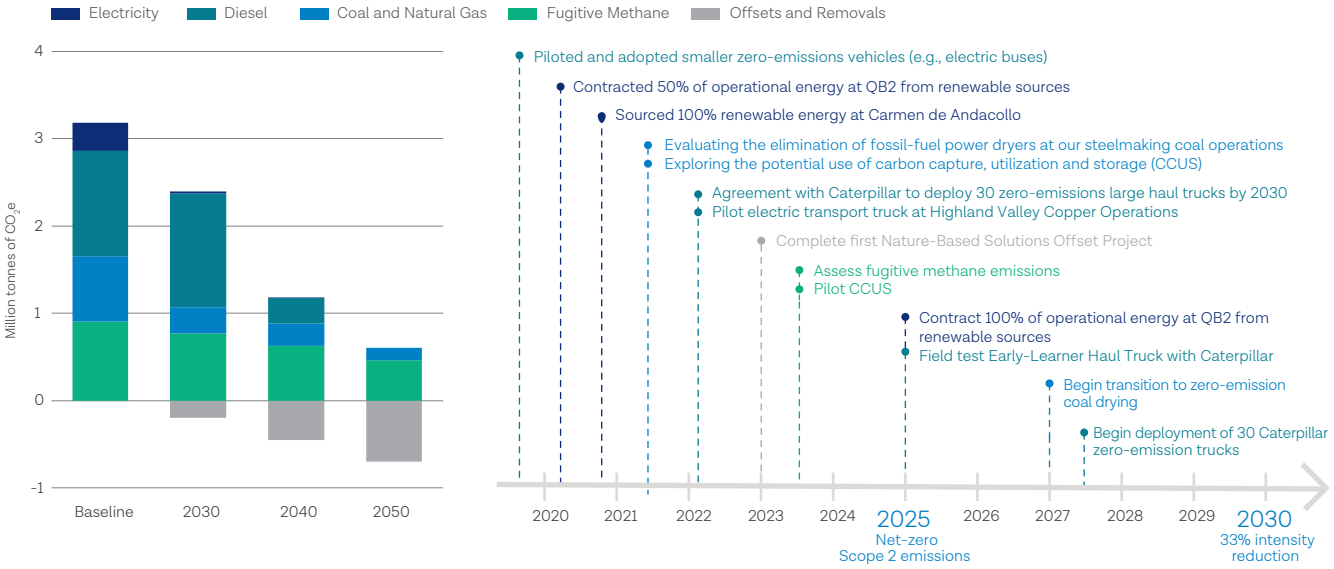
Teck's Roadmap to Net Zero

We have a strong track record of taking action to reduce our carbon footprint and improving energy use at our operations. Teck's progress on reducing carbon emissions and supporting climate action to date includes:

- 96% of all electricity use sourced from renewable, zero-carbon power sources
- Among the world's lowest carbon intensities for our steelmaking coal, copper, and refined zinc and lead production[16]
- Signatory to the Paris Pledge for Action and member of the Carbon Pricing Leadership Coalition, actively advocating for a global price on carbon
- Increasing transparency on climate disclosure by formally supporting the TCFD, reporting annually to the Carbon Disclosure Project (CDP) and engaging with investor organizations such as Climate Action 100+
- Sourcing 100% energy at CdA starting in 2020, which eliminates approximately 200,000 tonnes of GHG emissions annually
- Sourcing over 50% of operational energy at Quebrada Blanca Phase 2 (QB2) project from renewable sources, starting in 2022, avoiding approximately 800,000 tonnes of GHG emissions annually
- Costing carbon pricing into the majority of our business since 2008 and managing carbon exposure; six of our nine active operations in 2021 were covered by carbon pricing
- Collaborating with industry partners, equipment manufacturers and other suppliers on zero-emission mining fleets
- Participated as a patron in the Charge On Innovation Challenge, a global initiative for technology innovators to develop concepts for large-scale haul truck electrification systems

For Teck, four major areas of emissions present opportunities for decarbonization: power supply, mobile equipment, stationary combustion and process emissions, and fugitive methane emissions. To decarbonize these emission sources and ultimately achieve our goal of net-zero, we are prioritizing activities to deliver cost-competitive reductions, setting ourselves on the path to tackle our most material sources of emissions first. We are actively evaluating existing solutions and monitoring emerging technologies to determine the current and future viability of the various options.

Figure 4: Our Pathway to Net-Zero by 2050(1)



(1) See Cautionary Note on Forward Looking Statements regarding uncertainties associated with future decarbonization actions.

In 2021, we progressed work in a number of areas. On mobile equipment emissions, in 2021 we continued to advance projects to assess the viability of multiple decarbonization technologies such as zero-emissions options for haulage, including battery-electric and hydrogen fuel cell vehicles. We initiated a new electric crew bus initiative at CdA and expanded our existing electric bus pilot in the Elk Valley. We also collaborated with industry partners, equipment manufacturers and other suppliers on zero-emission mining fleets, including announcing a zero-emissions haul truck partnership with equipment manufacturer Caterpillar. We plan to progress through a multi-phased approach that includes developing, piloting and deploying 30 zero-emission vehicles, including Cat 794 ultra-class trucks, beginning in 2027. We anticipate initially deploying zero-emissions trucks in our Elk Valley steelmaking coal operations in B.C., Canada. Our operations in B.C. are already powered by a 98% clean electricity grid, making it an ideal location to introduce one of Canada's first zero-emissions large haul truck fleets, with options for trolley-assist technology.

On process emissions, we progressed a Carbon Capture, Utilization and Storage (CCUS) workplan, including expansion of our own internal capabilities and understanding of CCUS, engagement with customers and evaluation of a potential CCUS pilot at Trail Operations.

[16] Skarn Associates, 2019.

Technology and Innovation

In 2019, with funding support from Teck's Ideas at Work innovation fund, Teck piloted two electric buses for crew transportation at our Greenhills and Fording River operations. In 2020, Teck purchased two more pit buses for our Elkview Operations, which were funded 50% by the Government of British Columbia's CleanBC program, with the remainder by the *Ideas at Work* fund. In 2021, Greenhills and Fording River were each awarded CleanBC funding for two additional buses each, to be received in 2022. We have also upgraded the electrical infrastructure at the Elkford Bus Depot, with partial funding from CleanBC, to accommodate four more buses in the north Elk Valley area. Through these initiatives, we are gaining a better understanding of the opportunities and challenges of converting our fleet to electric vehicles. The results to date are promising, showing that, despite the higher upfront cost, electric buses result in significant cost and emissions savings over their operating life.

In 2021, Teck also participated in the Charge on Innovation Challenge — a global, collaborative initiative to identify and advance innovative charging solutions for battery-electric trucks of the future. The Challenge supports technology innovators to develop concepts for large-scale haul truck electrification systems to significantly reduce diesel consumption and emissions from surface mine vehicles.

Another step forward for fleet electrification in 2021 was the collaboration with Caterpillar to develop and test zero-emission haul trucks. We will field test their first pre-commercial haul trucks from 2024, with production units available from 2027.

Our GHG Emissions in 2021

As shown in Figure 5, Scope 1 (direct) GHG emissions are those that occur from energy sources that are owned or controlled by the company. Scope 2 (indirect) GHG emissions are those that occur from the generation of purchased electricity consumed by the company and that physically occur at the facility where electricity is generated.

In 2021, our total GHG emissions (Scope 1 and Scope 2), as carbon dioxide equivalent (CO_2e), were 2,938 kilotonnes (kt), compared to 2,861 kt in 2020. Of those totals, our direct (Scope 1) GHG emissions were 2,851 kt in 2021, compared to 2,639 kt in 2020. We estimate our indirect (Scope 2) GHG emissions associated with electricity use for 2021 to be 87 kt, or approximately 3% of our total emissions, a 60% decrease compared to 2020.

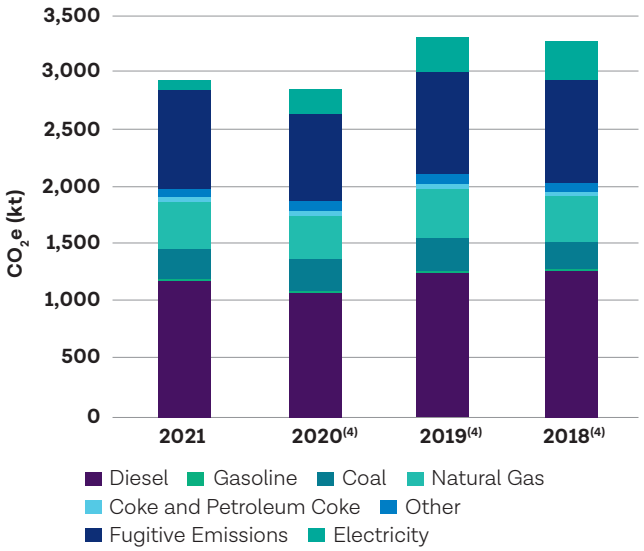
Our largest source of Scope 1 emissions is from fuel consumed by mobile equipment. In the past, the majority of our Scope 2 emissions were from our CdA and Quebrada Blanca (QB) operations, as the electricity supply in Chile was historically based on higher proportions of fossil fuels. We have taken action to reduce these emissions by shifting towards renewable electricity, which reflects a significant decrease in our Scope 2 emissions. Elsewhere, our indirect emissions were relatively small, as our operations in B.C. obtain the majority of their electricity from hydroelectric generation.

Table 9: Total Emissions (kilotonnes CO_2e)[1],[2]

	2021	2020	2019	2018
Total Emissions — Direct (Scope 1)	**2,851**	2,639[3]	3,011[3]	2,935[3]
Total Emissions — Indirect (Scope 2)	**87**	222[3]	299[3]	340[3]
Total Emissions (Scope 1 + Scope 2)	**2,938**	2,861[3]	3,310[3]	3,275[3]
Total Emissions — Scope 3 (Use of coal product sold)	**69,000**	64,000	73,000	76,000

(1) Teck's quantification methodology for our Scope 1 and Scope 2 emissions is aligned with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.
(2) Emissions are stated on a CO_2e basis, which is inclusive of CO_2, CH_4, N_2O, PFCs, SF_6 and NF_3 as appropriate.
(3) Figures have been restated due to changes in third-party emission factors. See our Sustainability Performance Data Spreadsheet for the full data set.

Figure 5: Scope 1 and Scope 2 GHG Emissions by Fuel Type[1],[2],[3]



(1) For electricity emissions in Canada, the emission factors are based on the most recent version of the Canadian National Inventory Report.
(2) Fugitive emissions from our coal operations (i.e., estimated methane release) are captured as direct emissions. For fugitive emissions, the emission factors are based on the most recent version of the Canadian National Inventory Report.
(3) Emissions are stated on a CO_2e basis, which is inclusive of CO_2, CH_4, N_2O, PFCs, SF_6 and NF_3 as appropriate.
(4) Figures have been restated due to changes in third-party emission factors. See our Sustainability Performance Data Spreadsheet for the full data set.

Scope 3 Emissions and Supporting Emissions Reductions in Our Value Chain

Scope 3 emissions are other emissions that arise from sources owned or controlled by other entities within our value chain, such as those arising from the use of our products and the transportation of materials that we purchase and sell. In 2021, our most material Scope 3 emissions were 69,000 kt, which were from the use of our steelmaking coal product by our customers.

We recognize that, to achieve global GHG reductions that limit climate change to 1.5°C, action will be required not only by Teck but within our value chain as well. In early 2021, the Board approved an updated Climate Change Policy that established a commitment to work with our customers and transportation providers to reduce emissions downstream of our business. We are evaluating additional opportunities to support our value chain in reducing their emissions. Teck is currently in the process of setting a Scope 3 target aligned with the new position statement from the International Council on Mining and Metals (ICMM) on accelerating action on Scope 3 GHG emissions.

In 2021, we continued to support our transportation providers to reduce emissions, including advancing a pilot of an electric concentrate truck at our Highland Valley Copper Operations. See our case study on 'Partnering to Reduce Greenhouse Gas Emissions in our Supply Chain' for details on our partnership with shipping provider Oldendorff Carriers.

We are also a member of the ResponsibleSteel initiative, the steel industry's first global multi-stakeholder standard and certification initiative. The standard incorporates considerations around the GHG emissions intensity of inputs to the steelmaking process and around the steelmaking process itself.

Case Study: Partnering to Reduce Greenhouse Gas Emissions in our Supply Chain

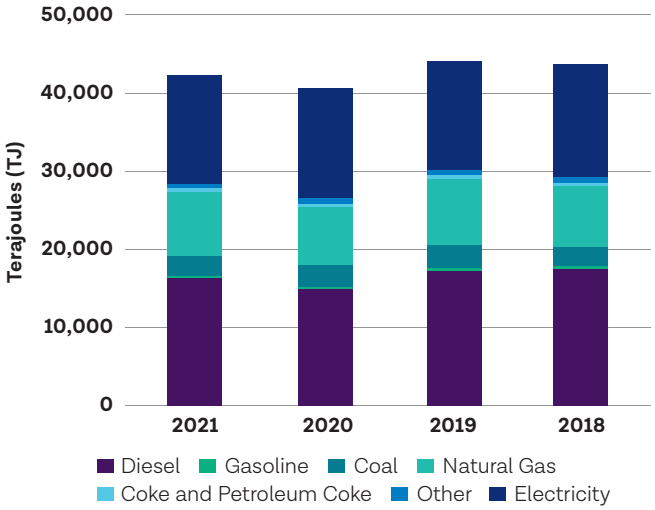
Part of our climate strategy is our commitment to working with transportation providers to reduce emissions downstream of our business, which are also referred to as Scope 3 emissions. However, addressing those emissions can be a major challenge for businesses, as they occur outside of an organization's management control. In 2021, Teck partnered with Oldendorff Carriers in an innovative initiative to use energy-efficient bulk carriers for shipments of Teck steelmaking coal from the Port of Vancouver to international destinations, reducing CO_2 emissions in our steelmaking coal supply chain. This industry-leading initiative estimates a CO_2 emissions reduction of 30%–40% for shipments handled by Oldendorff. As Teck works to set a Scope 3 emissions reduction target, this project, along with a number of other initiatives with our customers, transportation providers and industry associations, helps us work towards our commitment to reducing value chain emissions. Read the full case study at teck.com/news/stories.

Positioning Teck to Thrive in the Low-Carbon Economy

Energy and Carbon Performance

In 2021, we consumed a total of 42,379 terajoules (TJ) of energy (i.e., electricity and fuels), as compared to 40,766 TJ in 2020, as shown in Figure 6.

Figure 6: Energy Consumption by Type[1]



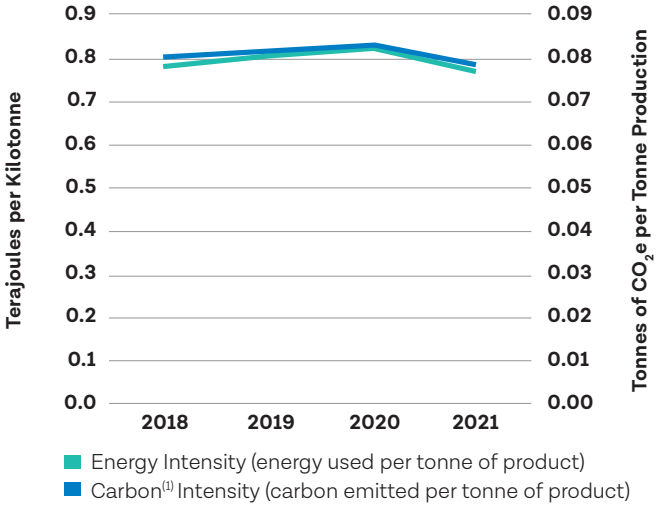
(1) Other includes propane, waste oil, fuel oils and other process fuels.

In 2021, approximately 31% of our energy requirements (i.e., electricity and fuels) were supplied by non-carbon-emitting sources, primarily hydroelectricity, compared to 28% in 2020. Of our total electricity consumption in 2021, 96%, or 13,318 TJ, was from renewable energy sources.

In Figures 7 to 13, we outline our energy intensity, or the amount of energy used per tonne of product, and the carbon intensity. We also present our carbon intensity per tonne of product in comparison to other producers, based on research by Skarn Associates. Per this research, we are among the world's lowest carbon intensities for our copper, refined zinc and lead, and steelmaking coal production.

Given the breadth of different commodities produced by diversified resource companies, GHG emissions performance may also be reported on a copper equivalent basis, where all products are converted to a copper equivalent to allow for comparability across companies. As shown in Figure 13, in 2021, Teck's carbon intensity was 2.5 t CO_2e/t Cu Eq. Our goal is to continue to improve the carbon intensity of our operations and future projects.

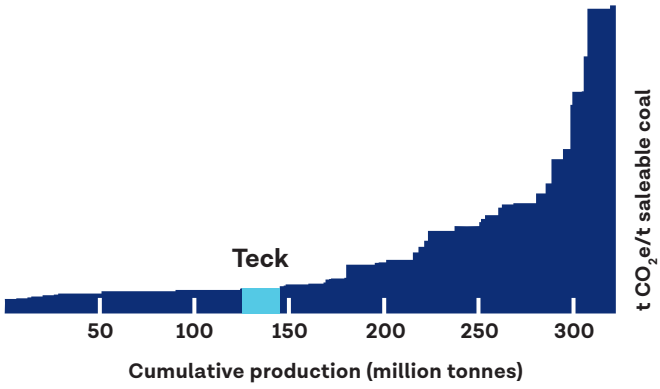
Figure 7: Energy and Carbon Intensity for Steelmaking Coal Production



(1) Carbon intensity includes Scope 1 and Scope 2 emissions and is stated on a CO_2e basis, which is inclusive of CO_2, CH_4, N_2O, PFCs, SF_6 and NF_3 as appropriate.

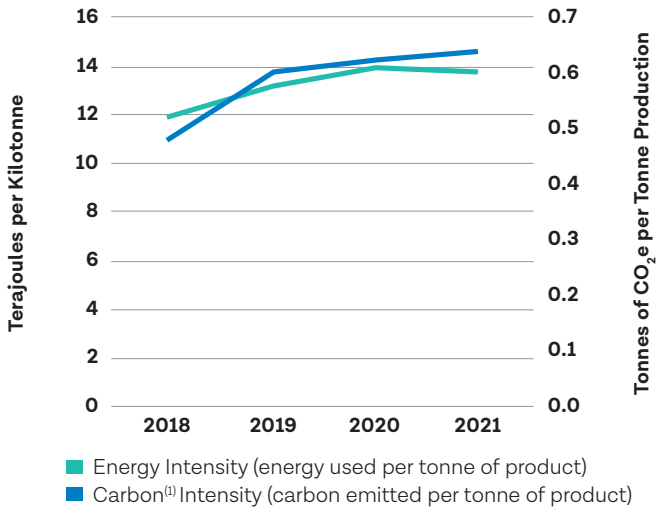
Energy intensity for the production of steelmaking coal decreased while carbon intensity did not change in 2021 (Figure 7). The change in energy intensity is primarily a result of increased efficiency in coal processing. Elkview Operations set a new production record in 2021, with its first full year of operations since its plant expansion to 9.0 million tonnes per annum.

Figure 8: CO_2 Coal Intensity Curve — Teck Compared to Other Producers — 2020 [1]



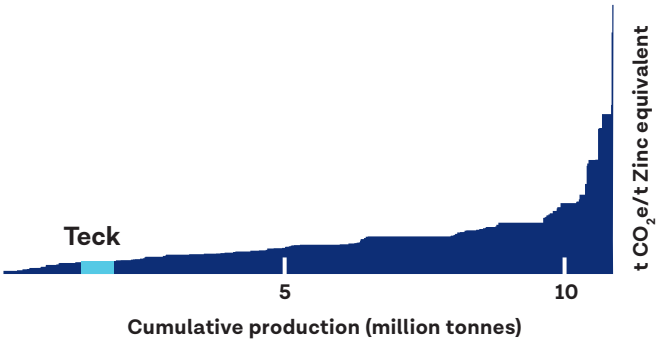
(1) Skarn Associates Limited, 2020.

Figure 9: Energy and Carbon Intensity for Zinc and Lead Production



(1) Carbon intensity includes Scope 1 and Scope 2 emissions and is stated on a CO_2e basis, which is inclusive of CO_2, CH_4, N_2O, PFCs, SF_6 and NF_3 as appropriate.

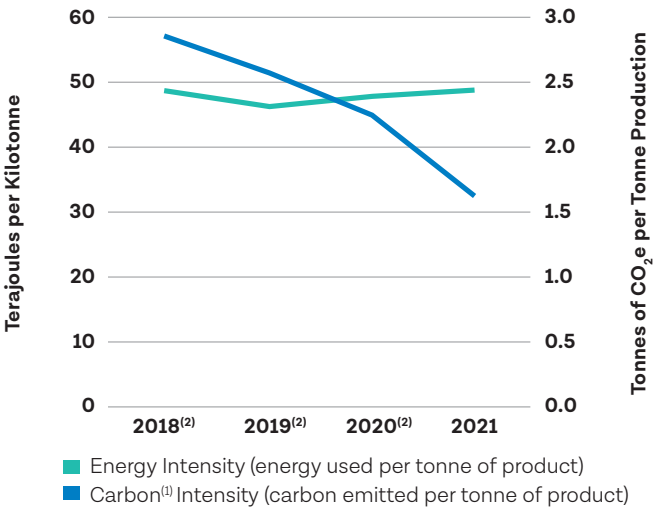
Figure 10: CO_2 Zinc Intensity Curve — Teck Compared to Other Producers — 2020(1)



(1) Skarn Associates Limited, 2020.

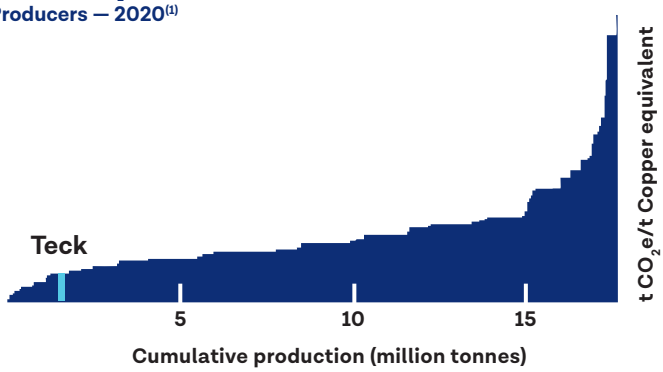
Energy intensity for the production of zinc and lead did not change significantly in 2021, while carbon intensity increased (Figure 9). This change is primarily due to a maintenance-related increase in Scope 2 emissions at Trail Operations.

Figure 11: Energy and Carbon Intensity for Copper Production



(1) Carbon intensity includes Scope 1 and Scope 2 emissions and is stated on a CO_2e basis, which is inclusive of CO_2, CH_4, N_2O, PFCs, SF_6 and NF_3 as appropriate.
(2) Figures have been restated due to changes in third-party emission factors.

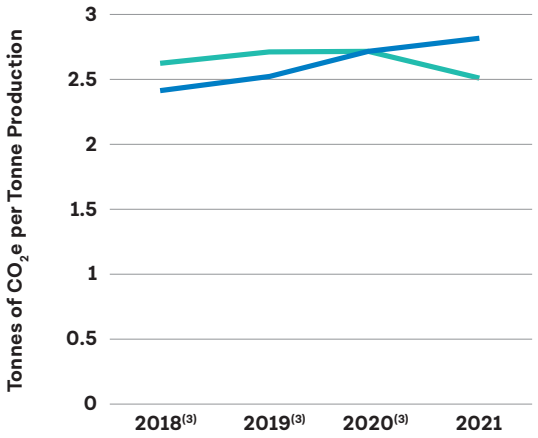
Figure 12: CO_2 Copper Intensity Curve — Teck Compared to Other Producers — 2020(1)



(1) Skarn Associates Limited, 2020.

Energy intensity for the production of copper increased in 2021, while the carbon intensity for the production of copper decreased (Figure 11). The increase in energy intensity is attributed to lower copper grades at CdA and at QB, which was operating in the final phase of production pending the start of QB2. The significant reduction in carbon intensity is due to an increase in the amount of renewable energy used in our Chilean operations.

Figure 13: Teck Carbon Intensity on a Copper Equivalent(1) Production Basis



(1) Only the primary commodities we report on — i.e., steelmaking coal, copper and zinc — from Teck-operated mines are included within the equivalency calculation. Lead has been excluded.
(2) Carbon intensity on a copper equivalent basis is presented in two manners as shown in Figure. The three-year trailing average reflects our historical reporting practice and includes different commodity prices to convert each year's performance. For example, the 2021 value in the three-year trailing average would use 2019–2021 pricing averages, whereas the 2020 value would use 2018–2020 pricing averages. This reflects how some external groups assess carbon performance. We have also included carbon intensities using the 2018–2020 pricing averages across all performance years, as this is the pricing used to establish our 2020 baseline, against which our 2030 targets are being assessed. We have fixed the commodity pricing for the copper equivalent calculation to ensure consistent accounting over time (from our baseline year to our target year).
(3) Figures have been restated due to changes in third-party emission factors.

Figure 13 sets out Teck's carbon intensity, which includes total Scope 1 and 2 emissions as reported above against a tonne of copper equivalent. We have used this metric — intensity per tonne of copper equivalent — in order to provide a single carbon intensity metric for the organization as a whole. Carbon equivalency was calculated two ways; 1) using a three-year commodity price average and 2) using 2018-2020 pricing averages across all performance years as this is the pricing used to establish our 2020 baseline, against which our 2030 targets are being assessed.

Carbon Pricing and Advocating for Climate Action

We believe that broad-based pricing of carbon is one of the most effective ways to incentivize real reductions in GHG emissions by ensuring that all emitters contribute to the solution. In 2021, we continued to advocate for carbon pricing policies that maintain the global competitiveness of trade-exposed industries to prevent carbon leakage — which is when GHG emissions move from one jurisdiction to another as a result of differences in carbon prices. Currently, all of our steelmaking coal operations are covered by carbon pricing; as is approximately one-third of our copper business; the Fort Hills oil sands mine operated by Suncor, in which we hold a joint venture interest; and all of our metals refining businesses. For 2021, our B.C.-based operations incurred $81.7 million in British Columbia provincial carbon tax. In Alberta, Cardinal River Operations paid $0.4 million in carbon costs. For more details, please see pages 47–48 of our Annual Report.

We continue to see a trend among governments to pursue climate change policies. Some of the most significant action has taken place in Canada, which has some of the highest carbon prices in the world and is where the majority of our operations are located.

The Government of Canada advanced climate action initiatives in 2021, such as enacting the *Canadian Net-Zero Emissions Accountability Act* to formalize Canada's target to achieve net-zero greenhouse gas emissions by 2050. The Government of Canada also progressed the *A Healthy Environment and a Healthy Economy* climate plan to advance actions to achieve Canada's climate goals, which includes the proposal to increase the federal price of carbon from $20 per tonne of CO_2e starting in 2019 to $170 per tonne of CO_2e by 2030. Finally, the Government of Canada formally submitted Canada's enhanced Nationally Determined Contribution to the United Nations, committing Canada to cut its greenhouse gas emissions by 40%–45% below 2005 levels by 2030.

B.C.'s *Carbon Tax Act* and the large industrial emitter provisions of the Alberta *Technology Innovation and Emissions Reduction* (TIER) system are considered substantially similar to the federal requirements, and therefore our B.C. and Alberta operations are not subject to those provisions of the federal *Greenhouse Gas Pollution Pricing Act*. However, the federal carbon tax on greenhouse gas emissions resulting from the combustion of fossil fuels for certain purposes applies to our Alberta operations.

In 2021, British Columbia's carbon tax under the *Carbon Tax Act* increased to $45 per tonne of CO_2e and is set to increase to $50 per tonne of CO_2e in 2022. British Columbia also continues to implement the CleanBC Program for Industry to address impacts on emissions-intensive, trade-exposed industries to ensure that B.C. operations maintain their competitiveness and that carbon leakage is avoided.

In October 2021, B.C. published the CleanBC Roadmap to 2030, which replaces the original CleanBC plan published in 2018. Key elements in the new roadmap include increasing carbon pricing to meet or exceed the federal benchmark of $170 per tonne by 2030, eliminating methane emissions from mining by 2035 and increasing clean fuel requirements. A significant portion of the policy design will take place in 2022, so it is too early to understand specific outcomes, but Teck is closely monitoring and engaging in the process.

Alberta's TIER system implements carbon pricing for large industrial facilities in Alberta with CO_2e emissions in excess of 100,000 tonnes per year, which includes our Fort Hills mine. Large industrial emitters are required to reduce emissions by 10% in 2020, with a further 1% reduction per year thereafter. Emissions above the target will be assessed at the then-prevailing carbon price. In 2021, the carbon price under the system increased from $30 to $40 per tonne of CO_2e.

We engage policy-makers in all jurisdictions in which we operate and/or have major projects, as well as other jurisdictions through our membership in various industry associations, such as the ICMM and the Mining Association of Canada (MAC). We also review industry association positions on climate change and advocate for their alignment with the Paris Agreement. Across the associations of which Teck is a member, ICMM, MAC and the Mining Association of British Columbia (MABC) are the trade associations that have the greatest amount of engagement on climate action. All three associations have positions aligned to the Paris Agreement.

We have also been actively supporting action on climate change and carbon pricing through voluntary initiatives such as the Carbon Pricing Leadership Coalition. In June 2016, Teck became the first Canadian resources company to join the Carbon Pricing Leadership Coalition, a partnership of national and sub-national governments, businesses and organizations that agree to work toward integrating carbon pricing into the global economy.

In 2021, we continued to work with the MABC and the Business Council of British Columbia (BCBC) on carbon pricing policy, to provide both policy direction and technical input to the government, with a view to maintain the competitiveness of industry in the province. We also engage with the B.C. Government directly through our participation in the B.C. Climate Solutions Council, formerly the Clean Growth Advisory Council.

Transparency on Climate Disclosure

In 2021, we released our Climate Change Outlook 2021 Report. The report looks at how Teck is positioned for a low-carbon economy by analyzing potential business risks and opportunities under three different climate change scenarios. These scenarios provide information on how Teck is analyzing and preparing for the risks and opportunities that may emerge as the global community combats climate change and moves to a lower-carbon future. This report builds on our 2018 and 2019 Portfolio Resilience in the Face of Climate Change reports, and aligns with recommendations from the TCFD, which we support. We also report our emissions data annually to the CDP and we engage with Climate Action 100+ and other investor organizations. Teck's 2021 CDP response is available on our website.

Adapting to Physical Climate Risks

In addition to the actions we are taking to reduce the impacts of climate change by lowering emissions and advocating for progressive climate action strategies, we are focused on managing the potential physical risks and opportunities that may result from the ongoing changes to our climate. Over the past decade, we have been monitoring the development of climate change risk management practices, during which we have seen continued improvement in the quality and accessibility of climate change data and modelling, the understanding of the interaction between climate change and our assets, and best management practices to increase the resilience of the mining sector.

The ICMM has been a leader in bringing together our industry members to share best practices on managing climate risks. The ICMM continues to support practice improvement and makes learnings publicly available through reports, including *Adapting to a Changing Climate: Building resilience in the mining and metals industry*.

We are taking into account the increased frequency of extreme weather events and we are working to incorporate climate change scenarios and vulnerability assessments into project design and evaluation, as well as at our existing operations. This work is becoming increasingly complex as the field of climate analysis evolves. At our operations, we regularly incorporate impacts from climate variability and climate change into our water modelling, and we assess potential vulnerabilities and future risks to inform water management practices. As part of the environmental assessment of our development and expansion projects, we include the physical impacts of climate change in our water assessment and modelling to evaluate risks and opportunities, and to inform our mitigation planning.

In 2021, we implemented climate adaptation measures at several of our operations. Upstream from our Red Dog Operations, increased permafrost thaw has led to a rise in naturally occurring total dissolved solids (TDS) in the creeks draining the Red Dog and Ikalukrok watersheds, which has limited our ability to discharge mine-affected water from our tailings facility, due to the additional background load of TDS. We have implemented projects to improve site water storage and treatment to ensure every litre that is released can be safely discharged. At HVC, we continue to execute our spring runoff water management strategy to protect key infrastructure, and we completed climate change analyses to contribute to long-term adaptation plans for the mine. At our Fording River Operations, we continue to advance a flood mitigation project in response to erosion caused by high water levels in 2013. At our operations in Chile, we advanced projects to reduce our fresh water consumption in response to potential water availability constraints due to future climate conditions. See Teck's Climate Change Outlook 2021 Report for more information on how we are adapting to the physical impacts of climate change, and how we are managing climate-related risks and opportunities.

Responsible Production

Pictured above: Employee at Highland Valley Copper Operations, Canada.

Responsible Production

As the world advances toward a low-carbon economy, mined metal production is predicted to jump 250% by 2030 to satisfy increasing demand, resulting in expansion of extraction activities and corresponding waste generation.[17] Responsible production efforts throughout the value chain — including responsible and traceable sourcing, minimization of waste generation during raw materials production, and recapture and reuse of products at end of life — are a key part of ensuring that the impacts from mining are minimized. If these efforts are implemented globally, this move to responsible production can contribute to elimination of the emissions gap and support global climate commitments.[18]

Multiple global trends in responsible production have advanced in recent years. Raw material traceability has been a key trend, with the increasing demand for information on the traceability of mined materials giving rise to new and growing product certifications and standards. At the other end of the value chain is material recapture. As metals are infinitely recyclable, they are well positioned to play a key part in materials recovery and reuse. Additionally, the high value of many metals and minerals incentivizes the recovery of these components at the end of a product's life cycle.[19]

Teck provides the key commodities required for sustainable products that are durable and naturally recyclable. Teck has long worked to reduce waste and pollution, to keep products in use and to help improve the natural environment where we operate. Our Trail Operations recycles various metals, utilizing a highly efficient smelting and refining operation. We have a Materials Stewardship Committee responsible for ensuring the responsible use of our products by our customers and, at our operations, we track and report on waste and are implementing waste reduction and recycling programs. In 2021, we piloted a blockchain solution for materials traceability with germanium, a first step toward our goal of developing a product passport for our products. The objective of this project is to provide end-to-end traceability of greenhouse gas emissions, ISO certifications and other sustainability performance indicators. We also developed and refined our on-site waste inventories to serve as a baseline as we work toward our goal of zero industrial waste.

GRI Indicators and Topic Boundary

306-103, 306-2, 306-4, G4-DMA (formerly MM11), G4-MM3

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

How Does Teck Manage This Topic?

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

[17] The case for circularity in metals and mining. Accenture. 2020. [18] Circularity Gap Report. Circle Economy. 2021. [19] The 'circular economy' in mining and metals. ICMM. 2021.

2021 Highlights

64,880 tonnes of hazardous and non-hazardous waste recycled

40,700 tonnes of urban ore/ secondary sources recycled at Trail Operations

Piloted a **blockchain solution for materials traceability with germanium,** a first step toward our goal of developing a product passport for our products

Announced a **formal commitment to The Copper Mark**; our Highland Valley Copper Operations were assessed and independently verified against The Copper Mark's responsible production criteria in 2021

Our Performance in Responsible Production in 2021

Our Targets and Commitments The following table summarizes our performance against our sustainability strategy and goals for responsible production.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priorities: • Be a leader in responsibly providing the metals and minerals needed for the transition to an economy focused on reducing waste and keeping products in use • Work towards disposing zero industrial waste by 2040		
Goal: 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.	On track	Updated operational waste inventories and industrial waste definitions and set preliminary reduction targets through Teck's Industrial Waste Working Group.
Goal: By 2025, develop and implement a responsible producer program and "product passport" that is traceable through the value chain.	On track	Launched a pilot using blockchain technology to trace a single product — germanium — from mine to end user.
Goal: Be a leader in product stewardship by continuing to implement our Materials Stewardship program and produce secondary metals at our Trail Operations.	On track	Continued our product stewardship activities, led by our Materials Stewardship Committee.

Waste Management Performance

Mineral Waste

Based on volume, mineral waste is the most significant waste type generated by Teck. In 2021, our operations generated approximately 786 million tonnes of mineral waste, with the vast majority being waste rock from the extraction of ore and steelmaking coal. We use internal and independent third-party subject matter experts to design our mineral waste storage facilities. Mineral waste storage methods are determined based on site-specific conditions and industry good practices.

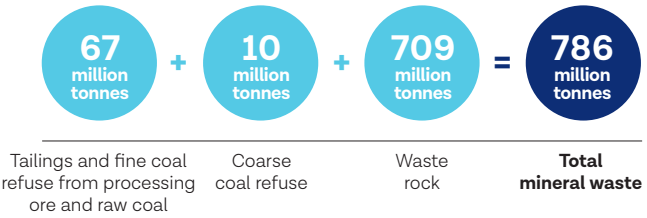
The following categories of mineral waste are products of Teck's operations:

Waste Rock: Waste rock, which is material that is removed to access ores, coal and oil sands, typically contains trace amounts of naturally occurring metals and other constituents. The bulk of waste rock from our operations is placed in areas that are specifically designed to contain the rock. Where geochemical and physical properties allow, waste rock is also used for construction purposes such as haul roads, retention embankments for tailings storage and other similar projects. The remainder of the rock, which may still have some geochemical concern, is placed within tailings storage facilities or used to backfill open pits and underground workings.

Coarse Coal Refuse: Coarse coal refuse is a coarse fraction of raw coal that is separated during processing; it is not currently an economic product. Coarse coal refuse is placed in designated engineered facilities or, if determined to not be susceptible to leaching, it may be used as a construction material. Coarse coal refuse is an excellent construction material for creating retention embankments for fine coal refuse.

Tailings and Fine Coal Refuse: Tailings and fine coal refuse are the finer fractions of the processed mined material that have no economically recoverable commodities. These materials are typically stored in tailings storage facilities. All of Teck's tailings storage facilities are designed by external third-party experts and independently reviewed for both design and performance. Learn more about tailings management at Teck on our website at www.teck.com/tailings.

Figure 14: Mineral Waste by Composition in Metric Tonnes (t) [1], [2]



(1) Figures have been restated in tonnes per GRI 306 (2020) standard requirements.
(2) Rounding of the individual numbers may cause a discrepancy in the total value.

Non-Mineral Waste

In addition to mineral wastes summarized above, Teck also generates non-mineral waste. Non-mineral waste includes municipal/domestic waste and industrial waste, which is further categorized as non-hazardous and hazardous waste. These waste materials are segregated and disposed of in accordance with material-specific waste management plans and regulatory requirements, mitigating potential impacts on environmental and human health. We also have permit and regulatory requirements for treating and recycling waste at all of our operations.

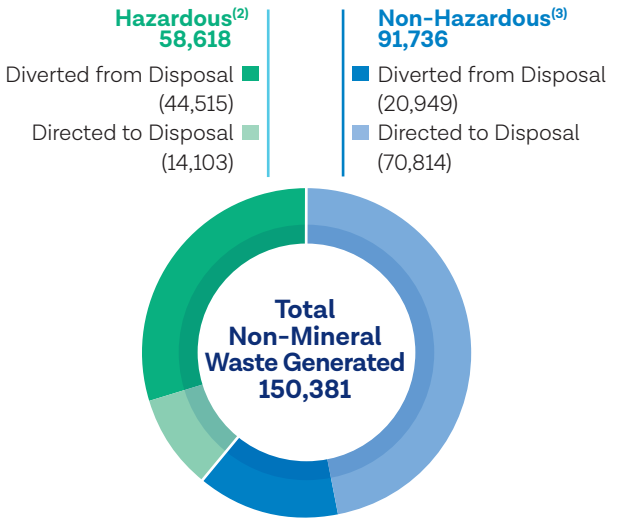
Industrial Waste: Industrial waste is a subcategory of non-mineral waste, which includes hazardous and non-hazardous types of waste generated by industrial processes, and does not include municipal/domestic waste streams. Significant industrial waste streams at Teck include metallurgical waste, sludges, process residuals (such as from water treatment), haul truck tires, construction and demolition debris, equipment and contaminated soil. We have set a target to dispose zero industrial waste by 2040, and we are working towards using site-based industrial waste inventories to generate reduction plans and to turn waste into useful and appropriate products. Based on these inventories and plans, we will set the final goals for each industrial waste stream aligned to the waste mitigation hierarchy.

Hazardous Waste: At Teck, waste is considered hazardous as defined by jurisdictional regulatory regimes. The primary industrial hazardous wastes produced at our operations include waste oil, solvents, antifreeze, paint and batteries. We collect and store hazardous waste in a responsible manner and in accordance with regulatory requirements, and licensed contractors recycle or dispose of this waste off-site as required by regulation.

Non-hazardous Waste: The most significant types of non-hazardous waste streams include contaminated solids, scrap metal, wood waste, glass, tires, e-waste, cardboard and paper.

Our strategic intent is to eliminate or reduce the generation of non-mineral waste, to explore long-term viable alternatives, and to divert waste from disposal through reuse and recycling whenever possible.

Figure 15: Non-Mineral Waste by Composition, in Metric Tonnes (t) — 2021[1]



(1) Rounding of the individual numbers may cause a discrepancy in the total value.
(2) Hazardous waste includes hazardous industrial waste.
(3) Non-hazardous waste includes non-hazardous industrial and municipal/domestic waste.

Table 10: Waste Diverted from Disposal by Recovery Operation, in Metric Tonnes (t) — 2021[1]

Type of Waste	On-Site	Off-Site	Total
Hazardous Waste[2]			
Preparation for reuse	0	24	24
Recycling	35,541	8,941	44,482
Other recovery operations	0	9	9
Total Hazardous Waste	**35,541**	**8,974**	**44,515**
Non-Hazardous Waste[3]			
Preparation for reuse	129	422	551
Recycling	3,521	16,877	20,398
Other recovery operations	0	0	0
Total Non-Hazardous Waste	**3,650**	**17,299**	**20,949**

(1) Rounding of the individual numbers may cause a discrepancy in the total value.
(2) Hazardous waste includes hazardous industrial waste.
(3) Non-hazardous waste includes non-hazardous industrial and municipal/domestic waste.

Table 11: Waste Directed to Disposal, by Disposal Operation - in Metric Tonnes (t) — 2021[1]

Type of Waste	On-Site	Off-Site	Total
Hazardous Waste[2]			
Incineration (with energy recovery)	0	937	937
Incineration (without energy recovery)	0	27	27
Landfilling	1	720	721
Other disposal operations	0	12,418	12,418
Total Hazardous Waste	**1**	**14,101**	**14,103**
Non-Hazardous Waste[3]			
Incineration (with energy recovery)	43	48	91
Incineration (without energy recovery)	11,558	1	11,559
Landfilling	46,501	6,233	52,734
Other disposal operations	6,066	364	6,430
Total Non-Hazardous Waste	**64,169**	**6,645**	**70,814**

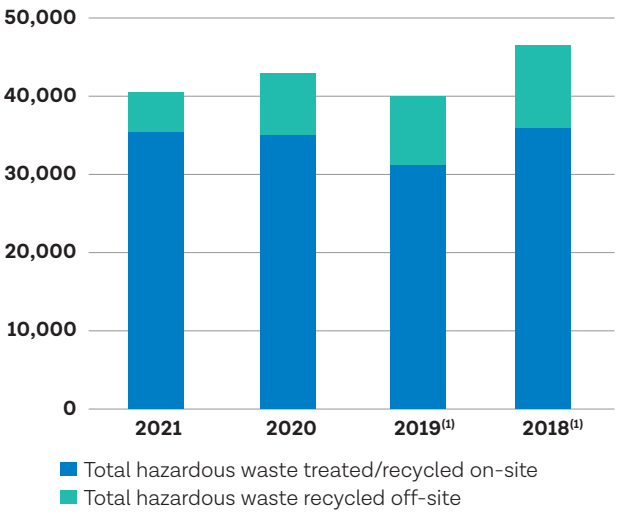
(1) Rounding of the individual numbers may cause a discrepancy in the total value.
(2) Hazardous waste includes hazardous industrial waste.
(3) Non-hazardous waste includes non-hazardous industrial and municipal/domestic waste.

Recycling

Teck's methods for recycling include recycling for value recovery, industrial waste processing and domestic recycling. We do not currently track office and construction waste, which are managed by licensed external waste service providers. We recycle in accordance with international, national, provincial and local requirements, and we aim to exceed these requirements. Continually improving recycling at our operations by identifying and sharing best practices throughout the company is our goal — including ongoing assessments of our recycling and reuse practices.

At our Trail Operations, we recycle materials purchased from external users. Our focus remains on treating cathode ray tube glass, plus small quantities of zinc alkaline batteries and other post-consumer waste through our lead acid battery recycling program.

Figure 16: Recycled Material at Trail Operations



(1) Figures have been restated due to improvements in calculations.

Red Dog Operations and the Toxics Release Inventory

Every year, Red Dog Operations is listed on the United States Environmental Protection Agency (EPA) Toxics Release Inventory (TRI), due to the volumes of rock and ore safely moved at the mine site each year. Red Dog is required to report the amount of materials moved at the mine site due to the grades of zinc and lead naturally occurring in the rocks. This is part of the mining process and does not indicate any health or environmental effect nor any release of materials from Red Dog to the environment. The Alaska Department of Environmental Conservation (ADEC) has also responded to the TRI, noting that almost all of the releases from TRI facilities in Alaska are regulated under strict EPA and state of Alaska permits, with monitoring and compliance requirements designed to prevent human and environmental harm.

Managing Product Impacts through Materials Stewardship

All Teck products are listed on a Master Product List that is owned and managed by Teck's Materials Stewardship Committee (MSC). For products to be added to the list, a detailed application is submitted to the MSC. Products are assessed on their whole product life cycle and include customer assessments, legal jurisdiction reviews, logistics and form of transportation, hazardous materials and emergency response, contracts and financial rate of return. No new products were added to the Master Product List in 2021.

The MSC also commissions and conducts customer assessments to help ensure that products are handled safely by smelters, refineries or other end users. The assessments allow us to uphold business ethics, regulatory requirements, sustainable management practices and external expectations. Due to COVID-19 restrictions, engagements with customers during 2021 continued virtually. We expect that customer site work will continue in person in 2022.

We draw on ecotoxicity expertise developed by various commodity associations and other experts to bring sound science into our management approaches and decisions. Our materials stewardship program is also actively engaged with collective industry efforts, including those of the International Council on Mining and Metals (ICMM), towards continuously improving materials stewardship practices. In 2021, major engagements related to materials stewardship included the engagement with ICMM; the International Lead Association; the International Copper Association; the International Zinc Association; the Indium, Cadmium and Germanium REACH consortia; the London Metal Exchange; and ResponsibleSteel. In 2021, Teck announced our formal commitment to The Copper Mark, a voluntary assurance framework to promote responsible production practices. Teck's Highland Valley Copper Operations were assessed and independently verified against The Copper Mark's responsible production criteria in 2021, and we plan to expand the certification to Carmen de Andacollo Operations and Quebrada Blanca Phase 2 project in 2022 and 2023, respectively.

Responding to Regulatory Requirements

Our materials stewardship efforts have expanded in recent years to meet growing regulatory pressures on mineral concentrates. These are manifested, for example, in the International Maritime Organization bulk cargo requirements, Chinese import restrictions and the Minamata Convention for Mercury. These requirements and restrictions now affect mining companies and smelters globally and Teck specifically, in the same way that Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulations have defined chemical management programs for refined metals, alloys and compounds in the European Union since 2006.

Case Study: Using Blockchain Technology to Support Supply Chain Transparency

People and companies around the world are increasingly asking where their products come from, and what are the impacts of the raw materials that went into the items they use every day. To meet this increasing expectation, Teck is harnessing blockchain technology to develop a secure approach to end-to-end traceability of our geramanium products, ensuring that our customers and communities can be confident that our products are responsibly sourced, from mine to manufacturer.

Through the pilot, germanium will be traced from its origin at Teck's Red Dog mine in northwest Alaska, through transport and co-mingling with other sources, refining at Teck's Trail metallurgical facility and finally to a manufacturer of fibre optic cable. This supports Teck's work to ensure that third-party suppliers to our Trail smelting facility are likewise sourcing raw materials from responsible sources. Read the full case study at teck.com/news/stories.

Tailings Management

Pictured above: Employees at the tailings facility, Highland Valley Copper Operations, Canada.

Tailings Management

Tailings are a common by-product of the mining process, and tailings management is a critical element in the design, construction, operation and closure planning of mines. The potential factors that cause failure at tailings facilities are well-documented and understood. As such, these factors should be monitored, anticipated and addressed — starting at the design phase and continuously through operation and closure.[20] To provide industry standard guidance around tailings, in 2020 the Global Industry Standard on Tailings Management (GISTM), was launched jointly by the International Council on Mining and Metals (ICMM), the United Nations Environment Programme (UNEP) and the Principles for Responsible Investment (PRI). The standard provides a framework to improve the safety of tailings facilities, and to work towards the goal of zero harm.[21]

Teck currently manages 16 active and 53 closed tailings facilities. Tailings storage facilities at all of Teck's operating and closed sites meet or exceed regulatory requirements, and we are continually improving the management of our facilities by developing and incorporating best practices. In 2021, Teck continued to play an active role in promoting leading practices for tailings facility management, both in our own operations and across the mining industry as part of the ICMM and the Mining Association of Canada (MAC). Teck was part of the Advisory Group that provided input to develop the GISTM, and we worked with ICMM to develop conformance protocols for its implementation. As Teck is committed to implementation of the GISTM across our operating and legacy (closed) facilities in all jurisdictions, all of our active tailings management facilities will be operated in conformance with the Standard by August 2023.

GRI Indicators and Topic Boundary

306-103, 306-2, G4-MM3

This topic is considered one of the 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 tailings, including relevant policies, management practices and systems, is available for download on our website.

[20] Towards Zero Harm: Chapter II. Mine Tailings Facilities: Overview and Industry Trends. Global Tailings Review. 2020. [21] Global Industry Standard on Tailings Management. Global Tailings Review. 2020.

2021 Highlights

Zero significant tailings-related environmental incidents

100% of our tailings facilities completed annual evaluations performed by a third-party Engineer of Record

10 tailings governance reviews

Our Performance in Tailings Management in 2021

Our Targets and Commitments We are committed to conducting regular reviews of our tailings facilities and to being open and transparent with communities and other stakeholders regarding the construction and management of our tailings facilities. Our regular reviews, which have six levels of protection, include a range of internal and external reviews that can create recommendations for continuous improvement. When these recommendations arise and when they align with best practices, we develop action plans based on findings, and we regularly assess the implementation of these plans. The following table summarizes our performance against our sustainability strategy and goals for tailings management.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priority: Continue to manage our tailings across their life cycle in a safe and environmentally responsible way		
Goal: Preferentially consider milling and tailings technologies that use less water for both new mines and any mine life extensions at existing mines.	On track	Collaborated with industry peers in research and development activities. Participated in the ICMM tailings reduction technology initiative.
Goal: Expand the use of digitally connected surveillance technologies to assist in monitoring our tailings storage facilities.	On track	Developed a digital tailings management system at our Carmen de Andacollo Operations (CdA).

Internal and external reviews of our facilities and procedures are conducted to ensure we maintain the highest standard of safety and environmental protection, including following best practice guidance set by MAC and ICMM. Beyond the comprehensive internal and external reviews, an additional level of facility oversight is in place for our tailings facilities through our Tailings Working Group, which includes subject matter experts from across our business units and sites. This working group also maintains Teck's own tailings guidance and governance framework documents.

Internal Reviews

Staff Inspections

Tailings dams are inspected by trained operators and expert technical staff as frequently as several times daily, with formal staff inspections at least once per month.

Tailings Governance Reviews

Tailings Governance Reviews are carried out every second year at our operations and every third year at our legacy properties by internal subject matter experts. These governance reviews include confirmation that we have the personnel and procedures in place to meet our commitments, and that we are addressing recommendations for continual improvement from our external reviews in a meaningful and timely manner.

The governance reviews also evaluate the performance of our Engineers of Record and other external reviewers to look for signs of complacency or lack of succession planning by those outside of Teck who we rely upon as part of our overall management processes. For our joint venture projects, we have an ongoing process with the other shareholders of the Antamina mine and the Fort Hills oil sands mine that meets the requirements of our governance review process.

From the governance review process in 2021, there were no significant findings related to dam safety; several opportunities to further develop existing systems were identified and are being actioned by the sites. As a result of our ongoing Tailings Governance Review processes and based on themes from MAC and ICMM advancements, we have strengthened our guidance related to change management, roles and responsibilities, enhancing integration of risk evaluation and identifying critical controls.

As of 2021, our facilities in aggregate conform with approximately 75% of the GISTM requirements. A majority of the existing gaps are related to new requirements introduced by the GISTM in areas such as community engagement. Teck is committed to meeting all GISTM requirements at our active tailings management facilities by August 2023.

External Reviews

Annual Facility Performance Reviews and Dam Safety Reviews

Fully licensed and qualified individuals — Engineers of Record — who are vetted by our Tailings Working Group conduct Annual Facility Performance Reviews (AFPRs) at each of our tailings facilities. Independent, qualified engineers also conduct periodic Dam Safety Reviews (DSRs), with timing dependent upon the nature of the facility. AFPRs and DSRs are conducted to evaluate our conformance with international best practices, our internal policy/standards and applicable regulatory requirements. AFPRs and other information about our tailings facilities, both operating and legacy, are available on our website at www.teck.com/tailings.

Independent Review Boards

In addition to the review work involved in the AFPRs and DSRs, another key element of Teck's review process is the use of Independent Review Boards. These boards, typically comprising two to four very senior subject matter specialists with more than 30 of experience, meet from once to several times per year, depending upon the nature of the facility and the issues being considered by the board, to conduct a third-party review of design, construction, operation, surveillance and maintenance of our storage facilities. The results from the Independent Review Board assessments are communicated directly to senior management.

Tailings Reviews Conducted in 2021

All of our tailings facilities are reviewed against our internal policy and guidance documentation on a regular schedule, as described in Table 12. In 2021, all tailings facilities at Teck had their AFPRs completed as planned. Independent Review Boards met at least once in 2021, with boards responsible for larger facilities meeting several times. Dam Safety Reviews and Teck's Tailings Governance Reviews were also completed as planned at all sites except the Tailings Governance Review at CdA, which was deferred to 2022 due to COVID-19. Though Governance Reviews are internally executed, they include the third-party Engineer of Record for each tailings facility to ensure full alignment with Teck's expectations and commitment to facility safety.

Table 12: Teck 2021 Tailings Review Status

Business Unit	Site	Annual Facility Review	Dam Safety Review	Independent Review Board Activity	Tailings Governance Reviews	Comment
Base Metals	Red Dog	●	■	●	Completed — 2021	
Base Metals	Highland Valley Copper	●	■	●	Next — 2022	
Base Metals	Carmen de Andacollo	●	■	●	Next — 2022	Tailings Governance Review postponed to 2022 due to COVID-19
Base Metals	Quebrada Blanca 2	●	■	●	Next — 2022	Operations initiate 2022
Base Metals	Pend Oreille	●	■	○	Completed — 2021	In closure
Base Metals	Duck Pond	●	■	○	Completed — 2021	In closure
Base Metals	Antamina	●	■	●	Completed — 2020 Next — TBA	Joint venture (non-operator)
Steelmaking Coal	Fording River	●	■	●	Completed — 2021	
Steelmaking Coal	Greenhills	●	■	●	Next — 2022	
Steelmaking Coal	Line Creek	●	■	●	Completed — 2021	
Steelmaking Coal	Elkview	●	■	●	Next — 2022	
Steelmaking Coal	Cardinal River	●	■	○	Next — 2023	In closure
Energy	Fort Hills	●	■	●	Completed — 2020 Next — TBA	Joint venture (non-operator)
Legacy	Quintette	●	■	●	Completed — 2021	
Legacy	Bullmoose	●	■	●	Completed — 2021	
Legacy	Beaverdell	●	■	●	Completed — 2021	
Legacy	Sullivan	●	■	●	Next — 2022	
Legacy	Pinchi	●	■	●	Completed — 2021	
Legacy	Louvicourt	●	■	●	Next — 2022	
Legacy	Pine Point	●	■	●	Next — 2023	
Legacy	Magmont	●	■	○	Next — 2023	
Legacy	Douglas	●	■	○	Next — 2023	Stable dry impoundment
Legacy	Lennard Shelf	●	■	N/A	Next — 2023	Stable dry stack

● Completed as planned.
■ Dam Safety Reviews up to date per required frequency (between three and 10 years dependent upon potential consequence).
○ Review Board formed: first review in 2022 and next in 2023.

Special Reviews

In addition to internal and external reviews, Teck will occasionally complete a special review of our facilities. The Mount Polley event (2014), the Samarco event (2015) and the Brumadinho event (2019) triggered such reviews. These reviews concluded that no immediate or emerging threats of catastrophic failures were apparent within Teck's tailings or water dams.

Tailings Performance in 2021

Total tailings and fine coal refuse generated from processing ore and raw coal, stored in the 16 operating tailings facilities at our mining operations, are reported in Table 13. This total does not include our minority joint venture operations at Antamina and Fort Hills.

Table 13: Tailings and Fine Coal Refuse Generated from Processing Ore and Raw Coal (million tonnes)

2021	2020	2019	2018
65	72	74	76

Tailings Incidents

Building on our strong track record of tailings management, in 2021, we had zero significant incidents at our tailings storage facilities. All of our facilities performed as intended, with their inspections and assorted internal and external reviews conducted as scheduled, with the exception of the Tailings Governance Review at CdA, which was deferred due to COVID-19.

Technology and Innovation

Teck continues to advance tailings technology and innovation projects to improve safety while enhancing operating efficiencies and overall environmental performance. Through industry partnerships, collaboration with universities and our internal technology and innovation programs, we advanced several key initiatives in 2021.

At our steelmaking coal sites, we have advanced tailings research and development projects to further enhance water management. These include evaluating dewatering and co-mingling options. Dewatering can reduce or eliminate the accumulation of fine tailings in traditional tailings facilities. It could also reduce the water stored within tailings storage facilities and increase the amount of water we reuse or are able to safely discharge back to the environment. Applying this technology could also allow those sites to reduce the inventory of wet tailings and improve long-term planning for closure and reclamation. Incorporation of tailings into waste rock facilities in various configurations, including layered or co-mingled placement, is being investigated to assess whether lower or inhibited generation of selenium from our mine waste occurs. This could potentially support long-term improvements in water quality performance in the environment. Layered placement of coarse coal refuse (CCR) and fine textured waste rock is currently being trialed at the Cedar North spoil at Elkview Operations in an effort to develop suboxic conditions within a waste rock pile, which should reduce selenium releases.

At CdA and Highland Valley Copper (HVC), we are conducting field trials to evaluate the use of additives. At CdA, additives reduce the water content of the tailings discharged into the facility. This reduces the amount of water in the pond and ultimately reduces overall site water consumption. At HVC, additives in the tailings discharge may allow us to both control the quality of sand dam construction and increase construction efficiency. Both field trials are expected to be expanded into regular operational usage at each site.

Teck has expanded the use of advanced monitoring systems across our portfolio, including satellites, drones, autonomous robots and real-time monitoring platforms. We have tested new types of sensors that are able to non-intrusively and continuously monitor water levels within a tailings facility. At CdA, we are developing a digital tailings management platform in partnership with external vendors to improve tailings management information. When the platform is fully evaluated and implemented across Teck, the digital tailings management system will enable remote monitoring of the performance of facilities.

Industry Association Activities

Teck was an active participant in ICMM's Tailings Position Statement and Governance Framework, and is a participant in ICMM's leadership work on a long-term goal of developing safe and sustainable alternatives to conventional wet tailings storage facilities. We were an active member of the Advisory Group helping to create the GISTM, published in August 2020 by the ICMM, UNEP and PRI. This serves as the industry-leading standard for the safer management of tailings storage facilities. We actively supported the development of the ICMM Tailings Management Good Practice Guide and Conformance Protocols, which facilitate implementation of the GISTM.

Teck also chairs the MAC Tailings Working Group, which has been responsible for providing industry-leading best practice guidance, including key industry guidance documents. Teck continues to use the MAC Tailings Protocol's Table of Conformance as one component of our Governance Review process at our sites.

Transparency and Disclosure

We remain committed to being open and transparent with communities and other stakeholders regarding our tailings facilities. As such, we make information on our approach to tailings management, a detailed list of facilities and copies of recent AFPRs available on our website. We have also provided detailed information about our tailings facilities through responses to the Investor Mining & Tailings Safety Initiative chaired by the Church of England Pensions Board and the Swedish Council on Ethics for the AP Funds. This mirrors the major requirements of the GISTM for the 2023 to 2025 time frame.

Case Study: The Global Industry Standard on Tailings Management (GISTM) – One Year in Retrospect

The International Council on Mining and Metals partnered with the UN Environment Programme and the Principles for Responsible Investment, under the guidance of Dr. Bruno Oberle as group Chair, to convene independent tailings experts from around the world to create a universal standard for tailings management. This was in response to notable tailings facility failings such as the 2019 Brumadinho catastrophic failure, and the industry's dedication to ensure no such tragedies happen going forward. The result of this effort was finalized in late 2020 when the Global Industry Standard for Tailings Management (GISTM) was published. Teck's Dr. Michael Davies was chosen as the industry's representative expert, serving as an advisor and contributing to the development of the GISTM. We sat down with him to get his perspective on the Standard roughly one year in retrospect and on what he sees as the lasting legacy of this work. He believes that the GISTM mirrors the work Teck has been embracing for some time and that it sets a voluntary standard that raises the bar and sets a benchmark for best practice in tailings management that includes effectively communicating those efforts. Read the full case study at teck.com/news/stories.

Water Stewardship

Pictured above: Desalination plant at the Quebrada Blanca Phase 2 project, Chile.

Water Stewardship

Water is an essential resource for people, communities and the environment. Natural resource crises, including water, are among the top 10 global risks identified by the World Economic Forum's 2021 Global Risks Report.[22] Additionally, the Intergovernmental Panel on Climate Change reports that climate change will be accompanied by significant changes to the water cycle, further intensifying extreme weather events and contributing to water scarcity.[23]

Water is also a critical input to the mining process, used in several activities including mineral processing, dust suppression and employee use. Mining can affect both the availability and the quality of water in surrounding environments, which requires careful planning and mitigation actions to minimize these impacts. The mining industry has developed innovative ways to demonstrate leadership in water stewardship by collaboratively managing water as a shared resource throughout the mining cycle.

Teck recognizes that water is essential to communities in the watersheds where we operate, that access to water is a fundamental human right and that responsible water management is essential to maintaining trust. We work to protect water quality downstream of our operations, improve water use efficiency, and engage with stakeholders and Indigenous Peoples on watershed management wherever we operate. To address risks related to water scarcity in regions such as Chile, we have developed a strategic priority to transition to seawater or low-quality water sources for all operations in water-scarce regions by 2040. In 2021, we advanced construction of a desalination plant at our Quebrada Blanca Phase 2 (QB2) project, which will allow us to avoid using fresh water in this water-scarce region.

In 2021, we continued to implement the Elk Valley Water Quality Plan at our steelmaking coal operations in southeast British Columbia. We completed the Elkview Saturated Rock Fill (EVO-SRF) Phase 2, the Fording River South Active Water Treatment Facility (FRO-S AWTF), and the Fording River North Saturated Rock Fill (FRO-N SRF) Phase 1. By the end of 2021, we had capacity to treat up to 47.5 million litres of water per day. For more information, see the Managing Water Quality in the Elk Valley section on page 50, as well as page 22 of our 2021 Annual Report.

In 2021, we also aligned our reporting against the Mining Association of Canada's Towards Sustainable Mining (MAC TSM) *Water Stewardship Protocol*, and achieved a minimum of AA performance at our Canadian operations.

GRI Indicators and Topic Boundary

102-34, 303-103, 303-1, 303-2, 303-3, 303-4, 303-5, 306-3, 307-1

This topic is considered one of the most material by our shareholders, employees, local communities, regulators and society in the context of Teck's operations.

How Does Teck Manage This Topic?

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

[22] The Global Risk Report 2021. World Economic Forum. 2021. [23] Climate Change 2021: The Physical Science Basis. IPCC. 2021.

2021 Highlights

3.1 the number of times water is reused and recycled on average at mining operations

Completed construction of **three water treatment facilities** – the Elkview Saturated Rock Fill (SRF) Phase 2, the Fording River South Active Water Treatment Facility and the Fording River North SRF Phase 1; by the end of 2021, we had capacity to **treat up to 47.5 million litres of water per day**

Advanced the construction of a **seawater desalination facility at our Quebrada Blanca Phase 2 (QB2) project** in preparation for first copper production in the second half of 2022

Our Performance in Water Stewardship in 2021

Our Targets and Commitments Teck is committed to responsible management of water resources, and to protecting water quality and water access where we operate. The following table summarizes our performance against our sustainability strategy and goals for water stewardship.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priority: Transition to seawater or low-quality water sources for all operations in water-scarce regions by 2040		
Goal: By 2025, design all development projects in water-scarce regions with a seawater or low-quality water source.	On track	Advanced the construction of a seawater desalination facility at QB2. Construction of the facility is expected to be completed by the second half of 2022.
Strategic Priority: Implement innovative water management and water treatment solutions to protect water quality downstream of our operations		
Goal: 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.	On track	Advanced source control mine design strategies at our steelmaking coal operations including advancing construction of a suboxic zone within a spoil at Fording River as well as a clean water diversion at Fording River. Continued to improve nitrate source control from blasting at our steelmaking coal operations. In our base metals operations, we began construction of a waste stockpile cover at Red Dog Operations (RDO). Completed construction or expansion of three water treatment facilities at our steelmaking coal operations. By the end of 2021, our treatment capacity increased from 17.5 million litres per day to up to 47.5 million litres per day. Commissioned a new reverse osmosis water treatment plant at RDO to improve water discharge and to adapt to the changing climate.

Performance Metrics

Indicator

Number of times water was reused and recycled at mining operations

2021:	3.1
2020:	3.3
2019:	2.9

Indicator

Significant[1] water-related incidents

2021:	0[2]
2020:	0
2019:	0

(1) Teck uses a risk management consequence matrix to determine incident severity, which includes environmental, safety, community, reputational, legal and financial aspects. "Significant incidents" includes incidents assessed as Level 4 or Level 5 based on our risk matrix and guidance.
(2) The fish decline in the Upper Fording River is not classified as a significant water-related incident in accordance with our incident reporting system, as it has not been connected to a specific incident under our control. However, the decline is a significant event that Teck is taking very seriously, and we are fully committed to a thorough and extensive evaluation of cause and implementation of the comprehensive recovery plan.

Managing Water Quality in the Elk Valley

In 2021, we continued to implement the Elk Valley Water Quality Plan (the Plan), a long-term approach to address the management of selenium and other substances released by mining activities in the Elk Valley. The Plan was approved in 2014 by the B.C. Minister of Environment and developed in cooperation with governments in Canada and the U.S. as well as with Indigenous groups, communities, independent scientific experts and others. The goal of the Plan is to stabilize and reverse the trend of mine-related substances and to maintain the health of the watershed while allowing for continued sustainable mining in the region where our steelmaking coal operations are located. The Plan is among the largest water quality management programs in the world, and Teck is making significant progress in advancing the Plan and protecting water quality in the Elk Valley.

The Plan establishes short-, medium- and long-term water quality targets, which are protective of the environment and human health, for selenium, nitrate, sulphate and cadmium, as well as a plan to manage calcite formation. In 2021, we continued to implement a range of practices and mitigation projects as part of the Plan, including increasing our overall total treatment capacity up to 47.5 million litres per day. See more details in the case study on page 50 and the Water Treatment Facilities section on page 51.

To date, we have spent more than $1.2 billion so far to implement the Plan; between 2022 and 2024, we plan to invest up to a further $750 million in work to protect the watershed. For information on our management of water quality in the Elk Valley, see page 22 of our 2021 Annual Report and our website.

Case Study: A Big Year for Water Quality Management in the Elk Valley

Teck marked significant milestones in our work to implement the Elk Valley Water Quality Plan (EVWQP), a long-term approach to maintain the health of the watershed in the area of our B.C. steelmaking coal operations. In 2021, our work included completing two key projects: the Elkview Saturated Rock Fill expansion, and the Fording River South Active Water Treatment Facility. In addition, we completed construction of phase 1 of the Fording River North Saturated Rock Fill facility. In 2022, we expect to increase capacity to treat more than 77.5 million litres of water per day — with expected significant reductions in selenium and nitrate concentrations throughout the watershed. Looking to 2022 and beyond, we plan to further increase water treatment capacity, as we work closely with our communities and partners to protect this vital resource. Read the full case study at teck.com/news/stories.

Monitoring Aquatic Health

Teck conducts ongoing aquatic health studies and monitoring in the Elk Valley and makes these reports public to help advance community knowledge and scientific understanding. This includes regular water quality sampling at more than 130 locations across the Elk Valley. Monitoring shows that selenium concentrations have been reduced downstream of our water treatment facility at Line Creek Operations (LCO). We expect more significant reductions in selenium concentrations as treatment capacity is ramped up in 2022.

As reported previously, monitoring conducted for Teck in the fall of 2019 found that the abundance of westslope cutthroat trout (WCT) adults and sub-adults in the upper Fording River had declined significantly since previous sampling in fall 2017. In 2021, however, 796 fish were observed, compared to approximately 170 in 2019, indicating a positive trend in recovery.

Teck established an Evaluation of Cause team of external experts to investigate and report on the possible causes of the 2019 fish count decline. The Evaluation of Cause team found that the upper Fording River fish population decline happened in the winter of 2018/2019 and was caused by the interaction of extreme ice conditions (due to extreme prolonged cold air temperatures, seasonal winter low flows and low winter snowpack), sparse overwintering habitats and restrictive fish passage conditions during the preceding migration period in fall 2018. While some stressors such as cold weather are natural, mining development has altered the availability of overwintering habitats in portions of the river and exacerbated the challenges to fish passage through water use, channel widening and aggradation. The findings indicate water quality constituents, including selenium, were not a primary contributor to the decline. The final Evaluation of Cause Report and supporting technical reports can be found on our website. Monitoring is ongoing and 2021 fish survey results indicate a positive trend in the WCT population. The study team is currently evaluating the data for the 2021 monitoring reports and once finalized will be publicly available in 2022.

In 2021, we continued to develop and implement a comprehensive fish recovery strategy for the Upper Fording River in collaboration with the Province and the Ktunaxa Nation Council. Teck's fish recovery plans are being built around three pillars: fish habitat, water quality and water quantity. Since 2019, we have worked to rehabilitate approximately 40,000 square metres of fish habitat along 5 kilometres of the upper Fording River and we have reconnected 14 kilometres of tributary habitat. This work included creating overwintering pool habitat, adding woody debris, improving fish passages and planting over 45,000 seedlings across 21 hectares to improve riparian areas, in addition to limiting water use during low-flow periods and increased monitoring.

In a separate watershed (which includes Harmer and Grave creeks), results of WCT population monitoring indicated that a negligible number of individuals were added to the WCT population in 2018 and 2019 in Harmer Creek. The 2021 monitoring documented the presence of two- and three-year old fish, indicating complete recruitment failure did not occur, and new recruits are present. The abundance of adult WCT in the Harmer Creek population has remained comparatively small but stable, throughout both the historical period and recent years. A team of qualified professionals is working through available information to determine recruitment challenges in this system to inform future watershed planning and habitat improvement projects.

Annual reports about our ongoing monitoring programs, which are prepared by professional scientists, reflect data generated since the Elk Valley Water Quality Plan was approved. The reports have been reviewed by the Environmental Monitoring Committee (EMC), a group that provides science-based and Ktunaxa traditional knowledge advice and input to Teck, and to the B.C. Ministry of Environment and Climate Change Strategy regarding monitoring designs and reports in the Elk Valley. The EMC includes representatives from the Ministry of Environment and Climate Change Strategy; Ministry of Energy, Mines and Low Carbon Innovation; Ktunaxa Nation Council; Interior Health Authority; an independent scientist; and Teck. Read the 2021 EMC Report available at https://www.teck.com/media/2021-EMC.pdf

Water Treatment Facilities

We increased our treatment capacity through the construction of active water treatment facilities (AWTFs) and through the successful implementation of our innovative saturated rock fill (SRF) technology, a nature-inspired water treatment solution that effectively removes compounds such as selenium and nitrate from water.

By the end of 2021, Teck's water treatment facilities in the Elk Valley included:

- Our first facility, West Line Creek Water Treatment Facility, successfully treating up to **7.5 million litres** of water per day
- Our second facility, Elkview Saturated Rock Fill, successfully treating up to **20 million litres** of water per day
- Our third facility, Fording River South Water Treatment Facility, treating up to **20 million litres** of water per day

By the end of 2021, we had capacity to treat up to 47.5 million litres of water per day. Additionally, in 2021 we completed construction and began commissioning the first phase of our fourth facility, the Fording River North Saturated Rock Fill (FRO-N SRF). This facility is being expanded to 30 million litres of water treatment capacity per day in 2022.

By the end of 2022, Teck will have 77.5 million litres per day of treatment capacity installed– more than quadruple our treatment capacity in 2020 of 17.5 million litres per day. With treatment capacity ramping up this year, we expect to achieve one of the primary objectives of the Elk Valley Water Quality plan - stabilizing and reducing the selenium trend in the Elk Valley and Koocanusa.

We also commissioned a clean water diversion structure at Fording River Operations (FRO) that will reduce the volume of water affected by waste rock.

Reducing Nitrate in Blasting

Our comprehensive research and development program has led to the creation of a new nitrate prevention technique that uses liners that prevent explosives with nitrate from coming into contact with water, which significantly reduces the amount of nitrate in the environment. This technique was successfully piloted in 2019 at our steelmaking coal operations. In 2021, we deployed liners in 92% of all holes at our steelmaking coal operations. We continue to work towards a target of having 95% of all explosives being placed into lined holes at our steelmaking coal operations.

Research and Development

Teck is focused on continued research and development to improve water quality in the short and long term. Examples of this work include:

- **Source control:** Aggressively pursuing the use of source control technologies in our mined rock facilities, and constructing mined rock facilities to limit air entry and the corresponding natural reactions that generate constituents of interest; in 2021, we advanced our first example of this technology at Cedar North at Elkview Operations
- **Alternative water treatment technologies:** Exploring the use of smaller in situ water treatment facilities that can be built much closer to where treatment is needed, and evaluating emerging treatment technologies that target mine water constituents of interest
- **Mined rock covers:** Evaluation of different forms of covers, ranging from vegetative to geomembrane covers, for mined rock piles
- **Water Diversions:** Clean water diversions can reduce the volume of water affected by waste rock, thereby reducing the amount of water that needs to be treated; we are assessing the contribution of diversions to water quality performance through the construction and monitoring of the Kilmarnock Creek Diversion at Fording River Operations (FRO), which was commissioned in 2021

Capital spending on water treatment (AWTFs and SRFs) and water management (source control, calcite management and tributary management) was $226 million in 2021.

Community Engagement on Water

Access to clean and sufficient water by users in our areas of influence is important to us and to our stakeholders. When implementing our water management practices, we consider and engage with other water users in the watersheds where we operate. In 2021, we engaged with local communities and Indigenous Peoples on water management, including our work in the Elk Valley on water quality, as well as on key projects such as QB2, the proposed Highland Valley Copper 2040 project and the proposed Fording River Extension project.

Improving Water Efficiency

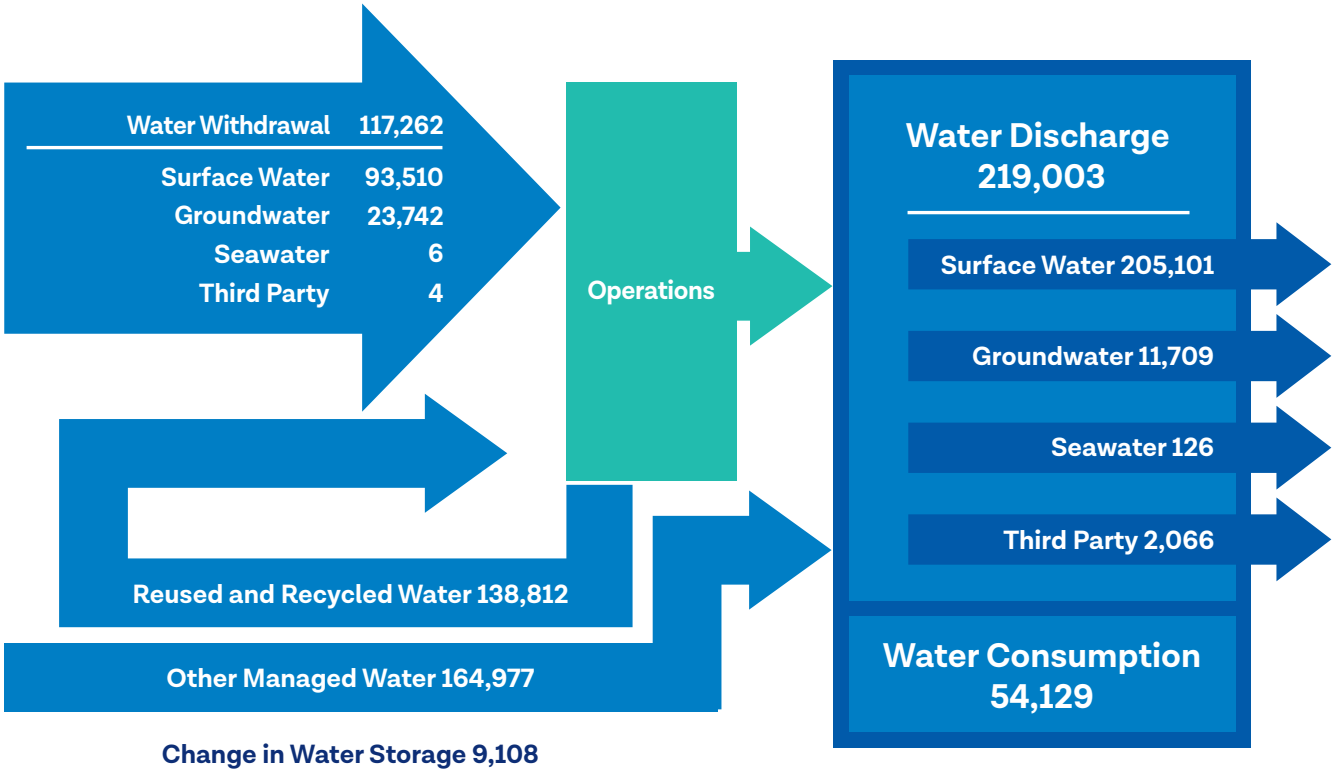
We monitor water data at all of our operations and incorporate the data into scenario planning using site-wide water balances.[24] The company-wide water balance (Figure 17) is the aggregation of all of the site-wide water balances. This water balance is complex due to the variability of natural factors such as rainfall, snowmelt, and the diversity of the climates and geological conditions where our operations are located. Understanding our site-wide and company-wide water balances is key to improving water management practices and to enabling better decision-making.

In 2018, we updated our water data collection and reporting to align with the ICMM's *A Practical Guide to Consistent Water Reporting*. Our detailed water data is provided in our 2021 Sustainability Performance Data.

At Teck, we use water primarily for material processing and transport, cooling and dust control. A portion of the water we use is consumed through entrainment in our products and tailings or through evaporative processes. The water we use is typically obtained from where our operations interface with surface water and groundwater systems, and we are transitioning to seawater sources in water-scarce regions such as northern Chile. We manage and discharge a significant amount of water without use, and we discharge this water as close as practical to the source location. The water we discharge is monitored and treated where necessary.

[24] Site-wide water balances provide an understanding of water withdrawals, consumption, reuse/recycle and discharge volumes at each operation. Water balances are developed using a mix of measurements and modelling computation.

Figure 17: Company-Wide Operational Water Balance — Megalitres (ML)



Water withdrawal: All water that enters the operational water system and is used to supply the operational water demands.

Other managed water: Water that is actively managed without intent to supply the operational water demands.

Water discharge: Water that is released back to the water environment or to a third party.

Water consumption: Water that is permanently removed, by evaporation, entrainment (in product or waste) or other losses, and not returned to the water environment or a third party.

Reused and recycled water: Water that has been used in an operational task and is recovered and used again in an operational task, either without treatment (reuse) or with treatment (recycle).

Change in water storage: The net change (positive or negative) in the volume of water stored over the accounting period; a positive number indicates water accumulation, and a negative number indicates water reduction.

Types of Water

Surface water: Water from precipitation and runoff that is not diverted around the operations; includes water inputs from surface waterbodies that may be located within the boundaries of our operations.

Groundwater: Water from beneath the earth's surface that collects or flows in the porous spaces in soil and rock that is not diverted around the operations.

Third-party sources: Water supplied by an entity external to the operation, such as from a municipality; we do not use wastewater from other organizations.

Seawater: Water obtained from a sea or ocean.

In 2021, the number of times water was reused and recycled, expressed as the ratio of water reused and recycled to water withdrawals, was 3.1 at our mining operations. This means that we reused the same water approximately 3.1 times on average before treating and returning it to the environment.

Trail Operations accounts for 61% of our water withdrawals. Almost all the water used at Trail Operations is for cooling purposes, meaning that it does not come into contact with chemicals or reagents, and the only change it undergoes is a slight increase in temperature before being returned to the environment within regulatory-approved conditions. In 2021, our water withdrawals were nearly the same as in 2020. Our total water consumption in areas with water stress[25] was 11,149 ML in 2021. Additional water data is provided in our 2021 Sustainability Performance Data.

[25] Water-stressed areas lack the ability to meet human and ecological demands for fresh water. Water stress components include water availability, quality and accessibility. The proportion of sites in water-stressed areas is 25%.

Table 14: Water Withdrawals and Water Reused and Recycled — Megalitres (ML)

All operations	2021	2020	2019	2018
Water withdrawals (ML)	**117,262**	118,284	127,018	128,146
Water reused/recycled (ML)	**138,812**	157,641	148,914	174,688
Mining operations				
Water withdrawals (ML)	**45,222**	47,739	51,954	60,003
Water reused/recycled (ML)	**138,812**	157,641	148,914	174,688
Number of times water is reused and recycled (ratio of reused/recycled and withdrawals)	**3.1**	3.3	2.9	2.9

Technology and Innovation

In 2021, Teck implemented several initiatives across our organization to improve water use, monitoring and efficiency.

At Carmen de Andacollo (CdA) we conducted field trials to evaluate the use of additives to reduce the water content of the tailings discharged into the facility. This will lower the amount of water in the tailings facility, which reduces the amount of water lost to evaporation, and ultimately leads to the reduction of overall site water consumption.

Teck gained water monitoring efficiencies at CdA and FRO. At CdA, we digitized the operational water balance to enable near real-time optimization of water use and flows, and increased the number of sensors installed in the field. At FRO, we advanced development of a digital tool that displays real-time water quality and flow rate results that are used by the operation to inform water management decisions.

Also see the Technology and Innovation section on page 45 in the Tailings Management chapter for more details on projects being implemented at our steelmaking coal sites.

Water-Related Compliance

Non-Compliances and Significant Water-Related Incidents

We continue to implement the water quality improvement measures identified in the Elk Valley Water Quality Plan. The pace of construction of some of the water treatment facilities was hindered by challenges related to the treatment technology and, more recently, as a result of the COVID-19 pandemic. Partly due to the slower-than-anticipated pace of construction, we have recorded non-compliances in relation to certain permit limits in the Elk Valley. To address these non-compliances, we are aggressively advancing construction of several water treatment facilities and we are implementing other water quality improvement measures in parallel, such as reducing nitrate from blasting, and accelerating research and development projects in the areas of source control, water diversions and mine rock cover systems.

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 water-related incidents in 2021.

Litigation

Teck continues studies under the 2006 settlement agreement with the U.S. Environmental Protection Agency (EPA) to conduct a remedial investigation on the Upper Columbia River in Washington state. The Lake Roosevelt litigation involving Teck in the Federal District Court for the Eastern District of Washington continues. In December 2012, on the basis of stipulated facts agreed between Teck and the plaintiffs, the Court found in favour of the plaintiffs in phase one of the case, issuing a declaratory judgment that Teck is liable under the *Comprehensive Environmental Response, Compensation, and Liability Act* for response costs, the

amount of which will be determined in later phases of the case. A hearing with respect to natural resource damages and assessment costs is expected to follow completion of the remedial investigation and feasibility study being undertaken by Teck. For more information, see pages 111–113 of our 2021 Annual Information Form.

Charges, Fines and Penalties

In March 2021, Teck Coal resolved charges under the *Fisheries Act* relating to discharges of selenium and calcite in 2012 to a mine settling pond and to the Fording River from our Fording River and Greenhills operations in the Elk Valley. As part of the resolution, Teck Coal was assessed total penalties of $60 million for the two offences. The Crown will not proceed with charges relating to the same discharges over the period from 2013 to 2019.

Teck Coal received a fine of $40,000 in May 2021 for failing to maintain minimum flow requirements at Dry Creek at our Line Creek Operations, which resulted in the death of 26 westslope cutthroat trout. A formal Incident Cause Analysis Method (ICAM) investigation was completed, resulting in several recommendations that have been or are being implemented to improve risk management for water operations and construction works.

Teck Coal received a fine of $120,000 in March 2021 for *Daphnia magna* toxicity breaches of the Elk Valley Regional Environmental Permit associated with calcite buildup in some Elk Valley waterways. As part of ongoing implementation of the Elk Valley Water Quality Plan, Teck Coal focused research and development activities on identifying a technology to prevent calcite precipitation in the waterways. Based on this research, Teck Coal has now successfully installed calcite prevention treatment at multiple locations.

Health and Safety

Pictured above: Employee at the Quebrada Blanca Phase 2 project, Chile.

Health and Safety

More than 2.78 million deaths occur every year as a result of occupational disease or workplace accidents, and the economic cost of poor health and safety management practices is estimated at 3.94% of global gross domestic product.[26] The COVID-19 pandemic has further emphasized the importance of a resilient occupational safety and health system to protect workers and to manage large-scale health crises.[27]

The continuing response to COVID-19 is in addition to the ongoing work of the mining sector to reduce the health and safety hazards and risks associated with handling large volumes of materials, the use of heavy equipment and production processes. Teck and other member companies of the International Council on Mining and Metals (ICMM) have set the collective goal of zero fatalities and are implementing measures to reduce injuries.

Safety has long been a core value and strategic priority for Teck. In 2021, the COVID-19 pandemic remained the most critical short-term health and safety issue facing our company. We maintained and further enhanced our preventive measures across all offices and operations to safeguard the health of our employees and contractors, while continuing to operate safely and responsibly maintain employment and economic activity to the extent possible. We have supported and encouraged vaccination efforts by creating awareness, facilitating access, providing incentives and, in some cases, setting mandatory vaccine policies for our employees. We continue to closely monitor and follow guidance from public health authorities, external experts and government.

We were deeply saddened by the fatality that took place in January 2021 at our Red Dog Operations. We have carried out an in-depth investigation into the incident to learn as much as possible and to implement measures to prevent reoccurrences. In 2021, we also started to report on all fatalities confirmed to be related to occupational diseases. Common industry practice is to report on fatalities related to occupational diseases among current employees. However, due to the potential long-term nature of occupational diseases, Teck reports on all identified incidences of fatalities, including former employees. This is a highly transparent practice that Teck considers to be best practice for our industry.

In 2021, the High-Potential Incident Frequency at Teck was 38% lower year over year and our Lost-Time Disabling Injury Frequency was 11% lower. The Total Recordable Injury Frequency also decreased year over year by 10%. While these improvements are very encouraging, we remain vigilant as we work to reach our ultimate goal of everyone going home safe and healthy every day.

GRI Indicators and Topic Boundary

403-103, 403-8, 403-9, 403-10

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

How Does Teck Manage This Topic?

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

[26] Safety and health at work. ILO. 2021. [27] We need a strong, resilient occupational safety and health environment. ILO. 2021.

2021 Highlights

38% reduction in High-Potential Incident Frequency

11% reduction in Lost-Time Disabling Injury Frequency (LTDIF)

21% improvement in Vehicle High-Potential Incident rate

Our Performance in Health and Safety in 2021

Our Targets and Commitments Health and safety is a core value and strategic priority at Teck; nothing is more important than the health and safety of our people. We engage and develop our people, and work to ensure everyone goes home safe and healthy every day.

Teck has in place a set of standards, policy guidelines, operating procedures and systems that describe accountabilities, controls and other minimum requirements for managing health and safety risks. These apply to all Teck sites and projects (excluding projects or operations in which Teck has an ownership interest but is not the principal operator), including 100% of employees and contractors.

The following table summarizes our performance against our sustainability strategy and goals for health and safety.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priority: Eliminate fatalities, serious injuries and occupational disease		
Goal: Contribute to the elimination of fatalities and serious injuries through significantly enhanced critical control verification for fatal hazards.	On track	Updated critical control standards and critical control verification (CCV) criteria and processes. 12 new/revised standards have been released to date, and over 30,000 CCVs were conducted in 2021. Advanced our Vehicle Safety Strategy to eliminate serious injuries and fatalities from vehicle-related incidents.
Goal: By 2025, contribute to the elimination of occupational disease by implementing new technologies in real-time exposure monitoring to improve exposure controls for dust and welding fumes.	On track	Continued to use real-time particulate monitoring (RTPM) technology at multiple sites to identify causal factors for dust exposures. Used this information to prioritize exposure reduction planning for groups with the highest exposure. Developed new critical control standards (with CCV criteria) for respirable particulates.

Performance Metrics

Indicator[1],[2]
Work-related fatal injuries

Target
Zero fatalities

2021:	1
2020:	0
2019:	1

Indicator[1] [2]
Lost-Time & Disabling Injury Frequency

Target
10% year-over-year reduction

2021:	11% reduction
2020:	23% reduction
2019:	18% reduction

Indicator[1],[2]
Total Recordable Injury Frequency

Target
10% year-over-year reduction

2021:	10% reduction
2020:	17% reduction
2019:	24% reduction

Indicator[1] [2]
High-Potential Incident Frequency

Target
Year-over-year improvement

2021:	38% reduction
2020:	32% reduction
2019:	16% reduction

(1) All indicators include employees and contractors.
(2) Performance Metrics are related to performance of Teck-managed operations and do not include joint ventures.

Building a Positive Culture of Health and Safety

Launched in 2009, Courageous Safety Leadership (CSL) focuses on challenging values, beliefs and attitudes towards safety, and builds commitment from individuals to work safely. In 2021, we implemented sustaining activities to realize our commitments from the fourth phase of our CSL program. We also continued the Introduction to CSL program using a mix of virtual and in-person sessions across the company for new employees and contractors. In 2021, over 1,600 new employees plus many contractors participated in the Introduction to CSL training.

We have established health and safety cultural improvement plans at all operational sites using feedback from the results of the Health and Safety Culture Survey conducted in 2019. The next survey is planned to be conducted in 2022. Implementation of these plans is a business performance metric, and progress is monitored and reported monthly to ensure that operations are addressing opportunities identified in the survey.

High-Potential Risk Control

As of the end of the year, all operations met or exceeded their 2021 High-Potential Risk Control targets for conducting high-potential risk assessments and effectiveness reviews. These targets were to conduct at least four Work Team Risk Assessments and six Effectiveness Reviews per operation. As a result of these improved risk assessment efforts across the company, we identified opportunities and improved controls for key serious injury and fatality risks. We also used this process to identify and share stories of positive change.

In 2021, we continued our company-wide training module, Introduction to Hazard Identification, which was launched in 2019. The training equips employees and contractors with skills and a common understanding of hazard identification, and gives them a clear understanding of key terms such as hazard, hazard types, risk and controls. Since 2019, over 12,500 employees have completed this module at operations, exploration sites and projects.

We also continued to review and update critical control standards and critical control verification criteria in line with our High-Potential Risk Control (HPRC) strategy. The implementation of this program allows us to routinely monitor for appropriate and effective critical controls. Teck has identified over 20 fatal hazards that form the basis of our program development. Each standard has been developed to highlight the critical controls that must be in place, together with a set of associated verification criteria that must be assessed routinely to inform the management of the control effectiveness. To date, we have had 12 new or updated critical control standards that were developed with thorough internal and external stakeholder engagement, with another five in final review process. Sites across Teck have implemented CCVs, and in 2021, over 30,000 CCVs were performed across the company.

In addition to the overarching HPRC strategy, Teck has continued to advance our Vehicle Safety Strategy to eliminate serious injuries and fatalities from vehicle-related incidents. Vehicle-related incidents represent Teck's single-largest category of High-Potential Incidents. Vehicle-related incidents typically result from a combination of three factors: the driver, the road environment and the vehicle itself. Improvement actions have been defined for each of these three key factors. Teck has a business performance metric to reduce vehicle-related High-Potential Incidents. To support this goal, four vehicle-related critical control standards were developed in 2020/2021 for heavy mobile equipment, light vehicles, in-vehicle monitoring systems, and buses and people transport. Guidance for Traffic Management Plan requirements was also developed in 2021. In 2021, we saw a 21% improvement in our Vehicle High-Potential Incident rate.

Case Study: Case Study: Improving Safety through Our Vehicle Safety Strategy

Hazards posed by vehicles are common across the mining industry, independent of the jurisdiction of operation or the commodity being produced. To address this widespread challenge, Teck has been working on a Vehicle Safety Strategy (VSS) to enhance control standards for vehicles and contribute to the overall safety of our employees. Teck's VSS team has been working on programs that consider incidents that result from the driver, vehicle, or road environment. An important element to improving our strategy includes the assessment and adoption of technology, which reduces reliance on individual performance. Technology such as Proximity Detection or In-Vehicle Monitoring Systems has allowed us to monitor and evaluate our performance towards our goal of eliminating serious injuries and fatalities. Read the full case study at teck.com/news/stories.

Occupational Health and Hygiene

We work to continuously enhance our occupational health and hygiene risk assessments, and our monitoring and exposure controls, to protect the long-term health of employees. All of our operations were required to continue implementing exposure reduction plans in 2021. All exposure reduction plans are prioritized based on risk and must use engineering controls to control or eliminate exposures at their source. Our RTPM technology is already allowing us to better pinpoint causes of exposures and plan for their control.

We also continue to implement software to support our occupational medical assessment programs and improve the management of data from these programs.

Technology and Innovation

Dust exposure for operators can lead to occupational illness and disease; we are committed to reducing dust exposure using innovative technology and practices. In 2019, we commenced a pilot of Nanozen technology — a real-time, wearable particle sensor — at our Greenhills, Fording River and Highland Valley Copper operations to improve health and safety for haul truck operators. With the pilot complete, we have operationalized RTPM throughout Teck. We have also identified two other models of RTPM for trials that will begin in 2022. Teck is also currently working with other mining companies through the ICMM to advance this technology even further.

Our Technology and Innovation team is also supporting the development of digital tools to improve employee and contractor safety in and around heavy equipment and light vehicle interactions. This area, which is still under development, is expected to improve vehicle safety.

Safety Performance

We were deeply saddened by a fatality on January 16, 2021, on a production drill at our Red Dog Operations. Red Dog Operations implemented corrective actions following the fatality to minimize the potential for reoccurrence of a similar incident. Other corrective actions are under development that will be implemented across Teck. To help prevent this type of incident from occurring again, we conducted a detailed investigation and will be sharing learnings across our company and industry. Teck also developed a new standard — Critical Controls for Surface Drilling Operations — that provides clear direction on the health and safety requirements for any surface drilling operation.

In 2021, our Total Recordable Injury Frequency (TRIF) was 10% lower than in 2020 and our Lost-Time Disabling Injury Frequency decreased year over year by 11% for Teck-operated sites.

Table 15: Health and Safety Performance — Teck Total [1],[3],[4],[5],[6],[7],[8]

	2021	2020	2019	2018
Total Recordable Injury Frequency	**0.64**	0.73	0.82	1.01
Lost-Time Injuries	**114**	85	90	73
Lost-Time Injury Frequency	**0.27**	0.29	0.34	0.36
Disabling Injury Frequency	**0.11**	0.14	0.20	0.26
Lost-Time Disabling Injury Frequency	**0.39**	0.43	0.54	0.62
Lost-Time Injury Severity	**31.70**	27.52	41.00	73.35
Number of Fatalities	**1.2** [9]	0.4 [10]	1.2	2
Fatality Rate	**0.003**	0.001	0.004	0.010

Table 16: Health and Safety Performance — Teck-Operated [2],[3],[4],[5],[6],[7],[8]

	2021	2020	2019	2018
Total Recordable Injury Frequency	**0.66**	0.73	0.88	1.16
Lost-Time Injuries	**107**	81	86	69
Lost-Time Injury Frequency	**0.29**	0.31	0.38	0.44
Disabling Injury Frequency	**0.10**	0.14	0.20	0.27
Lost-Time Disabling Injury Frequency	**0.40**	0.45	0.58	0.71
Lost-Time Injury Severity	**31.95**	21.64	43.16	94.59
Number of Fatalities	**1**	0	1	2

(1) Safety statistics in Table 15 include both employees and contractors at all of our locations (operations, projects, closed properties, exploration sites and offices). For sites where Teck owns more than 50%, safety statistics are weighted 100%; for sites where Teck owns 50% or less, safety statistics are weighted according to Teck's ownership of the operation. This includes the Antamina mine (22.5% interest), Fort Hills mine (21.3% interest), Neptune Bulk Terminals (46% interest) and NuevaUnión (50% interest). We define incidents according to the requirements of the U.S. Department of Labor's Mine Safety and Health Administration. Severity is calculated as the number of days missed due to Lost-Time Injuries per 200,000 hours worked.
(2) Safety statistics in Table 16 include both employees and contractors at all of our locations in which Teck holds majority ownership and directly manages (operations, projects, closed properties, exploration sites and offices). For sites where Teck owns more than 50%, safety statistics are weighted 100%. We define incidents according to the requirements of the U.S. Department of Labor's Mine Safety and Health Administration. Severity is calculated as the number of days missed due to Lost-Time Injuries per 200,000 hours worked.
(3) Increase in severity in 2021 is a consequence of having a fatality in 2021 versus no fatalities in 2020. Each fatality results in counting 6,000 lost days.
(4) A Lost-Time Injury is an occupational injury that results in loss of one or more days beyond the initial day of the injury from the employee's scheduled work beyond the date of injury.
(5) A Disabling Injury is a work-related injury that, by orders of a qualified practitioner, designates a person, although at work, unable to perform their full range of regular work duties on the next scheduled work shift after the day of the injury.
(6) A fatality is defined as a work-related injury that results in the loss of life. This does not include deaths from occupational disease or illness.
(7) Frequency indicators in this table are calculated by the number of events in the period multiplied by 200,000 and divided by the number of exposure hours in the period, which refers to the total number of actual hours worked by employees/contractors at a site where one or more employees/contractors are working or are present as a condition of their employment and are carrying out activities related to their employment duties. Hours of exposure may be calculated differently from site to site; for example, time sheets, estimations and data from human resources are inputs into the total number of exposure hours.
(8) In 2021, some health and safety injury definitions used in our Chilean sites were refined to align with Teck's global definitions. Accordingly, the results may not be comparable to previous years' reporting.
(9) There was a fatality at Antamina mine, which is operated by BHP and Glencore. See their sustainability report for further information.
(10) There were fatalities at Fort Hills oil sands mine, which is operated by Suncor. See their sustainability report for further information.

High-Potential Incidents

High-Potential Incidents (HPIs) are incidents that have a reasonable likelihood to have caused a serious, permanently disabling, or fatal injury.[28] In 2021, our HPI frequency was 38% lower compared to 2020. Three Potentially Fatal Occurrences[29] (PFO) were reported at Teck-operated locations, which were investigated, and corrective actions were developed. Where relevant, the results are shared with all of our business units and operations in order to facilitate a local gap analysis against the findings to prevent similar occurrences. We investigate potentially fatal occurrences to the same standard as fatalities.

While our total HPI frequency and severity have declined since 2017, our business units and operations continue to experience HPIs. As such, we continue to focus on improving our understanding of high-potential risk and control effectiveness.

Figure 18: High-Potential Incident Performance — Teck Total[(1),(2),(3)]

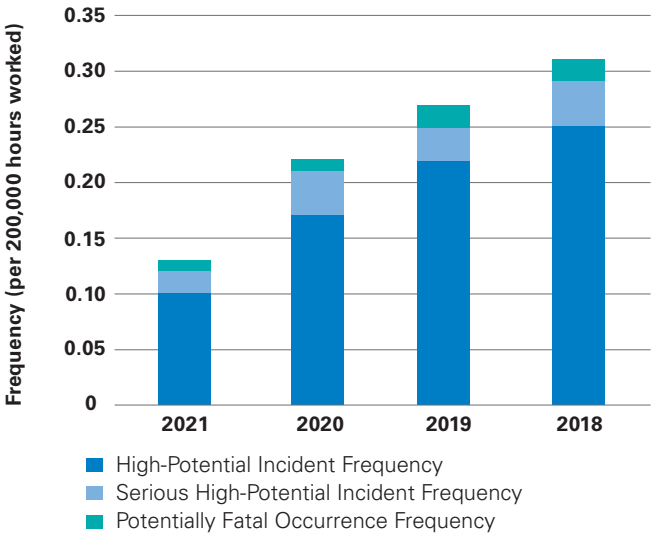
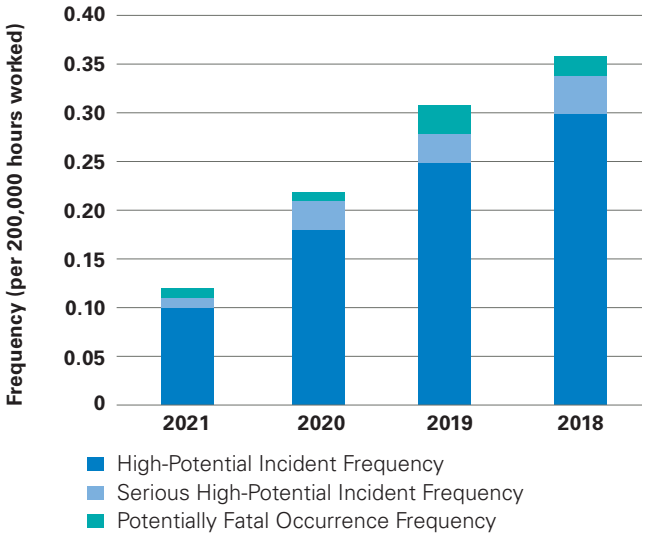


Figure 19: High-Potential Incident Performance — Teck Operated[(1),(2),(4)]



(1) Frequency indicators in Figures 18 and 19 are calculated by the number of events in the period multiplied by 200,000 and divided by the number of exposure hours in the period, which refers to the total number of actual hours worked by employees/contractors at a site where one or more employees/contractors are working or are present as a condition of their employment and are carrying out activities related to their employment duties.
(2) Rounding of the individual numbers may cause a discrepancy in the total value.
(3) Safety statistics in Figure 18 include both employees and contractors at all of our locations (operations, projects, closed properties, exploration sites and offices). For sites where Teck owns more than 50%, safety statistics are weighted 100%; for sites where Teck owns 50% or less, safety statistics are weighted according to Teck's ownership of the operation. This includes the Antamina mine (22.5% interest), Fort Hills mine (21.3% interest), Neptune Bulk Terminals (46% interest), and NuevaUnión (50% interest)
(4) Safety statistics in Figure 19 include both employees and contractors at all of our locations in which Teck holds majority ownership and directly manages (operations, projects, closed properties, exploration sites and offices). For sites where Teck owns more than 50%, safety statistics are weighted 100%.

Process Safety Events

Process safety events are those that typically involve an unexpected mechanical integrity failure in a pipeline system or processing facility that may result in a fire, explosion, rupture or hazardous chemical leak. All HPIs (including process safety events) were thoroughly investigated to identify corrective actions to minimize the potential for reoccurrence.

Table 17: Process Safety Events — Teck-Operated[(1)]

	2021	2020	2019	2018
Process-Related HPIs	**0**	5	2	7
Frequency (per 1,000,000 hours)	**0**	0.10	0.04	0.22

(1) Teck-operated data covers all operations in which Teck holds majority ownership and directly manages.

[28] Teck uses an HPI Classification Model to assess and determine HPIs, including Serious HPIs and PFOs.
[29] A PFO is an undesired, high-potential occurrence with the reasonable likelihood to have, under slightly different circumstances, resulted in a fatal injury to an employee or contractor.

Collaboration with Industry

We work with various local, national and international organizations and programs to incorporate best practices of health and safety into our system. We actively participate in health and safety programs and initiatives of the ICMM, the Earth Moving Equipment Safety Round Table (EMESRT) and the Mining Association of Canada (MAC).

Occupational Diseases

We report the incidence of occupational diseases at Teck, based on accepted workers' compensation claims from each jurisdiction in which we work, for the disease categories set out in Table 18. In some cases, as our systems for reporting occupational diseases continue to mature, occupational disease cases and rates may increase in the short to medium term. This is a reflection of the long latency period associated with the development of occupational disease. We continue to enhance our application of improved risk-based controls to prevent occupational diseases.

Table 18: Occupational Disease Cases[1],[2],[3]

Disease Category	2021	2020	2019	2018
Respiratory Diseases	**3**	2	1	1
Hearing Loss[4]	**2**	0	4	2
Musculoskeletal Disorders	**14**	23	11	6
Cancer	**0**	0	2	0
Other Medical Disorders	**3**	5	1	8
Total	**22**	30	19	17

Table 19: Occupational Disease Cases by Gender[1],[2],[3]

Disease Category	2021	2020	2019	2018
Female	**4**	6	1	4
Male	**18**	24	18	13
Total	**22**	30	19	17

Table 20: Occupational Disease Rate[1],[2],[3]

Disease Category	2021	2020	2019	2018
Total Occupational Disease Rate (per 200,000 hours)	**0.27**	0.31	0.18	0.17
Total Occupational Disease Rate (per 1,000,000 hours)	**1.35**	1.57	0.90	0.84

(1) Occupational disease data is collected from insurance providers such as WorkSafeBC; global exploration sites or marketing offices are not included.
(2) Occupational diseases are defined as an adverse, generally chronic and irreversible health effect associated with overexposure to chemical, physical or biological agents in the workplace (e.g., silicosis, bladder cancer, berylliosis, metal fume fever, asthma).
(3) Workers' compensation claims data is for accepted claims over the past four years and is for employees only; contractor data is not included.
(4) The reporting for hearing loss may be under-reported, due to limited data availability.

Occupational Disease Fatalities

Based on accepted workers' compensation claims and safety reporting from each jurisdiction in which we work, Teck is in some cases able to identify where long-term occupational diseases have contributed to fatalities. Common industry practice is to report on fatalities related to occupational diseases among current employees. However, due to the potential long-term nature of occupational diseases, Teck reports on all identified incidences of fatalities confirmed to be related to these conditions. This includes former employees, regardless of the length of time since the end of employment at Teck. This is a highly transparent practice that Teck considers to be best practice for our industry.

We recognize that, even with this industry-leading practice, there are limitations to this approach. Using claims approved by workers' compensation providers as the basis for these values may lead to under-reporting of occupational disease incidence. This is because most occupational diseases are captured by publicly funded or other medical systems, with little to no opportunity to identify the root causes of occupational disease. This can be due to challenges with latency, lack of association between the exposure and the disease, the multifactorial nature of occupational diseases, and limited medical surveillance.

Table 21: Occupational Disease Fatalities by Gender

	2021
Female	0
Male	0
Total	**0**

Case Study: Evolving Teck's Response to COVID-19: An Interview with Health and Safety Leadership

In 2021, two new health and safety experts joined Teck: our Vice President of Health and Safety, and Teck's first Chief Medical Officer. Combined, they bring over 50 years of experience in health and safety. While health and safety is a core focus of Teck and the mining industry as a whole, the COVID-19 pandemic has highlighted the cross-cutting role that health and safety leadership must have in all areas of business decisions and operations. We sat down with them to talk about the evolution of Teck's medical programs through the changing pandemic conditions, and how companies need to likewise evolve to adapt to the new reality of health and safety. Read the full case study at teck.com/news/stories.

COVID-19 Response

In 2021, the COVID-19 pandemic remained the most critical short-term health and safety issue facing our company for the second year in a row. The year was marked by the worldwide spread of several variants of the COVID-19 virus, including the Delta and Omicron variants. In all instances, Teck responded quickly and worked to follow best evidence and the advice of local public health authorities. We maintained and further enhanced our preventive measures across all offices and operations to safeguard the health of our employees and contractors, while continuing to operate safely and responsibly maintain employment and economic activity to the extent possible. We continue to closely monitor and follow guidance from public health authorities, external experts and government.

Preventive Measures

In line with the advice of local public health authorities, we strongly encourage work from home wherever possible and limit all unnecessary travel. Recognizing the increased risk of aerosol-based transmission we now mandate the use of KN95/N95 respirators at operations and further focus on improving ventilation/filtration efforts.

We continue to use testing as a key layer of defence. With Teck's early adoption of testing and appropriate planning, we offer significant testing capacity at our sites despite a global shortage of rapid antigen tests. We also offer tests to our corporate office employees who are working from home.

A critical cornerstone of our approach is vaccinations. We actively support and encourage vaccination efforts through a combination of education, facilitating access, providing incentives and, in some cases, setting mandatory vaccine policies.

We continue to be vigilant and responsive to the changing COVID-19 pandemic, with a strong focus on the safety of our people and our communities.

Employee Engagement and Resources

We provide opportunities for our employees to demonstrate courageous safety leadership through participation in

peer-to-peer communications. Our *Stopping the Spread – It Starts with Me* and *Speak Up to Stop the Spread* campaigns provided employees with a forum to offer a personal perspective on the importance of stopping the spread of COVID-19 at work and in the community. Our *Best Defence* campaign provided employees with information on preventive measures, including information on COVID-19 vaccines and encouraged employees to get vaccinated and to get booster shots.

Employees are encouraged to send any feedback, questions or concerns regarding our COVID-19 response. Our *Doing What's Right* program provides a confidential and secure means for our employees to anonymously report concerns about conduct that may be contrary to our values and standards, including concerns regarding our COVID-19 response. The program is managed by a third party and prohibits retaliation against any person reporting a concern in good faith, or participating in an investigation relating to a concern.

We continue to have open conversations about the impact of the ongoing pandemic on mental health and well-being. We have tried to recognize the impact of the latest wave of the pandemic on people's personal and professional lives, and we have advanced additional mental health supports. See the Mental Health section on page 65 for details. We continue to be vigilant and responsive to the changing COVID-19 pandemic, with a strong focus on the safety of our people and our communities.

Learn more on the Employee Resources page on our website.

Assessing Effectiveness

Teck has conducted tens of thousands of assurance checks against the preventive measures put in place, and continues to achieve very high rates of control conformance. These assurance checks cover Teck employees as well as contractors.

Communities and Public Health

Teck is also supporting critical social initiatives and increased healthcare capacity in areas where Teck operates. See page 93 of the Relationships with Communities section for more details.

Mental Health

At Teck, mental health is an important component of our goal of everyone going home safe and healthy every day. Our Employee and Family Assistance Program provides resources and support to help maintain good mental health. These include free access to mental health professionals for both in-person and virtual counselling for short-term needs; providing support for stress arising from grief and loss, crisis situations, relationship and family issues, and workplace challenges; nutrition-related services; and services for financial and legal advice. . In 2021, we also increased extended health benefits for clinical counselling. In addition, various health and wellness initiatives, including mental health awareness training and access to telehealth services, have been implemented across Teck.

Teck is currently in the process of developing a company-wide Mental Health Policy to further strengthen our existing initiatives.

In response to the mental health impacts of the COVID-19 pandemic, Teck has implemented new and expanded services to help support our people. This includes providing our employees and their families in Canada, the U.S. and Chile with access to telemedicine services via phone, video or mobile health app. Our Canadian employees also have access to Best Doctors Mental Health Navigator, a virtual service that provides plan members with confidential and expert mental health guidance. Users can use these virtual health services to speak with and seek advice from clinicians, including psychologists and psychiatrists, about medical or mental health concerns. See page 82 of the Our People and Culture section for more details.

Community Health and Well-Being Initiatives

As a major producer of copper and zinc, Teck is working to promote best practices in our industry and to help improve the lives of people around the world through initiatives such as our Zinc & Health and Copper & Health programs. Through our initiatives, we are working toward advancing the United Nations Sustainable Development Goal 3: good health and well-being.

Teck is committed to helping solve the global health issue of zinc deficiency through therapeutic zinc, zinc supplementation, food fortification, crop nutrition, awareness and advocacy. Through our Zinc & Health program, we have reached more than 160 million people globally, to date. See more details about the program on our website.

With our Copper & Health program, Teck is building partnerships, raising awareness and improving health outcomes for those most at risk and as we move through our daily lives. See more details about the program on our website.

Human Rights

Pictured above: Employee at the Quebrada Blanca Phase 2 project, Chile.

Human Rights

Through 2021, the ongoing COVID-19 crisis has highlighted economic and social inequalities — and, in some regions, inadequate health and social protection systems — requiring urgent attention.[30] There is a significant amount of emerging national and regional legislation requiring companies to disclose that they identify, prevent and mitigate impacts on human rights, and to indicate how they address potential impacts on human rights.

Issues such as discrimination and racism are at the forefront of social consciousness, with corporations and other global organizations renewing their commitments to address social issues.31 The most salient human rights issues commanding corporate attention in the mining sector are health, safety and well-being, modern slavery and child labour[32].

Organizations such as the International Council of Mining and Metals (ICMM) are fully supportive of the United Nations Guiding Principles (UNGPs) on Business and Human Rights (UNGPs) and were involved in the consultations that led to their development. Teck is supportive of ensuring these voluntary measures are integrated into business activities, including in social and environmental management, health and safety, supply chain security and human resources.

We are committed to respecting and observing all human rights, as articulated in the Universal Declaration of Human Rights; the International Covenant on Civil and Political Rights; the International Covenant on Economic, Social and Cultural Rights; and the International Labour Organization (ILO) Core Conventions.

Our reporting aligns with the UNGPs in providing information on how our activities may affect human rights and how issues with human rights aspects are being addressed. Teck's human rights performance ranks above the extractive industry average in performance on the Corporate Human Rights Benchmark (CHRB). This benchmark against the UNGPs will help guide us in continual improvement of our practices and disclosure.

GRI Indicators and Topic Boundary

412-103, 412-1, 412-2

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

How Does Teck Manage This Topic?

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

[30] COVID-19 and Human Rights: We are all in this together. United Nations. 2020. [31] The State of the World's Human Rights. Amnesty International Report. 2020/2021.
[32] Workforce Disclosure in 2020: Trends and Insights. Workforce Disclosure Initiative. 2020.

2021 Highlights

26 supplier due diligence checks that included human rights

Completed an **update to the company's human rights requirements** in the Teck Social Performance Standard

Our Performance in Human Rights in 2021

Embedding Human Rights

We manage the potential and actual human rights impacts across our business, in areas such as health and safety, security and risk, human resources, contracts and procurement, and community relations. Teck is focused on ensuring that human rights are integrated into our broader business practices.

Our Human Rights Policy, which commits to respecting human rights contained in the International Bill of Human Rights and the ILO Core Conventions, is recognized and applied across the company. This commitment extends to Teck's broader supply chain through our Expectations for Suppliers and Contractors.

Training for Security Personnel

Where we have security personnel, contracts with security service providers require adherence to the Voluntary Principles on Security and Human Rights. Training for security personnel is completed annually and is overseen on a regular basis by Teck's Risk Group. Training also occurs if and when security service providers are replaced or restructured at our operations. Due to COVID-19 travel restrictions, site reviews regarding security and human rights were not conducted in 2021 in person, but were discussed virtually with sites as part of ongoing business activities.

Artisanal and Small-Scale Mining

We regularly monitor our sites for the potential presence of artisanal or small-scale miners on or adjacent to our operations. Our approach focuses on the improvement of health, safety and the environment as well as on the community impacts of small-scale mining extraction. These efforts help strengthen the livelihoods of these miners by providing guidance on occupational safety and best practices, in collaboration with governments. In 2021, artisanal mining took place adjacent to two of our operations in Chile, Carmen de Andacollo and Quebrada Blanca, and the Zafranal project in Peru.

Resettlement Activities and Related Impacts

Although Teck's requirement for resettlement has been minimal, we recognize that it is a complex process, requiring thoughtful consideration and management. When it is necessary, Teck conducts resettlement in compliance with accepted international standards. We also conduct socio-economic and environmental impact assessments, and provide guidance on engaging with those people affected by the project to ensure biodiversity-related impacts are minimized. In 2021, while no involuntary resettlements took place at any of our sites or operations, voluntary economic resettlement took place at our Zafranal project.

Industry Collaboration

We play an active role in working with our industry sector partners in identifying and sharing best practices in human rights. In 2021, we were actively involved in the Mining Association of Canada's International Social Responsibility Committee, the Corporate Human Rights Benchmark Methodology Review, and the London Bullion Market Association (Silver) and London Metal Exchange Responsible Sourcing requirements as they relate to child labour and forced labour.

Salient Human Rights Issues

As guided by the UNGPs, we determine and report on our most significant or salient human rights issues. A company's salient human rights issues are those human rights that are most at risk of being negatively impacted as a result of the company's activities or business relationships.

We proactively identify areas of highest human rights risk so we can prevent adverse impacts from occurring, and we conduct human rights assessments at our operations. Last year, we undertook our biennial corporate human rights reviews at every operation with more than five years of anticipated mine life to identify Teck's most salient human rights issues. The results of the human rights risk assessments inform Teck's overall salient human rights issues; the results also identify potential risk areas to integrate into ongoing risk assessments and management activities at individual sites.

We are currently in the process of updating Teck's Social Performance Standard that includes human rights requirements, which will be released in 2022.

Table 22: Human Rights Issues That are Salient to Teck[1]

Salient Human Rights	Relevant Rights Holders	Activities in 2021 Relevant to Human Rights
Right to life[2]	Employees, contractors and subcontractors, communities	Health and Safety (pages 56–65)
Right to safe and healthy working conditions[3]	Employees, contractors and subcontractors	Our People and Culture (pages 71–82)
Right to freedom of association, assembly and collective bargaining[4]	Employees, contractors and subcontractors, suppliers, joint venture partners	Supply Chain Management (pages 109–113) Business Ethics (pages 102–108)
Right to not be subjected to slavery, servitude or forced labour (specific to supply chains)[5]	Contractors and subcontractors, suppliers, joint venture partners	Supply Chain Management (pages 109–113) Business Ethics (pages 102–108) Health and Safety (pages 56–65)
Right to non-discrimination in employment/occupation[6]	Employees, contractors and subcontractors	Supply Chain Management (pages 109–113) Business Ethics (pages 102–108) Our People and Culture (pages 71–82)
Right to adequate standard of living[7]	Employees, contractors and subcontractors	Supply Chain Management (pages 109–113)
Right to clean water and sanitation[8]	Employees, contractors and subcontractors, communities	Relationships with Communities (pages 83–94) Water Stewardship (pages 47–55) Tailings Management (pages 40–46) Air Quality (pages 10–15)
Right to health[9]	Employees, contractors and subcontractors, communities	Relationships with Communities (pages 83–94) Water Stewardship (pages 47–55) Tailings Management (pages 40–46) Air Quality (pages 10–15)
Right to land[10] Right to self-determination[2] Right to enjoy just and favourable conditions of work[11] Right to take part in cultural life[6]	Communities, Indigenous Peoples, vulnerable groups	Relationships with Communities (pages 83–94) Relationships with Indigenous Peoples (pages 95–101) Biodiversity and Reclamation (pages 16–21)

(1) In addition to the protection of all human rights, Indigenous Peoples also hold a unique set of group rights called Indigenous rights.
(2) The Universal Declaration of Human Rights (UDHR), International Covenant on Civil and Political Rights (ICCPR).
(3) International Covenant on Economic, Social and Cultural Rights (ICESCR).
(4) UDHR, ICCPR, ICESCR, International Labour Organization Core Conventions (ILO).
(5) UDHR, ICCPR, ILO.
(6) UDHR, ICCPR, ICESCR, International Labour Organization Core Conventions (ILO).
(7) UDHR, ICESCR.
(8) Resolution A/RES/64/292. UN General Assembly, July 2010, Resolution A/RES/70/169, UN General Assembly, December 2015.
(9) ICESCR.
(10) UDHR (privacy and property). ICCPR (no forced eviction). ICESCR (no forced eviction).
(11) UDHR, ICESCR.

Resolving Human Rights-Related Feedback and Incidents

A consistent and rigorous approach to grievances and incidents is not only fundamental to ensure strong management of human rights overall, but also ensures that any issues with actual or potential human rights implications are identified and acted upon. If issues or new risks are identified, they are brought to the attention of senior leadership through our HSEC Risk Management Committee and our Board's Safety and Sustainability Committee.

Except as set out below, there was no significant feedback received in 2021 through Teck's *Doing What's Right* hotline or community feedback mechanisms where the complainant specifically referenced a concern for their human rights. However, feedback was received on topics that are relevant to human rights, including water, livelihoods and safe and just working environments. In all cases, acknowledgement of the complaint was provided, as well as effort to remedy within a time-bound process. Teck reported one significant dispute for the year associated with Indigenous rights, as outlined in the Relationships with Communities section on page 90.

We did receive a number of employee complaints alleging human rights infringement in connection with our mandatory vaccination requirement for employees in our corporate offices in North America. Our policy in that regard provides for exemptions based on bona fide religious belief and medical grounds, and we do not believe that it infringes on human rights.

The public opinion surveys that we conduct annually with people living near our Elk Valley, Highland Valley Copper, Red Dog and Trail operations provide insight on the issues that communities care about most, including those related to human rights. The data obtained is used to guide improvements in our performance and inform our planning processes. No issues related to human rights were identified during the 2021 survey.

More detail on the above instances of feedback, significant disputes and relevant incidents, as well as details of our public opinion surveys, are discussed in the Relationships with Communities section on page 83.

COVID-19

Throughout the pandemic, Teck has remained committed to respecting human rights, with a focus on the right to life, the right to health, and the right to safe and healthy working conditions. We continue to apply our company-wide policies and commitments set out in our Code of Sustainable Conduct, Code of Ethics, Health and Safety Policy, and Human Rights Policy.

Through 2021, we continued to provide COVID-19 support to our employees, suppliers and surrounding communities. This included direct funding through our COVID-19 Response Fund, helping ensure that essential services and support are maintained for our communities.

Learn more about our COVID-19 response in the Health and Safety section (page 64), Our People and Culture section (page 82), Relationships with Communities section (page 93), and on our website.

Case Study: Safeguarding the Human Rights of Vulnerable Migrant Communities in Chile

As a global mining company and an adopter of the United Nations Guiding Principles (UNGPs) on Business and Human Rights, Teck is committed to respecting the rights of our employees, the communities in which we are active, and others affected by our activities. This includes respecting the human rights of vulnerable groups such as migrants and refugees.

Immigration to Chile from neighbouring countries has been rising steadily for decades, with the situation being exacerbated by the COVID-19 pandemic and by border closures in 2020. Many new immigrants live in dire conditions with no means to meet their basic needs.

In the Tarapacá Region, where our Quebrada Blanca Phase 2 project is located, immigrants make up over 10% of the population. In 2020, Teck partnered with *Fundación Servicio Jesuita a Migrantes* (SJM Chile) to provide humanitarian aid to migrant and refugee families in the region, with a special focus on pregnant women and children. Through this partnership, Teck is supporting over 1,900 migrant families with aid to meet basic needs, generating awareness and guidance on safeguarding their rights, and providing livelihood support where possible. Read the full case study at teck.com/news/stories.

Our People and Culture

Pictured above: Employee at Line Creek Operations, Canada.

Our People and Culture

While organizations were focusing on well-being and flexible working arrangements well before COVID-19, the workplace change caused by the pandemic has driven companies to fast-track the implementation of such policies and programs. The pandemic has also accelerated the creation of "super teams" in which people, combined with technology to leverage their capabilities, create groundbreaking improvements within organizations.[33]

The mining industry has the chance to seize the opportunity that COVID-19 has created to adjust business and operating models through decentralizing work, strengthening diversity and cultural change, and challenging the status quo in terms of the mining workplace of the future.[33]

At Teck, we know that supporting a diverse, safe and engaged workforce is foundational to our business. Throughout the pandemic, we have remained focused on operating safely and on responsibly maintaining employment and economic activity to the extent possible during this time. 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 an equitable, diverse and inclusive workplace. For example, as of 2021, women made up 21% of Teck's total workforce, compared to 20% in 2020, and 25% 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.

GRI Indicators and Topic Boundary

102-8, 102-41, 202-103, 202-1, 401-103, 401-1, 402-1, 404-103, 404-1, 404-2, 404-3, 405-103, 405-1, 405-2, 406-103, 406-1, G4-MM4

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 employees and communities.

How Does Teck Manage This Topic?

Information about how we manage matters related to our workforce, to our culture and to equity, diversity and inclusion, including relevant policies, management practices and systems, is available for download on our website.

[33] Tracking the trends 2021: Advancing the future of work. Deloitte. 2021.

2021 Highlights

Focused on strengthening diversity, with women making up **30%** of new hires in 2021; women now comprise **21%** of our total workforce, **29%** of senior management[34] and **25%** of the Board of Directors

$1.8 billion paid to employees in wages and benefits

Named one of **Forbes World's Best Employers 2021**

Named one of **Canada's Top 100 Employers** for the fifth consecutive year

Our Performance Related to Our People and Culture in 2021

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 equity, diversity and inclusion in our workplace, 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 sustainability strategy and goals for our people.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priority: Foster a workplace where everyone is included, valued and equipped for today and the future		
Goal: Increase the percentage of women working at Teck — including women in leadership positions — and advance inclusion and diversity initiatives across the company by 2025.	On track	There were 2,385 women working at Teck at the end of 2021, which represents 21% of the total workforce. In addition, 30% of total new hires in 2021 were women.
Goal: 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.	On track	319 leaders completed one of our four leadership development programs. $36 million invested in training and development.
Goal: Expand employee engagement opportunities, including employee-driven community initiatives and a company-wide feedback program, by 2025.	On track	Established baselines for inclusion and engagement based on the results of the company-wide Inclusion and Engagement Survey conducted in 2020. All operations continue to action improvement plans. Going forward, the survey will be conducted every two years and will serve as a key feedback mechanism for all regular and fixed-term employees. Provided $110,000 in match funding through the Team Teck Community Giving program, which offers our employees the opportunity to amplify their donations to causes that they care about.

[34] See page 80 for the definition of senior management.

Performance Metrics

Indicator
% of female employees

Target
Increase % of female employees

2021:	21% female employees
2020:	20% female employees
2019:	20% female employees

Indicator
% of female employees in leadership positions[1]

Target
Increase % of female employees in leadership positions

2021:	29% female employees in leadership positions
2020:	20% female employees in leadership positions
2019:	19% female employees in leadership positions

Indicator
% of total employee turnover

Target
Keep total employee turnover under 10% each year

2021:	8% total turnover
2020:	10% total turnover
2019:	10% total turnover

Indicator
Annual investment spend on training

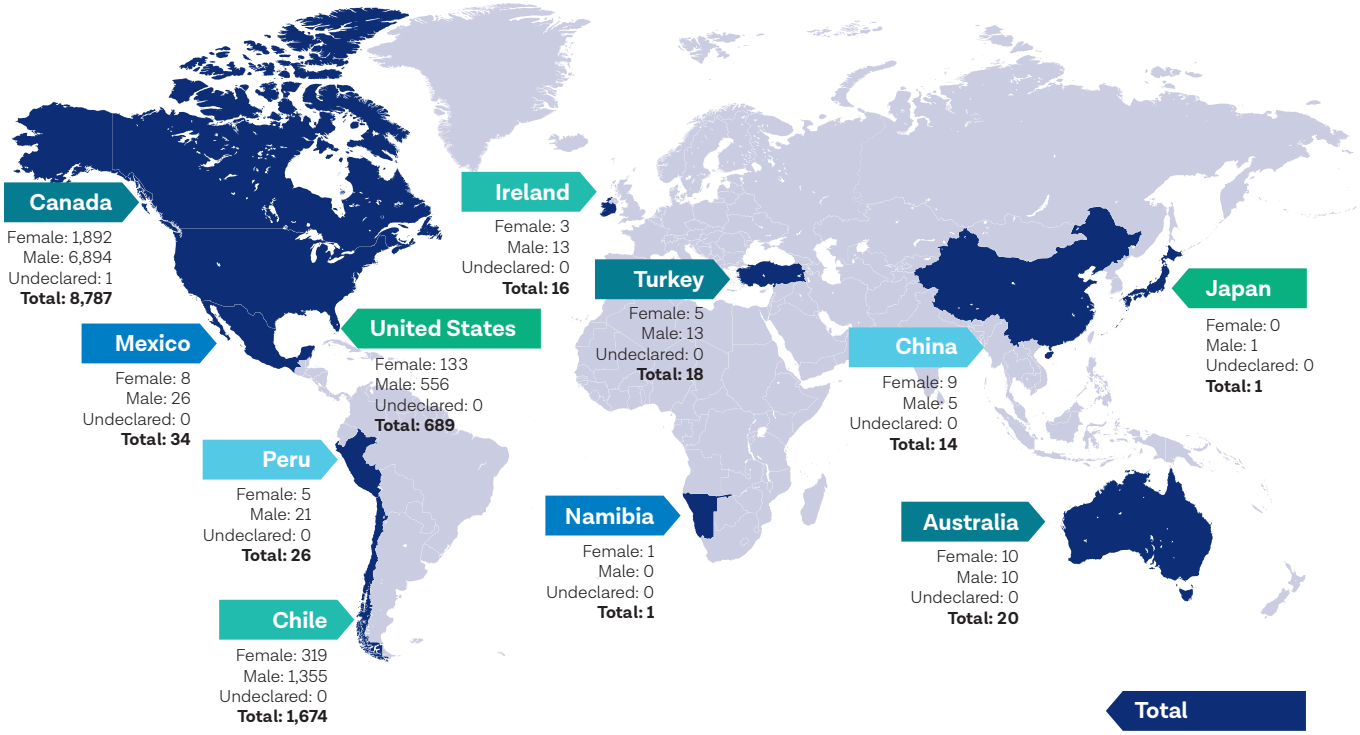
2021:	$36 million
2020:	$34 million
2019:	$48 million

(1) Leadership positions refers to Teck's larger senior management team, including each officer of Teck, but does not include the Chair or Vice Chair of the Board of Directors.

Global Workforce Demographic

At the end of 2021, there were 11,280 employees, temporary and permanent, working at Teck operations and offices.

Figure 20: Global Workforce in 2021[1]



(1) Information related to gender is based on self-declaration.

Figure 21: Global Workforce by Employment Level

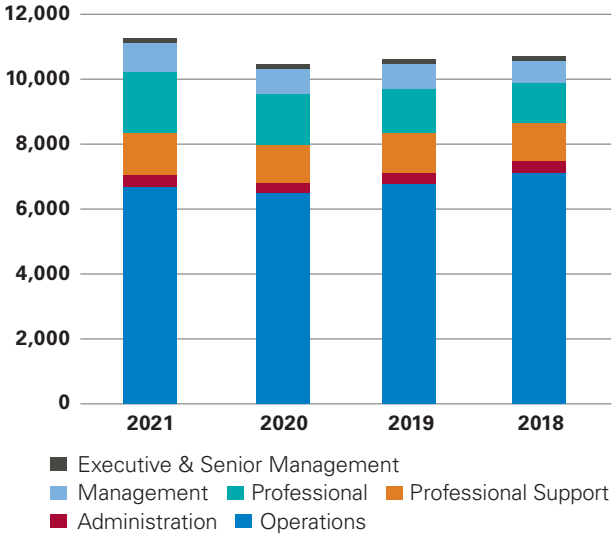
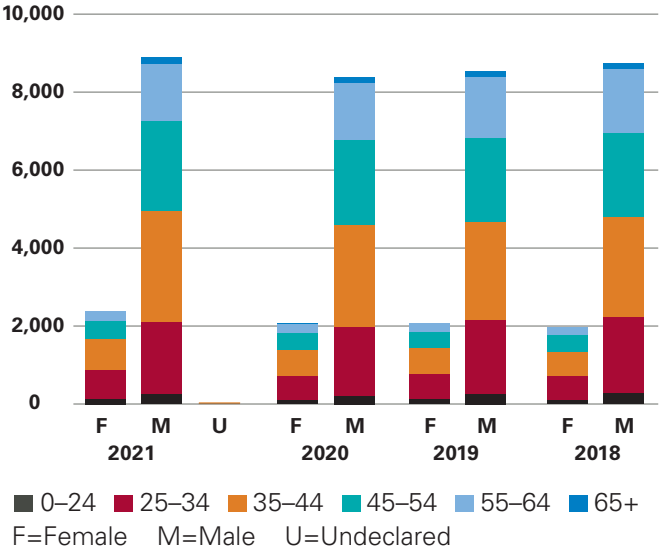


Figure 22: Global Workforce by Age and Gender[1]



(1) Information related to gender is based on self-declaration.

Labour Relations

In total, 51% of our workforce was unionized in 2021.[35] Table 23 presents a list of collective bargaining agreements covering unionized employees at our principal operations (including Antamina). In 2021, we reached new collective agreements with the United Steelworkers at our Fording River Operations, Elkview Operations and Coal Mountain mine, and with our three unions at Quebrada Blanca Operations. In 2021, Antamina reached an agreement with their union SUTRACOMASA. In early 2022, we reached a new collective agreement with the United Steelworkers at our Highland Valley Copper Operations. No strikes or lockouts took place in 2021.

Teck continued to work closely with our employees, unions and contractors to implement comprehensive preventive measures in response to COVID-19 to safeguard our employees and to support community efforts to limit transmission.

Table 23: List of Collective Agreements

Operation	Expiry Dates
Antamina	**July 31, 2024**
Cardinal River	**June 30, 2022**
Carmen de Andacollo	**September 30, 2022 (Operators' Union)** **December 31, 2022 (Supervisors' Union)**
Coal Mountain	**December 31, 2026**
Elkview	**October 31, 2026**
Fording River	**April 30, 2027**
Highland Valley Copper	**September 30, 2026**
Line Creek	**May 31, 2024**
Quebrada Blanca	**January 31, 2025 (Union Admin)** **November 30, 2025 (Union 1)** **March 31, 2025 (Union 2)**
Trail	**May 31, 2022**

[35] Does not include joint-venture workforce numbers.

Talent Attraction

Teck undertook a number of activities in 2021 to enhance our talent pipeline. We expanded our online Careers portal to provide more information to prospective employees, and added a student-focused section to support recruitment for the Co-Op program. In 2021, Teck's Co-Op program attracted a record number of applicants. The 'Beyond Work Program' for co-op students supports their education and development through virtual fireside chats, video contests related to student experiences at Teck, and other events. We also continued to conduct virtual recruitment events, such as Teck's virtual Campus Coffee Conversations program for students from post-secondary institutions across Canada, and we attended virtual recruitment events hosted by the International Council on Mining and Metals (ICMM) and the Prospectors & Developers Association of Canada (PDAC). These and other activities help ensure Teck attracts top talent and a sufficient volume of applications to fill vacancies, with a focus on professionals-in-training such as engineers and geoscientists.

Table 24: New Hires by Age Group, Country and Gender in 2021[1]

	Country	Under 30 years	30 to 50 years	Over 50 Years	Total
Female	Canada	233	210	31	474
	Chile	47	94	2	143
	United States	38	17	2	57
	Mexico	4	2	0	6
	Australia	0	3	1	4
	Turkey	2	1	0	3
	Female Total	**324**	**327**	**36**	**687**
Male	Canada	481	531	110	1,122
	Chile	31	215	33	279
	United States	54	98	28	180
	Mexico	4	14	3	21
	Turkey	2	2	0	4
	Australia	0	2	1	3
	Peru	0	3	0	3
	Ireland	0	2	0	2
	Male Total	**572**	**867**	**175**	**1,614**
	Grand Total	**896**	**1,194**	**211**	**2,301**

(1) Includes regular, fixed-term and casual employees, and students.

In 2021, 30% of total new hires (687) were women. For a breakdown of new hires by age group and gender, as well as by employment type, see our online 2021 Sustainability Performance Data.

Case Study: Empowering Students Through Teck's Co-Op Program

For over 20 years, Teck has been employing students across our Canadian sites to provide personal and professional growth opportunities through our Co-Op Program. The objective of the program is to provide students with invaluable career-building skills and knowledge while providing an enriched learning experience. A key part of the program is the Student Experience Committee (SEC), a team of students responsible for connecting program participants across our Canadian sites. From financial support to organizing networking events, we are focused on supporting students with career development and practical experience. In recognition of our program, in 2021, Teck was named as one of Canada's Top 100 Employers for Young People, which recognizes companies for their exceptional performance in attracting and training young workers. Read the full case study at teck.com/news/stories.

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 activities related to the further development of employees' skills. These hours, which can include training provided by Teck trainers or by external consultants, include basic compliance training. In 2021, 97% of employees at Teck received training. We are currently in the process of upgrading our learning management system to further streamline and standardize the management and tracking of employee learning.

While some training was deferred or cancelled due to ongoing COVID-19 restrictions, we conducted several programs using an online format, including Leading for the Future and Leading for Excellence, our leadership development programs for supervisors and managers respectively. In partnership with Simon Fraser University, select employees also attended virtual courses for the Graduate Diploma in Business Education and the Executive Master of Business Administration. With the new configuration of our Learning Management System, we were also able to deliver new computer-based training modules on legal compliance, cybersecurity, COVID-19 testing, respectful workplace training and procurement training. Previously, these programs would have been developed, deployed and monitored externally.

Figure 23: Investment Spend on Training

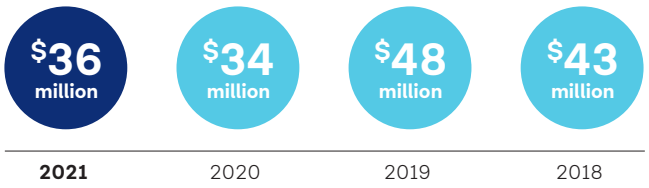


Table 25: Average Hours of Training per Employee

Type	2021		2020	
	Male	Female	Male	Female
Hourly	52	56	68	58
Staff	18	19	24	17
Total	**70**	**75**	**92**	**75**

Employee Turnover

For an overall understanding of workforce dynamics and changes, we track employee turnover, including voluntary resignations, involuntary layoffs and retirements. In 2021, total turnover decreased year over year due to the Cardinal River Operations closure in 2020, and no similar closures in 2021. While turnover due to retirements was similar year over year, voluntary turnover increased due to the convergence of several factors. Industry growth and the shift toward flexible work approaches has resulted in a very competitive market for talent. In response to these shifting expectations, Teck has adjusted our approach to compensation, benefits, development, and work conditions in order to engage and retain our employees. Non-voluntary turnover was lower in 2021 as our cost reduction program was no longer in place.

Table 26: Employee Turnover[1]

	2021	2020	2019	2018
Voluntary Turnover Rate	**6.0%**	5.1%	6.5%	6%
Total Turnover	**8.0%**	10%	10%	8%

(1) Employee turnover data includes regular employees only.

Table 27: Return to Work and Retention Rates after Parental Leave

	2021		2020		2019		2018[4]
	Female	Male	Female	Male	Female	Male	
Number of employees who took parental leave	**66**	**141**	80	177	69	86	134
Number of employees who returned to work after parental leave ended[1]	**42**	**116**	65	162	46	92	124
Number of employees who returned to work after parental leave ended and who were still employed 12 months after their return to work[1]	**80**	**156**	37	81	49	61	N/A
Return to work rate of employees who took parental leave (%)[2]	**63.6%**	**82.3%**	81%	92%	67%	107%	93%
Retention rate of employees who took parental leave (%)[3]	**93%**	**91%**	84%	89%	94%	87%	88%

(1) Includes employees returning from parental leave in the prior reporting period.
(2) 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.
(3) 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.
(4) Gender-disaggregated data was reported starting in 2019 and as such is not available for 2018.

Performance and Development Management (formerly known as Building Strength with People)

Performance and Development Management (formerly known as Building Strength with People — BSWP) is a process by which salaried employees have regular performance reviews, development planning and career conversations with their supervisors. In 2021, 83% of all eligible regular salaried employees, of which 31% were female and 69% were male, completed regular performance and development conversations. 95% of eligible regular salaried female employees and 79% of eligible regular salaried male employees completed regular performance and development conversations in 2021.

As part of the 2020 Engagement and Inclusion survey, we asked employees to share their perceptions on Teck's business strategy, goals and objectives. 90% of our employees provided a favourable rating and indicated that they understand how their work contributes to business objectives, which supports alignment of companywide planning to individual goals.

Leadership Development

Teck's approach to leadership development is primarily focused on four programs: Leading for the Future (LFF), Leading for Excellence (LFX), Leading Together and Emerging Leaders. In 2021, we continued to conduct our training programs in a virtual format to support the development of inclusive leaders in a remote work environment. As such, we delivered nine cohorts of LFF and six cohorts of LFX in 2021.

Outside of these programs, each business unit also provides separate leadership development opportunities. For example, at our Red Dog Operations, the pilot of the Accelerated Leadership Development program successfully concluded in 2021, in which emerging future leaders and NANA shareholders participated in a nine-month development program that includes leadership training, coaching and mentoring. At our Greenhills Operations, a Leadership Practice Cohort was launched, which targeted high-potential leaders (General Supervisors and above) to support ongoing leadership development.

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 teck.com/connect to read the current volume and archived volumes of *Connect*.

Equity, Diversity and Inclusion

In 2021, we continued to work towards building a diverse workforce that includes more women, Indigenous Peoples, persons of colour, persons with disabilities and LGBTQ2S+ community members. We are focusing on a number of initiatives tied to the six areas of our Inclusion and Diversity Plan shown in Table 28 below. For information about Indigenous employment in 2021, see the Relationships with Indigenous Peoples section on page 101.

Our Chilean operations continue to make all necessary efforts to support the Inclusion Law, which supports the inclusion of people with disabilities into the labour force. Our new Santiago offices (Corporate office and Quebrada Blanca Remote Integrated Operations centre) have been designed for independent accessibility.

Table 28: Implementation of the Equity, Diversity and Inclusion Plan

Area of Inclusion and Diversity Plan	2021 Example Activities
1. Develop our people — grow a culture of inclusion that values diversity	Over 800 employees participated in training to broaden their understanding of equity, diversity, inclusion and respect in the workplace. In addition, we conducted training on intercultural agility and inclusive leadership for our Senior Executive Equity, Inclusion and Diversity Committee members.
2. Measure and report	Launched a sustainability-linked revolving credit facility linked to our performance in Teck's sustainability goals, including strengthening gender diversity in our workforce.
3. Attract the right people — strengthen our recruitment practices	Conducted diversity and inclusion training programs for human resources staff in North America to enhance inclusive leadership competencies.
4. Foster a more inclusive culture and increase employee engagement	Launched global campaigns recognizing International Women's Day and LGBTQ2S+ Pride Month.
5. Remove systemic barriers and biases — make processes more inclusive	Enhanced infrastructure to support greater inclusion — increased the number of all-gender washrooms at Canadian locations and provided menstrual products at all sites in Chile.
6. Continue to build our brand as an inclusive and diverse company	In 2022, Teck was named to the 2022 Bloomberg Gender-Equality Index for the fifth straight year.

Case Study: Promoting LGBTQ2S+ Inclusivity at Teck

At Teck, we know that our diversity – the many different and unique things we individually and collectively bring to work each day – contributes to building a stronger workforce and makes us a better company. As such, we consciously work to create an environment that respects and values the diversity of the people and communities around us. We continue to implement multiple initiatives to strengthen our LGBTQ2S+ inclusion at work. This includes partnering with the Canadian Centre for Diversity and Inclusion for training sessions across our operations, recognizing the International Pronouns Day and the International Day Against Homophobia, Transphobia and Biphobia, and undertaking improvements to make our systems and facilities more inclusive for all employees. To date, over 800 employees have attended interactive training sessions as we continue to raise awareness of LGBTQ2S+ diversity and inclusion. Read the full case study at teck.com/news/stories.

Representation of Women at Teck

There were 2,385 women working at Teck at the end of 2021, which represents 21% of the total workforce, compared to 20% in 2020. In addition, 30% of total new hires (687) in 2021 were women. At the end of 2021, women represented 30% of Independent Board Members and held 25% of Board leadership positions (Chair of Board/Board Committee). See our 2021 Sustainability Performance Data for more details on the diversity of Governance Bodies.

Table 29: Women in Leadership and Technical Positions Category

	2021	2020	2019	2018
Board of Directors	**25%**	25%	31%	25%
Senior Management[1]	**29%**	20%	19%	20%
Management	**20%**	19%	18%	18%
Operational or Technical Positions	**15%**	13%	13%	12%
Of the Operational or Technical Positions, the % in Leadership Positions	**8%**	7%	7%	7%

(1) Senior management includes leadership and officers at Teck, but does not include the Board of Directors.

Remuneration at Teck

Teck is committed to providing a fair living wage to all employees at our operations. For our hourly employees, see Table 29 for the ratios of entry level wage compared to local minimum wage by gender.

Table 30: Entry Level Wage Compared to Local Minimum Wage[1],[2]

	2021		2020		2019	
Countries	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
Canada	**2.3 : 1**	**2.3 : 1**	2.3 : 1	2.3 : 1	2.4 : 1	2.4 : 1
United States	**2.2 : 1**	**2.2 : 1**	2.2 : 1	2.2 : 1	2.2 : 1	2.2 : 1
Chile[3]	**2.0 : 1**	**2.0 : 1**	1.9 : 1	1.9 : 1	2.4 : 1	2.4 : 1

(1) For Canada, Teck wages are compared against the B.C. minimum wage. For United States, Teck wages are compared against the Alaska minimum wage. In Chile, they are compared against the national minimum wage.
(2) The figures represented in this table are for hourly employees, and do not include contractors.
(3) The figures representing Chile are for the lowest paid operations role, as Chilean operations do not have hourly employees.

In 2021, we continued to conduct a living wage review for all our salaried employees in Canada, the U.S. and Chile, where our operations are located. The review was conducted by comparing the hourly rate of the lowest-paid employee in each jurisdiction to the living wage information available through external data sources.[36]

Our executive compensation programs are designed to attract, motivate, reward and retain highly qualified and experienced executives. We believe that the design of our executive compensation programs and policies is fully aligned with our short- and long-term operational, safety and sustainability objectives, and long-term shareholder value creation. Following best practices for transparent compensation disclosure, we report on executive pay ratios. For every country in which we have operations, we disclose in Table 31 the percentage increase in compensation ratio for both the highest-paid Teck employee in that country and median annual salary changes. In Table 32 we disclose the ratio of pay for the highest-paid employee in that country to the median annual total compensation of all employees.

[36] Due to availability of the data, the following family structures are used: 1. Canada: Two adults (both working) and two children 2. United States: Single adult no children 3. Chile: Single adult no children. The data sources that are used in the review are as follows: U.S. - https://livingwage.mit.edu/; Canada - http://www.livingwagecanada.ca and https://www.ontariolivingwage.ca/living_wage_by_region; Chile https://wageindicator.org/salary/living-wage/chile-living-wage-series-september-2019.

Table 31: 2021 Percentage Increase in Annual Total Compensation Ratio[1],[2]

Country	2021			2020		
	Highest Paid	Median of All Employees[3]	Ratio	Highest Paid	Median of All Employees[3]	Ratio
Canada	8.5%	3.2%	2.7 : 1	25.0%	1.5%	16.6 : 1
Chile	11.2%	2.0%	5.5 : 1	1.5%	1.5%	1.0 : 1
United States	14.8%	2.0%	7.4 : 1	1.7%	1.5%	1.1 : 1

(1) This table presents the ratio of the percentage increase in annual total compensation for the highest-paid individual in each country of significant operation, to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.
(2) Figures reported have been calculated using the target total compensation (i.e., target bonus) and do not include actual bonus payouts.
(3) The median total direct compensation is calculated for all employees, excluding contractors, based on estimates.

Table 32: 2021 Annual Total Compensation Ratio[1],[2]

Country	Ratio	
	2021	2020
Canada	118 : 1	117 : 1
Chile	15 : 1	27 : 1
United States	6 : 1	7 : 1

(1) This table presents the ratio of the annual total compensation for the highest-paid individual in each country of significant operation, to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.
(2) Figures reported have been calculated using the target total compensation (i.e., target bonus) and does not include actual bonus payouts.

Gender Pay Equity Review

Since 2017, we have conducted 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 the methodology validated by a leading third-party global consultancy. In 2021, 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.

Table 33: Ratio of Basic Salary and Remuneration in 2021

Employee Category	Average Basic Salary (Female:Male)	Average Remuneration (Female:Male)
Canada[1]		
Executive & Senior Management	0.9 : 1	0.7 : 1
Management	1 : 1	1 : 1
Professional	0.9 : 1	0.9 : 1
Professional Support	0.8 : 1	0.8 : 1
Administration	0.9 : 1	0.9 : 1
Hourly/Operators	0.9 : 1	0.9 : 1
United States		
Executive & Senior Management	n/a	n/a
Management	0.9 : 1	0.9 : 1
Professional	1 : 1	1 : 1
Professional Support	0.8 : 1	0.8 : 1
Administration	1.2 : 1	1.2 : 1
Hourly/Operators	0.8 : 1	0.8 : 1
Chile		
Executive & Senior Management	1 : 1	1.4 : 1.1
Management	0.9 : 1	0.9 : 1
Professional	0.9 : 1	0.9 : 1
Professional Support	1.1 : 1	1 : 1
Administration	1.1 : 1	1 : 1
Operators	1 : 1	0.9 : 1

(1) Includes CEO.

Employee Feedback and Grievances

In 2021, we dealt with individual reports of harassment through our human resources procedures and received five allegations of discrimination through our whistle-blower hotline (the *Doing What's Right* hotline, which is available in the languages of all 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 and in one case have taken action in respect of individuals who participated in retaliation against an individual who made a claim.

Our Response to COVID-19

We are focused on operating safely and responsibly, and on maintaining employment and economic activity to the extent possible during the COVID-19 pandemic. We provide regular updates to employees on preventive measures, COVID-19 symptoms, protecting themselves and others, and how to self-assess before coming to work. See page 64 of the Health and Safety section for more details on preventive measures implemented across our offices and operations.

Sick Leave

To support and encourage our employees in getting vaccinated for COVID-19, Teck provided the equivalent of one additional day of paid leave for all staff and hourly employees who receive a COVID-19 vaccination.

Workplace Flexibility

Along with our existing family-friendly policies and programs, we developed a FlexWork@Teck program that was launched in 2021 across Teck's corporate offices and operations. This program is designed to provide employees with flexibility to better balance work and personal demands, while at the same time ensuring that objectives, team requirements and business needs continue to be met. This can include hybrid remote and in-office work, and more flexible working hours. Employees and supervisors can mutually agree to flexible arrangements in accordance with general rules governing the program.

Supporting Well-Being

Our Employee Family Assistance Program (EFAP) is available for all employees and their dependents globally to support overall wellness, including mental health. This benefit will remain in place beyond the current pandemic period. We also provide telehealth services in the U.S., Canada and Chile, where the vast majority of our employees are located. This includes programs and services focused on mental health to provide additional guidance for employees and their families (including parents and in-laws).

We continue to raise awareness on mental health through mental wellness webinars, which were recorded and made available for employees and their families to access.

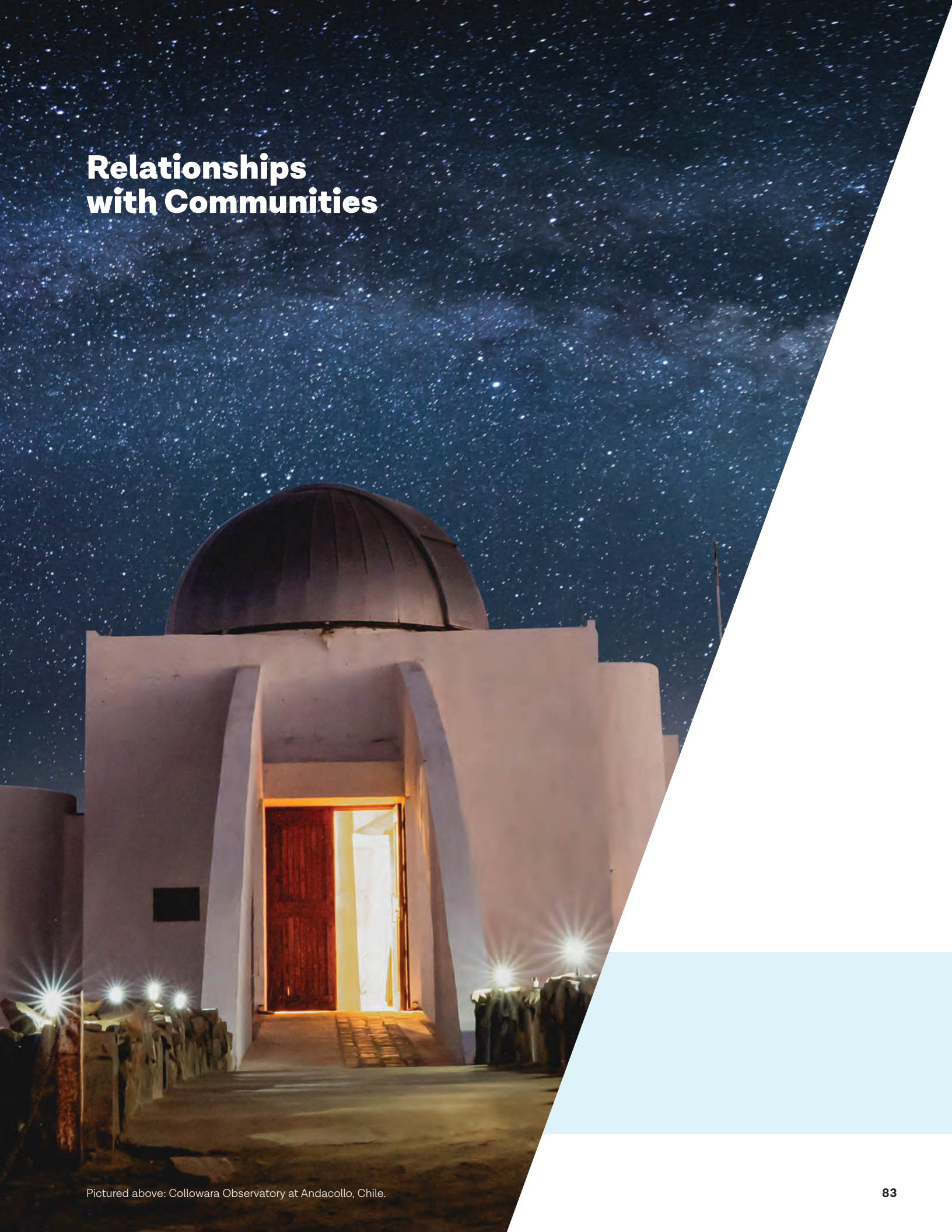
Employee Engagement

Our Doing What's Right program provides a confidential and secure means for our employees to anonymously report concerns about conduct that may be contrary to our values and standards, including concerns regarding our COVID-19 response. The program is managed by a third party and prohibits retaliation in relation to Code of Ethics reports made in good faith.

We provide regular updates to employees and ensure that information on COVID-19 protocols and prevention is readily available. Our safety leadership campaign, *Stopping the Spread – It Starts with Me*, highlights employees speaking about what they are doing to stop the spread, to help strengthen the culture of prevention across our sites.

In 2021, employees across Teck supported several initiatives related to the COVID-19 response. These donations were amplified through the Team Teck Community Giving program — our donation matching program. See more details on page 94 of the Relationships with Communities section.

Relationships with Communities



Pictured above: Collowara Observatory at Andacollo, Chile.

Relationships with Communities

Maintaining community support to operate remains the number one identified risk for the mining industry for a second year in a row.[37] The pandemic highlighted the need for companies to focus on wider social well-being and value creation through better engagement with communities.[38] In 2021, Teck refreshed our purpose statement and values to reflect these global shifts, and we made efforts to build stronger relationships with our communities in line with our values.

Mining can contribute positively to communities, but also has the potential for negative impacts. In recognition of these impacts and opportunities, the International Council on Mining and Metals (ICMM) established stakeholder engagement as one of its 10 Principles. ICMM member companies are expected to work to mitigate negative impacts and to maximize positive impacts, including local hiring, local procurement and community investment, which can help to stimulate local economies and remove barriers to local development.

At Teck, we are focused on community engagement as one of our core social management areas. 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. In 2021, we focused on delivering benefits and supporting communities through the COVID-19 pandemic as part of our work to build and maintain strong relationships with communities and other stakeholders. 69% of our employees were from local communities and 29% of our total procurement was with local suppliers. As part of our annual community investment contribution, we allocated the remainder of our $20 million COVID-19 response fund committed in 2020 to support community organizations.

GRI Indicators and Topic Boundary

102-33, 102-34, 201-103, 201-1, 202-2, 203-103, 203-1, 203-2, 204-1, 205-1, 413-103, 413-1, 413-2, 419-1, 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.

[37] Top 10 business risks and opportunities for mining and metals in 2021. EY. 2021. [37] Mine 2021. PwC. 2021.

2021 Highlights

$23.9 million in community investment

69% of total local employment

29% of total procurement was with local suppliers

Our Performance in Relationships with Communities in 2021

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 sustainability strategy and goals for relationships with communities.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priority: Collaborate with communities and Indigenous Peoples to generate economic benefits, advance reconciliation efforts and improve community well-being		
Goal: Increase local employment and procurement opportunities by 2025 to deliver direct economic benefits to communities.	On track	Conducted a performance review of current practices and the progress of each operation towards meeting the goal. Best practice will be shared across Teck, and gaps will be addressed.
Goal: 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.	On track	Provided a total investment of $23.9 million to local, regional, national and global programs supporting positive social, economic and environmental outcomes. This includes: • $5.75 million specifically to our Copper & Health program • $9.25 million dedicated to urgent programs in response to COVID-19 impacts

Performance Metrics

Indicator

# of significant community disputes[1] at our operations

Target

Zero significant community disputes at our operations

2021:	1
2020:	1
2019:	3

Indicator

Procurement spend on local suppliers

Target

Increase procurement spend with local suppliers, relative to total spend on procurement[2]

2021:	29%
2020:	24%
2019:	36%

Indicator

Average % of local employment[3] at operations

Target

Increase % of local employment at operations, relative to total employment

2021:	69%
2020:	72%
2019:	72%

Indicator

Amount of funds disbursed through community investment

Target

At least 1% of our average annual earnings before tax (EBT) during the preceding five-year period

2021:	$23.9 million (1.26%)
2020:	$19 million (0.97%)
2019:	$19 million (1.17%)

(1) In 2021, the definition of "significant disputes" was refined to match severity thresholds for HSEC incident reporting. Accordingly, the results may not be comparable to previous years' reporting. See page 90 for the revised definition.
(2) See page 112 for total spend on procurement.
(3) Estimate based on Teck's human resources reported data.

Teck's SMART Framework

Teck's SMART Framework is supported by guidance and toolkits that enable consistent and quality management of key social practices at sites. To improve social risk management and risk communication, in 2021 all operational risk registers were reviewed to assess whether social risks had been appropriately identified and managed. Identified gaps will be addressed in 2022. We continued to focus on providing support for our community relations practitioners, both corporately and at sites. This included virtual dialogue training programs in 2021 that help community practitioners focus on building relationships and trust.

Engagement on Actual or Potential Impacts

Guided by our Health, Safety, Environment and Community (HSEC) Management Standards and our SMART Framework, we require all nine of our operations, all seven of our development projects, both 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 section on page 114 of this report.

Our approach to engagement continued to evolve as a result of COVID-19. We used a hybrid model of both virtual and in-person engagement methods, and we supported community efforts to manage COVID-19 through dedicated funding from our COVID-19 Response Fund.

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 2021 and major engagements undertaken are discussed in Table 34. See pages 6–7 for a list of key engagement topics with stakeholders and Indigenous Peoples identified and managed in 2021.

Table 34: Selected Major Engagement Activities in 2021

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	Engaged with community members, government and Indigenous Peoples near the operation on planning for closure.
Environmental/Socio-Economic: livelihoods and community health	Carmen de Andacollo Operations	Engaged with community members and local government to address concerns with respect to blasting, including odours, dust, noise and vibration from mining activities, Engagement also included discussions on water scarcity.
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 the Fording River Extension project and 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 the operation on the advancement of environmental approvals to extend the life of the existing mine, implementation of agreements, procurement and closure planning.
Socio-Economic/Community: livelihoods, employee rights	Pend Oreille	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 on the continuity of joint water quality and dust management and local agricultural development programs through COVID-19.
Socio-Economic/Community/ Environmental: livelihoods, cultural use and subsistence, community health, water quality	Red Dog Operations	Engaged with Indigenous Peoples and government on water quality and activities associated with mine life extensions.
Environmental/Community: community health, livelihoods	Trail Operations	Engaged with community members and government on the long-term sustainability of Trail Operations, including climate change goals, noise reduction, urban materials recovery, employment and training, diversity and inclusion, community investment and our continued response to the COVID-19 pandemic.
Socio-Economic/Community: livelihoods, subsistence, community well-being	Quebrada Blanca Phase 2 project	Engaged with community members on livelihood, traffic and dust impacts related to project construction.

Table 34: Selected Major Engagement Activities in 2021 (continued)

Actual or Potential Impacts on Communities from Our Activities	Sites and Projects	Major Engagement Activities
Environmental/Socio-Economic/ Community: access to land and water, livelihoods	Zafranal project	Engaged with stakeholders on project awareness, social and environmental impact assessment results, and socio-economic opportunities; engaged with informal miners to conclude agreement, voluntary relocation, and livelihood restoration.
Environmental/Socio-Economic/ Community: cultural use, livelihoods, community well-being	Galore Creek project	Engagement focused on continued implementation of a Participation Agreement with Tahltan Nation; engaged on topics ranging from traditional knowledge to tailings management; and engaged to establish the Ann M. Ball Bursary, a gender-specific program offered to Tahltan women who are emerging leaders.
Socio-Economic/Community: cultural use, access to land and water, livelihoods	San Nicolás project	Continued engagement with local communities on social and environmental baseline studies and project awareness; engaged with Ejido San Nicolás to conclude a 30-year temporary occupation agreement of communal land for the project.
Socio-Economic/Community: cultural use, livelihoods, community well-being	Mesaba project	Engaged with local stakeholders on access road safety, support for emergency response upgrades, and food security programs.
Socio-Economic/Community: cultural use	Schaft Creek project	Engaged Tahltan Nation to update project status and identify and hire Tahltan contractors for the field season.

Technology and Innovation

Teck's Carmen de Andacollo Operations (CdA) is in close proximity to the Andacollo and Rincón del Toro communities. Vibrations resulting from blasting operations have been identified as a key concern by members of the local community. To minimize the impacts on communities and to optimize blasting activities, teams at CdA and our corporate Technology and Innovation team collaboratively created a Vibration Optimization Model (VOM) in 2021. Using a machine learning model that gathers vibration data from four stations located at CdA, VOM has helped to predict vibrations, measured in peak particle velocity (PPV), from the blasts performed, helping us to comply with regulatory limits provided by local governments. Further enhancements to the model are projected in 2022 to improve its performance and to minimize the concerns of local communities.

Understanding our Communities

In 2021, for the fifth consecutive year, Teck conducted public opinion surveys with people living near our Elk Valley, Highland Valley Copper, Red Dog and Trail operations 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 2022 in light of the COVID-19 pandemic.

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 i) a neutral request, ii) positive feedback or iii) negative feedback and is discerned from regular interactions with community members, in that the feedback specifically makes a request or seeks a response from a site. 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 2021, Teck recorded over 11,000 interactions with external stakeholders as a result of our various engagement activities, a more than twofold increase as compared to 2020. Of that number, we received 571 instances of feedback through direct feedback mechanisms established across our sites, compared to 370 in 2020. Feedback levels will vary from year to year for several reasons, including the level of permitting or project activity. As our sites improve their use of feedback mechanisms, we may see an increase in the overall amount of feedback received.

Negative Feedback/Grievances

Negative feedback/grievances include instances where communities of interest have specifically communicated dissatisfaction in or discontent with Teck's actions or activities. This may include claims of negative direct impacts, failure to meet obligations or expectations, or lack of fair treatment or process. Teck uses a risk management consequence matrix from Level 1 to 5 to determine grievance severity, which includes environmental, safety, community, reputational, legal and financial aspects. A grievance becomes a dispute when it cannot be resolved jointly within a two-year period and is reassessed as a Level 4 or 5 severity on the risk management consequence matrix. For the purposes of reporting, all grievances Level 3 and above are disclosed. 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. In 2021, of the total feedback received, 367 items were considered grievances.

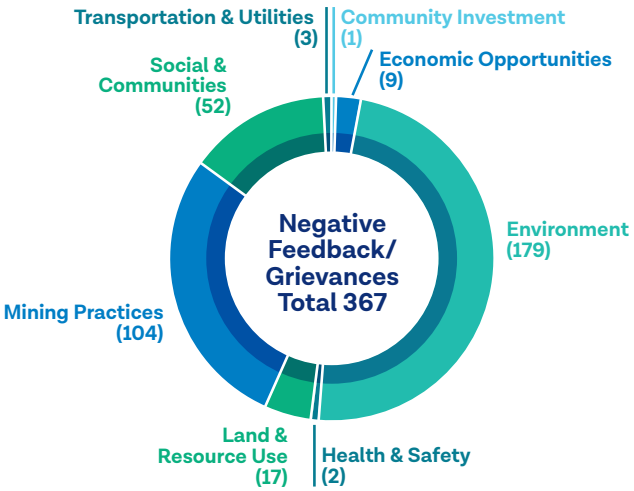
All of Teck's operations have feedback policies that include a response time for acknowledging the feedback and working to resolve feedback. As adopters of the UNGPs, Teck demonstrates our corporate commitment to remedy issues through effective implementation of site-based feedback mechanisms. In line with the UNGPs, 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 our response to reported impacts and inform our engagement strategies. Examples of noted trends and responses in 2021 included:

- **Highland Valley Copper Operations (HVC):** HVC is working with Indigenous communities to address concerns related to governance of the cultural heritage program. Teck has agreed to engage a third party to review the governance of the program; however, some Indigenous communities have expressed concern about a lack of timely progress on that effort. The parties have agreed to meet in 2022 to continue discussions.
- **Red Dog Operations (RDO):** RDO continues to monitor and provide water quality data to Indigenous communities to allay concerns over human health risks. Communities have expressed concern regarding discoloured water in the Wulik River, which is primarily the result of permafrost melting and increasing the quantity of total dissolved solids, due to warming from climate change. Indigenous communities downstream from the mine use the Wulik River for bathing/drinking. To improve water quality, RDO supported the increased operation of water treatment facilities in villages.

  Carmen de Andacollo Operations (CdA): Site received an increase in grievances from residents in the El Toro, Matedoro-El Cobre and Chepiquilla communities with respect to mine blasting activities and associated noise, vibration, odours and dust. The site is undertaking engagement and planning with the community to remedy the grievances, as well as enhanced impact mitigation efforts such as the Vibration Optimization Model (VOM) mentioned in the Technology and Innovation section on page 88.
- **Elk Valley Operations (EVO):** Site received a significant number of grievances related to dust settling on personal property. Teck addressed the concerns by securing contractors to wash houses and window exteriors, decks and garages for concerned residents, in addition to ongoing work at site to minimize dust.
- **Quebrada Blanca Phase 2 (QB2) project:** Site received a significant number of grievances from Caposa community residents with respect to construction and project traffic management on the existing road and highway system, including concerns regarding dust and potential traffic impacts on safety and flora. Additional grievances were filed by community members related to bypass road construction, including vehicles reported as accessing unauthorized areas, dust emissions, potential impacts on flora, and concerns about meeting commitments under agreements. The project continues to implement controls, including dust management plans.

Figure 24: 2021 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 issues that are longer-term (greater than two years) between the company and the potentially impacted community, related to land use, customary and other rights of communities and Indigenous Peoples. Teck uses a risk management consequence matrix (spanning from Level 1 to 5, with 5 being highest) to determine severity, which includes environmental, safety, community, reputational, legal and financial aspects. "Significant disputes" are assessed as Level 4 or 5 severity.[39]

In 2021, Teck sites experienced one significant dispute. A brief description of the significant dispute is as follows:

- **Steelmaking coal operations in the Elk Valley:** Our steelmaking coal operations in the Elk Valley are working with the Ktunaxa Nation Council (KNC) to address ongoing concerns regarding water quality, land disturbance and fish management and the related environmental and cultural effects associated with the long legacy of mining in the Elk Valley. Teck, KNC and the Province of British Columbia continue to meet and efforts to resolve concerns will continue in 2022. See our Water Stewardship section on page 47 for more information on our approach to water quality and compliance.

Table 35: Significant Disputes[1]

	2021	2020	2019	2018
# of significant disputes	**1**	1	3	0

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

We continued to monitor a dispute identified in 2020 (where Teck HVC Corporation was named along with the federal and provincial governments in a Notice of Civil Claim filed by the Pukaist Nation of the Nlaka'pamux Nation) in 2021. We have not identified this as a new dispute in this report, as it is reflected as a 2020 significant dispute. While determination of Aboriginal rights and title in Canada is a matter to be addressed by Indigenous, federal and provincial governments, and we believe that the claim is highly unlikely to affect operations at HVC, Teck recognizes the significant implications of such a claim, and Highland Valley Copper will remain engaged with the claim until it is resolved.

Community Incidents

In 2021, we continued to utilize a community incident reporting system to ensure we capture and respond 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/or real or perceived impacts on 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, relationship and reputational consequences to the company.

Teck reported no community incidents deemed significant during the 2021 reporting year, due to the actual or potential consequences associated with the event.

In addition to the above example, the following moderate incidents were identified and are noted for reporting purposes:

- **CdA:** In the fourth quarter of 2021, the site experienced one temporary blockade of the access road to the mine by some members of the local community citing their frustration with the impacts of blasting. Noise, vibration and air quality measurements did not exceed regulated limits during the blast on the day of the blockade. The blockade was relatively brief, and planning is being undertaken with community members to address the issues raised.
- **QB2:** In the second quarter of 2021, the project experienced one temporary blockade of route A-855 by some members of the local community citing frustration with the condition of the road, impacts of high-voltage towers and hiring commitments. The blockade was relatively brief, and engagement was undertaken with community members through agreements to address issues raised.

[39] In 2021, the definition of "significant dispute" was refined to match severity thresholds for HSEC incident reporting (assessed as Level 4 or 5 and greater than two years). Accordingly, the results may not be comparable to previous years' reporting.

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 2021, we had a profit attributable to shareholders of $2.9 billion or $5.39 per share. This compares with a loss attributable to shareholders of $864 million or $1.62 per share in 2021. See our 2021 Annual Report for more detailed information on our financial performance.

Table 36: 2021 Breakdown of Economic Value Generated and Distributed (millions)

	Economic Value Generated	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	
	Revenues[1]	Operating Costs	Capital Expenditures	Operating Costs	Capital Expenditures					
Canada	$ 10,061	$ 5,207	$ 1,128	$ 1,341	$ 18	$ 371	$ 399	$ 15	$ 8,479	$ 1,582
U.S.	1,851	1,059	112	136	3	10	74	1	1,395	456
Chile	629	322	2,561	93	69	72	52	4	3,173	(2,544)
Peru	1,451	339	141	158	2	3	324	1	968	483
Other	-	17	12	4	-	-	-	3	36	(36)
Inter-segment elimination[2]	(511)	(511)	-	-					(511)	-
Total	**$ 13,481**	**$ 6,433**	**$ 3,954**	**$ 1,732**	**$ 92**	**$ 456**	**$ 849**	**$ 24**	**$ 13,540**	**$ (59)**

(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. Figures have been rounded to the nearest million.

Case Study: Collaborating with Local Communities to Support Initiatives in Andacollo

IIn Andacollo, Chile, Teck sponsors the *Mesa Comunidad Andacollina* Teck (CAT Board), or Andacollo Teck Community Board. The CAT Board was formed to promote dialogue with and participation of the Andacollo community in local development planning. Through the CAT Board, the Andacollo municipality and Teck's Carmen de Andacollo Operations collaborate on sustainable development for the community and surrounding areas. The CAT Board oversees an annual project competition, open to the public and funded by Teck, to identify sustainable development initiatives. Since 2018, Teck has committed annual donations of up to US$1 million to this purpose and funded nearly 90 projects to improve the quality of life for residents within the community. Selected projects in 2021 include initiatives that focus on improving emergency response services, providing greater access to water, and installing photovoltaic systems to provide power to an agricultural community, as well as initiatives supporting sports and culture in Andacollo. Investing in local communities is a part of our commitment to build strong relationships in the regions where we operate. Read the full case study at teck.com/news/stories.

Local Hiring and Procurement

We track the number of local employees and the value of local procurement, as shown in Tables 37 and 38. Local procurement is influenced primarily by the extent of site-level construction and maintenance activity, and 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 2021, our overall average of local employees was 69% of our operational workforce, compared to 72% in 2020; 191 senior management roles were filled by people from the local community.

Table 37: Local Employment in 2021[1],[2],[3]

Operation	Local Employees	Senior Management Roles Filled by Locals
Carmen de Andacollo	279	0
Elkview	638	22
Fording River	704	19
Greenhills	417	20
Highland Valley Copper	1,275	21
Line Creek	388	13
Quebrada Blanca[4]	87	8
Red Dog	344	19
Trail Operations	2,164	69
Total	**6,296**	**191**

Table 38: Percentage of Total Spend with Local Suppliers[1],[2]

Operation	2021	2020	2019	2018
Carmen de Andacollo	**14%**	18%	16%	14%
Steelmaking coal operations in the Elk Valley	**54%**	46%	36%	41%
Highland Valley Copper	**31%**	42%	28%	32%
Quebrada Blanca	**8%**	20%	17%	5%
Red Dog	**68%**	66%	71%	75%
Trail Operations	**35%**	47%	38%	29%
Total	**29%**	24%	36%	33%

(1) Data is not directly comparable between operations, as there are differences in how we define "local" and how we 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.
(3) Senior management is defined as employees at bands 10 or higher.
(4) Does not include employment for QB2 project.

Community Investment

In 2021, our community investment expenditures were $23.9 million in total, which includes $9.25 million specifically dedicated to urgent programs related to COVID-19 as part of the second phase of Teck's $20 million response program. The total expenditures were above the target of 1% of our earnings before taxes on a five-year rolling average basis.

Noteworthy investments in this area were the allocation of the remainder of our $20 million response to COVID-19, including more than $2.5 million to supporting global response such as the UNICEF COVAX global vaccine initiative and our Copper & Health program. Information on our community investment reporting framework is available on our website.

Our Response to COVID-19

Teck is supporting critical social initiatives and increased healthcare capacity, both in areas where we operate and internationally. In 2021, we continued to support local organizations in areas where Teck operates, through the allocation of the remainder of our $20 million community investment fund. Additionally, we increased our commitment to supporting the use of antimicrobial copper in both healthcare and public spaces to reduce the spread of infection and protect human health as part of Teck's Copper & Health program.

Table 39: Community Investment by Site[1]

Operation	2021	2020	2019	2018
Corporate Offices and Projects[2]	**$ 17,725,000**	$ 11,784,000	$ 12,102,000	$ 13,399,000
Carmen de Andacollo	**$ 2,136,000**	$ 2,110,000	$ 2,569,000	$ 2,264,000
Steelmaking coal operations[3]	**$ 1,170,000**	$ 1,421,000	$ 1,038,000	$ 2,134,000
Highland Valley Copper	**$ 515,000**	$ 650,000	$ 501,000	$ 713,000
Pend Oreille	**$ 35,000**	$ 58,000	$ 87,000	$ 20,000
Quebrada Blanca	**$ 960,000**	$ 988,000	$ 1,241,000	$ 1,857,000
Red Dog	**$ 900,000**	$ 996,000	$ 707,000	$ 686,000
Trail Operations	**$ 400,000**	$ 845,000	$ 947,000	$ 326,000
Exploration[4]	**$ 100,000**	$ 201,000	$ 91,000	$ 146,000
Total	**$ 23,941,000**	$ 19,053,000	$ 19,283,000	$ 21,545,000

(1) The numbers represent Teck's portion of ownership (Carmen de Andacollo 90%, Quebrada Blanca 60%, Zafranal 80% and Galore Creek 50%).
(2) Includes Calgary, Santiago, Spokane, Toronto and Vancouver offices as well as resource development projects (Frontier, Galore Creek, Quintette, Zafranal, San Nicolás, Mesaba and Schaft Creek) and all legacy sites. Numbers have been restated to include Duck Pond from 2018 to 2020.
(3) Steelmaking coal operations include Elkview, Greenhills, Fording River and Line Creek operations.
(4) Teck has a global exploration presence. See our website for details.

Case Study: Creating Safer Spaces for Learning: Copper & Health in Education

In 2021, Teck's Copper & Health program partnered with the three largest post-secondary institutions in B.C. to install antimicrobial copper surfaces on campuses ahead of students returning for the fall semester. The installations were completed to help reduce the spread of harmful bacteria on high-touch surfaces, while also increasing awareness of copper's antimicrobial properties and highlighting Teck's involvement in creating safer public spaces. As part of this program, antimicrobial copper patches were installed on high-touch surfaces, including door handles and push bars. Posters, email and social media posts highlighting the use of antimicrobial copper on campus were used to complement the installation and increase awareness among students, faculty, staff and visitors. The installation of copper patches at the British Columbia Institute of Technology was paired with an auditing process to measure results, and the results have been promising, showing that antimicrobial copper is reducing the spread of bacteria and achieving the registered label claims. Copper & Health's far-reaching and impactful education-focused partnerships in 2021 have been met with an impressive response - helping to deepen community connections and engagement. Read the full case study at teck.com/news/stories.

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 2021, employees across Teck supported their communities across several organizations, with a particular commitment to supporting emergency response initiatives to the devastating wildfires and flood impacts across B.C. This includes the Canadian Red Cross and the BC SPCA, with a total of $110,000 provided by Teck in matching funding.

Industry Collaboration

We work with various local, national and international organizations and programs to support improvements in best practices for social management and responsibility across the industry, such as the ICMM, the Mining Association of Canada (MAC) and the Prospectors & Developers Association of Canada (PDAC). In 2021, Teck announced our formal commitment to The Copper Mark, a voluntary assurance framework to promote responsible production practices. See our Materials Stewardship section on page 39 for more information. In 2021, Teck was an active participant in MAC's International Social Responsibility Group, ICMM's Community Support Working Group and Skills Initiative Working Group.

Relationships with Indigenous Peoples

Pictured above: Employee at Red Dog Operations, United States.

Relationships with Indigenous Peoples

The majority of mining industry operations and many development projects are located within, or immediately adjacent to, Indigenous Peoples' traditional territories, making it vital to establish and maintain trust throughout the mining life cycle.

The confirmation of unmarked graves of children at former residential schools across Canada in 2021 also reinforces that collaboration to support reconciliation and to maintain active and respectful engagement with Indigenous Peoples is of the utmost importance.

Teck recognizes and respects the rights, cultures, knowledge, interests and aspirations of Indigenous Peoples, and we are committed to building strong and lasting relationships. We are guided by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the International Labour Organization Convention No. 169 on Indigenous and Tribal Peoples, the International Council on Mining and Metals (ICMM) Position Statement on Indigenous Peoples and Mining, and the Mining Association of Canada's Towards Sustainable Mining (MAC TSM) Indigenous and Community Relationships Protocol. We work to achieve the free, prior and informed consent of Indigenous Peoples for our activities, and we support self-defined community goals that provide lasting benefits.

We focus on the negotiation of mutually beneficial agreements as a foundation for strong and positive relationships, and we have signed 10 new agreements with Indigenous communities in 2021, bringing the total number of agreements to 85. We also continued to support the efforts of Indigenous communities to manage the impacts of COVID-19 through our COVID-19 Response Fund.

GRI Indicators and Topic Boundary

204-103, 411-103, 411-1, G4-MM5, G4-MM6

This topic is considered one of the most material by Indigenous Peoples, regulators and society in the context of all Teck sites located within or adjacent to Indigenous Peoples' territories.

How Does Teck Manage This Topic?

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

2021 Highlights

$267 million spent on Indigenous businesses through procurement

10 new agreements and **85** total agreements with Indigenous Peoples

Our Performance in Relationships with Indigenous Peoples in 2021

Our Targets and Commitments Teck is committed to responsible resource development, and we recognize that building strong relationships with Indigenous Peoples that help us understand each other's perspectives and priorities is fundamental to our success, as outlined in our Indigenous Peoples Policy. The following table summarizes our performance against our sustainability strategy and goals for relationships with Indigenous Peoples.

Sustainability Strategy Goals	Status	Summary of Progress in 2021
Strategic Priority: Collaborate with communities and Indigenous Peoples to generate economic benefits, advance reconciliation efforts and improve community well-being		
Goal: 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.	On track	Continued to implement commitments to employment and procurement at all sites under site-level agreements with Indigenous Peoples. Conducted a review of our cultural awareness training and updated the program with a consistent framework while reflecting the culture, traditions and priorities of local Indigenous communities.
Goal: 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.	On track	Provided a total investment of $23.9 million to local, regional, national and global programs supporting positive social, economic and environmental outcomes. This includes $2.8 million via 96 organizations to support Indigenous Peoples, representing 11.3% of Teck total community investment spend in 2021.

Performance Metrics

Indicator

Procurement spend with Indigenous suppliers

Target

Increase procurement spend with Indigenous suppliers relative to total spend

2021:	$267 million (4%)
2020:	$192 million (3%)
2019:	$225 million (3%)

Indicator

Number of agreements with Indigenous Peoples

Target

Negotiate agreements with Indigenous Peoples affected by our activities

2021:	10 new agreements
2020:	5 new agreements
2019:	14 new agreements

Indicator

Significant disputes[1] relating to land use and the customary rights and other rights of local communities and Indigenous Peoples

Target

Zero significant disputes

2021:	1 significant dispute[2]
2020:	1 significant dispute
2019:	3 significant disputes

(1) In 2021, the definition of "significant disputes" was refined to match severity thresholds for HSEC incident reporting. Accordingly, the results may not be comparable to previous years' reporting. See page 90 for the revised definition.
(2) See page 90 in the Relationships with Communities section for description of disputes.

Recognizing and Respecting the Interests and Rights of Indigenous Peoples

We continue to engage with Indigenous Peoples early in our planning processes and work to achieve their free, prior and informed consent when proposing new or substantially modified projects, as outlined in our Indigenous Peoples Policy. We continued to use both virtual and in-person engagement methods during the COVID-19 pandemic. We also continued to support efforts to manage the urgent community impacts of the pandemic through funding from our community investment fund.

Table 40: Key Engagements with Indigenous Peoples in 2021

Site	Major Activities
Highland Valley Copper Operations	Engaged on the implementation of agreements and the HVC 2040 project with 17 Indigenous communities. This work was impacted by COVID-19, the findings at the Kamloops Residential School, the B.C. wildfires and the B.C. atmospheric river events. Despite the challenging year, advancements were made in the areas of the cultural heritage program, contracting opportunities and employment of agreement-holder membership.
Quebrada Blanca Operations	Engaged on the commitments of RCA 72, including the Livestock Development program with Indigenous communities. Several commitments were suspended due to COVID-19; however, priority projects focused on animal husbandry, including the delivery of fodder, were maintained.
Quebrada Blanca Phase 2 (QB2) project	Supported the implementation of the 12 collaboration agreements in the Andean high sector and coastal edge sector. In addition, the commitments associated with RCA 74 were maintained with partial compliance due to COVID-19 conditions, with many activities being restarted in the second half of the year.

Table 40: Key Engagements with Indigenous Peoples in 2021 (continued)

Site	Major Activities
Red Dog Operations	Engaged with the 11 Indigenous communities, regional organizations, local governments, the Subsistence Advisory Committee and the Employment and Training Committee on Red Dog Operations and the COVID-19 response. Engaged with the mine's two closest Indigenous communities on site water balance challenges, management and mitigation, as well as a focused engagement on exploration activities. Additionally, shared information with regard to the draft water discharge permit modification and other mine- and port-related permitting activities.
Steelmaking coal operations in the Elk Valley	Continued to engage with the Ktunaxa Nation on environmental and cultural stewardship issues related to Teck's current operations, particularly those related to water quality and fish populations, as well as the proposed Fording River Extension Project (FRX). For portions of 2021, the Ktunaxa Nation reduced its external engagement to prioritize efforts on internal governance matters, and Teck adjusted its approach to respect Ktunaxa Nation's request. Teck also engaged other Indigenous communities in British Columbia, Alberta and the United States as part of the environmental assessment of FRX.
Trail Operations	Engaged with the Okanagan Nation Alliance (ONA) related to the Northern Pike Program and with the Upper Columbia White Sturgeon Recovery Initiative's Technical Working Group. We are also part of the Columbia River Integrated Environmental Monitoring Program (CRIEMP), which seeks to collaborate on aquatic ecosystem monitoring, evaluation and reporting on the Lower Columbia River, and includes Indigenous participation. Ongoing engagement with the Circle of Indigenous Nations Society (COINS) to ensure support for critical outreach for their clients and members, as well as for their day-to-day operations throughout the pandemic.
Galore Creek mine	Engaged on continued implementation of the Participation Agreement, originally signed with the Tahltan Nation in 2006. Additional engagement occurred through a series of technical working sessions covering a variety of topics ranging from traditional knowledge to tailings management. Engagement within communities and participation in community events was restricted due to the COVID-19 pandemic.
Legacy sites	Engaged with community members, government agencies and Indigenous Peoples for several legacy properties regarding post-closure activities, including water quality monitoring programs, water collection and treatment (where occurring), ecological risk assessment studies, reclamation research studies, and/or planning for closure.
Exploration	Conducted early, proactive engagement for all active projects in all countries in which Teck explores to establish dialogue and build relationships. Obtained support from local Indigenous communities to proceed with exploration programs for projects spanning Canada, Chile and Peru, either through formalized new agreements or by meeting pre-existing commitments, in addition to agreements from non-Indigenous local communities across all global active projects. During the year, at least five contracts were awarded to Indigenous businesses and 16 contracts were awarded to local organizations, in addition to recruiting a total of 374 local and Indigenous applicants to support exploration activities.
Cardinal River mine[1]	Continued to engage with six communities on Cardinal River mine's closure planning. Conversations continue to explore the interests of communities in revegetation/plant species, environmental monitoring, land use and business opportunities.

(1) As of June 2020, Cardinal River Operations has transitioned to closure. However, active engagement with Indigenous Peoples and communities, among other activities, took place in 2021.

Incidents and Significant Disputes

There was one significant dispute for Teck that involved Indigenous Peoples in 2021. Please see page 90 in the Relationships with Communities section for further details on this dispute as well as other grievances.

Cultural Awareness Training

We regularly deliver training on Indigenous Peoples' rights and cultural awareness for exploration, operations and management staff. Cultural awareness training is intended to support effective relationships with the Indigenous communities we work with and with our Indigenous colleagues. This is part of Teck's commitment to inclusion and diversity in the workplace.

In 2021, Teck conducted a review and refresh of our approach to cultural awareness training across the company. Two new modules were developed, including an online component and a live facilitated session. The program now includes a consistent framework that reflects the culture, traditions and priorities of local Indigenous communities. Over 600 employees from eight sites participated in pilot sessions and a full rollout out is planned for 2022.

Action on Reconciliation

Teck is committed to reconciliation with Indigenous Peoples. We continue to work in partnership with Reconciliation Canada to support their vision of revitalizing the relationships among Indigenous Peoples and all Canadians. In addition, we support the implementation of the Memorandum of Understanding on economic reconciliation between the Business Council of British Columbia and the BC Assembly of First Nations. We also continue to proactively engage in government-led initiatives to improve the lives of Indigenous Peoples in several jurisdictions through their participation in mining-related activities.

Teck responded to the confirmation of unmarked graves of children at former residential schools in Canada by pausing our engagement activities with Indigenous Peoples to provide space, by lowering flags to half-mast across our Canadian operations and by providing contributions to organizations that help advance reconciliation. See the Community Investment Focused on Indigenous Peoples section on page 101 for more detail. Teck also recognized the National Day for Truth and Reconciliation as an opportunity to engage in meaningful discussions about the effects of residential schools and their legacy. We launched a new Employee Indigenous Library Program through a partnership with Raven Reads, an Indigenous-owned subscription service focused on Indigenous authors and literature. Teck covered the cost of a book by an Indigenous author for all interested employees in Canada to provide the opportunity to learn more about Indigenous history, traditions and culture.

Negotiating and Implementing Agreements

In 2021, there were 85 active agreements in place with Indigenous Peoples, including 10 new agreements ranging from exploration agreements to impact benefit agreements.[40] For a full list of our active agreements with Indigenous Peoples for projects and operations, see our 2021 Sustainability Performance Data.

Implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)

In November 2019, B.C. became the first province in Canada to legislate its endorsement of UNDRIP, implementing the *Declaration on the Rights of Indigenous Peoples Act* (DRIPA). The legislation includes a commitment to ensure the laws of B.C. are consistent with UNDRIP. In June 2021, the federal government of Canada implemented similar legislation: The *United Nations Declaration on the Rights of Indigenous Peoples Act*. As set out in Teck's Indigenous Peoples Policy, we continue to implement our commitment to work to achieve the free, prior and informed consent of Indigenous communities.

Case Study: Supporting the Leadership Development of Indigenous Employees at Red Dog Operations

Red Dog Operations (RDO), one of the world's largest producers of zinc, is located about 170 kilometres north of the Arctic Circle in northwest Alaska. Red Dog was developed under an innovative operating agreement between the landowner NANA Regional Corporation (NANA) and Teck. NANA is an Alaska Native Corporation owned by more than 14,500 Iñupiat shareholders, or descendants, who live in or have roots in northwest Alaska. For more than 30 years, Red Dog and the people of the northwest Arctic region have worked together to create jobs and opportunities to strengthen the region.

In 2020, Red Dog initiated an Accelerated Leadership Development Program as part of NANA's and Teck's ongoing commitment to NANA shareholder leadership development. The objective of the program is to increase the number of shareholder-employees in senior roles. The pilot program concluded successfully, with a 5.3% increase in shareholder-employee promotions in 2020. Read the full case study at teck.com/news/stories.

[40] An agreement typically made with Indigenous Peoples that outlines the potential impacts of a project, the commitment and responsibilities to mitigate these impacts, and the economic and other benefits that will be shared with the Indigenous party.

Sharing Economic Benefits

Employment is one way in which local communities can benefit from our operations, and we work with Indigenous communities to increase the number of Indigenous Peoples employed at Teck.

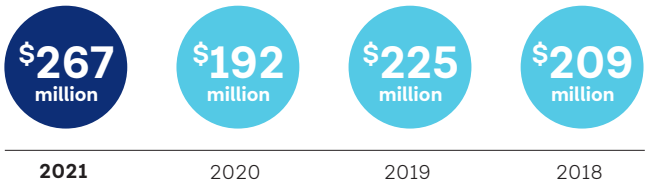
In 2021, there were 166 Indigenous new hires at our Red Dog Operations, which represent 77% of the total new hires at Red Dog; 471 employees were NANA shareholders, representing 61% of the total number of employees at Red Dog Operations. NANA is a Regional Alaska Native Corporation owned by the Iñupiat people of northwest Alaska.

We continue to work on our data collection and analysis processes in order to support efforts towards strengthening our relationships with Indigenous communities by ensuring we are effectively sharing the benefits of mining, including employment and procurement opportunities.

Procurement from Indigenous Suppliers

In 2021, our operations spent approximately $267 million with suppliers who self-identified as Indigenous; this represents an increase compared to 2020. In 2021, 47% ($149 million) of spending at Red Dog Operations was with Indigenous suppliers — where Indigenous procurement is one of the cornerstones of our operating agreement with NANA Regional Corporation.

Figure 25: Procurement Spend on Suppliers Who Self-Identified as Indigenous



Procurement with Indigenous businesses is critical in sharing the economic benefits of mining, and may increase or decrease depending on annual business priorities. Many of our agreements with Indigenous Peoples contain commitments to support our shared interest in ensuring Indigenous businesses are able to provide goods and services to our sites. In 2021, we continued to improve site-based tools used for performance measurement of procurement with Indigenous businesses. We recognize that when we are able to build Indigenous businesses, prosperity is increased during and after mine life.

Community Investment Focused on Indigenous Peoples

In 2021, Teck allocated $2.8 million via 96 organizations to projects that support Indigenous Peoples, compared to $3.4 million in 2020. Teck contributed to organizations that advance reconciliation in response to the confirmation of unmarked graves of children at former residential schools. This included $50,000 to the Indian Residential Schools Survivor Society and $25,000 to the Orange Shirt Society.

We also continued to support the COVID-19 response and future recovery efforts of Indigenous communities. A portion of Teck's community investment fund was dedicated to support Indigenous communities. Examples of investments in 2021 included:

- Supporting the TĀŁTĀN ŁUWE Fish Camp to hire a dedicated team to fish, process, preserve and deliver salmon to 266 Tahltan families, particularly elders, to limit travel into and within the territory to reduce the risk of COVID-19
- Supporting T'eqt"aqtn'mux (Kanaka Bar Indian Band) in their work to improve their land use and infrastructure to increase production of eggs, chickens, honey, medicines, fruits and vegetables to support food security and community self-sufficiency
- Supporting our 11 local Indigenous Villages in the Northwest Arctic region with purchases of food, food storage, and food delivery equipment to ensure that community members, especially those most at risk for COVID-19 were able to remain safe at home and in the community during the pandemic
- Supporting educational organizations, such as Earth Rangers, Science World and Junior Achievements BC in developing virtual and physical programming to continue student education specifically designed to reach Indigenous and rural youth

Business Ethics

Pictured above: Employee at Fording River Operations, Canada.

Business Ethics

As the world builds back after the global COVID-19 crisis, tax disclosure and transparency are viewed by governments as a means to promote economic recovery.[41] Improved disclosure standards focused on tax reporting, anti-corruption and lobbying are being implemented in many countries. Along with these new expectations, transparency, trust and cooperation are expected to help organizations thrive financially and deliver long-term value for their stakeholders.[42]

As an industry that operates in a wide range of jurisdictions, business ethics and anti-corruption are a major focus for mining. Mining activities can make a significant contribution to national, regional and local economies through the provision of employment and training, tax and royalty payments to governments for essential services, local procurement, social development and environmental stewardship. Maintaining open and transparent communications with governments and regulatory parties is essential to mitigating risk and responding to future regulatory changes, and to forming good relationships with government entities, agents and intermediaries. This is reflected in the International Council on Mining and Metals (ICMM) Principles: to implement and maintain ethical business practices that seek to prevent bribery and corruption.

Teck operates primarily in Canada, the United States, Peru and Chile, which have generally robust legal systems and well-established political processes. Our aim is to minimize adverse impacts from our activities and to build partnerships to support sustainable development and growth. We focus on being a collaborative, solutions-based partner, and regularly engage with governments on regulatory and public policy initiatives that are primarily focused on maintaining and enhancing the competitiveness of our industry as well as its sustainability. In 2021, our public policy engagement focused on advocacy for action to address climate change, innovation, socio-economic initiatives, conservation and environmental management, and reconciliation with Indigenous Peoples, among other topics.

GRI Indicators and Topic Boundary

102-12, 102-13, 102-17, 201-4, 203-2, 205-103, 205-1, 205-2, 406-103, 415-103, 415-1

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

How Does Teck Manage This Topic?

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

[41] Strengthening Tax Transparency In 2021. Forbes. 2021. [42] Global Integrity Report 2020. EY. 2020.

2021 Highlights

Published **fifth annual Economic Contribution Report,** providing transparency on our payments to governments and economic contributions where we operate

Worked with federal and provincial governments to **develop and implement a COVID-19 rapid testing program across our offices and operations in B.C.** that supported the health and safety of our employees and communities where we operate, and allowed for continued responsible work at our sites

Our Performance in Business Ethics in 2021

Our Commitments

Our Code of Sustainable Conduct requires employees and contractors to comply with applicable laws and regulations and with all Teck policies and standards. We are committed to upholding high moral and ethical principles, as affirmed in our Code of Ethics.

Our approach to taxation, including tax reporting, is aligned with our Code of Ethics and our approach to business and sustainability. We are, in all tax matters, compliant, transparent, cooperative and ethical, as outlined in our Tax Policy.

Our Political Contributions Policy includes our commitment to zero direct corporate political contributions and compliance with rules relating to election activities and attending partisan events.

These policies provide clear guidance around how we should conduct our business, and they set standards on topics such as bribery and corruption, sponsorships and donations, conflicts of interest, confidentiality, data privacy and third-party due diligence. While Teck's business practices must consider the local customs of the communities in which we operate, we maintain the same standards of behaviour in all jurisdictions, and our business practices are fundamentally based on honesty, integrity and respect.

Teck's activities are subject to a number of laws within the jurisdictions in which we operate. When engaging public officials, in addition to our own policies, the laws, regulations and rules of the country in which the engagement by a Teck employee occurs will apply. In addition, the applicable laws, regulations and rules of the country in which the Teck employee resides may, based on statute or treaty requirement, carry over to foreign jurisdictions.

Doing What's Right Program

Doing What's Right describes what is expected of everyone at Teck to ensure our business is conducted with honesty, integrity and respect. Teck's Code of Ethics outlines in detail how to meet this expectation and it aligns with our values, most notably the commitment to being responsible, courageous, respectful and inclusive. Our employees have a duty to report any violations, or potential violations, of our Code of Ethics through our *Doing What's Right* program, which includes a whistle-blower hotline and web portal that are managed by a third party. The hotline is available in all relevant languages in the countries where we operate. Teck has a strict policy prohibiting retaliation in relation to Code of Ethics reports made in good faith.

Through this program, we received 59 reports of alleged violations of our Code of Ethics in 2021. The areas for which we received the greatest number of reports were in relation to Employee Relations (46%), Discrimination (8%) and Safety (8%). Of these 59 cases, 39 were closed following an investigation or were closed on the basis that no investigation was necessary. The remaining 20 cases are still under investigation. The Audit Committee receives and reviews reports on the investigation and resolution of complaints raised through the whistle-blower hotline.

No criminal cases regarding bribery were brought against Teck or any of its affiliates in 2021, 2020 or 2019.

Anti-Bribery and Corruption

In 2021, we updated our Anti-Bribery and Corruption Compliance Policy and Interpretation Guide to ensure clarity and effectiveness in application.

All operations and business activities are assessed for risks related to bribery and corruption, and internal audits are conducted on a periodic basis to assess compliance with our Anti-Bribery and Corruption Compliance Policy and Interpretation Guide. No new significant risks associated with corruption were identified through these assessments.

The Internal Audit department reports to the Audit Committee on a quarterly basis on any cases of fraud identified, other than those reported through the whistle-blower hotline. One such instance of fraud was reported to the Audit Committee during 2021, and we had no involvement in any investigations regarding alleged breaches of competition laws.

Teck's Anti-Bribery and Corruption Compliance Policy and Interpretation Guide supplements the Code of Ethics and reinforces Teck's commitment to anti-bribery and anti-corruption, which is an integral part of employees' performance appraisals. Select employees in potentially high-risk role are required to certify that they have read and understood these policies and standards and that nonconformity would lead to disciplinary action. They also undergo anti-corruption training at least every two years. We have criteria in place to determine which employees are required to complete anti-corruption training based on location, engagement with government and a number of other factors. Based on these criteria, 2,609 employees were required to participate in anti-corruption training in 2020/21, and over 85% of those employees had completed the training as of December 31, 2021. Table 41 provides more information about training on anti-corruption policies and procedures.

Table 41: Number of Employees Who Have Received Training in Anti-Corruption During the 2020/21 Training Cycle

Country	Number of Employees
Canada	**1,540**
United States	**124**
Chile	**872**
Other Locations (China, Australia, Ireland, Mexico, Namibia, Peru, Turkey and Japan)	**73**
Total	**2,609**

In addition to engaging with employees, Teck communicates its anti-corruption policies and procedures to all members of our governance body.[43] In 2021, 100% of Teck's governance body members reviewed and approved our updated Anti-Bribery and Corruption policy. The Chief Executive Officer, who is a governance body member, receives anti-corruption training in the role as an employee of Teck, and all governance members are expected to complete an annual Code of Ethics Acknowledgement.

Teck expects our supply chain partners to also adhere to the same fundamental principles, including those relating to legal compliance, fairness and honesty, anti-corruption and human rights that are outlined in Teck's Expectations for Suppliers and Contractors. All of Teck's significant supply chain partners are provided with Teck's Expectations for Suppliers and Contractors. In 2021, 26% of our supply chain partners were further qualified to perform work on Teck's sites, and they provided written acknowledgement of their adherence to these principles. Teck's Anti-Bribery and Corruption Compliance Policy and Interpretation Guide resides on the Teck corporate website for members of the public, investors, joint venture partners and others to review.

We also implement a third-party due diligence program under Teck's Anti-Bribery and Corruption Compliance Policy. Consultants, agents or intermediaries who may have contact with, or do business with, a government official on behalf of Teck must undergo sufficient due diligence to enable us to conclude with reasonable assurance that the service providers understand and will fully abide by applicable anti-corruption laws and with our policy. Under our risk analysis, service providers who may have contact with, or who have the potential to have contact with, government officials on Teck's behalf will be included in Teck's due diligence program. In 2021, no potential or existing suppliers were flagged as having anti-corruption and/or anti-bribery risks that disqualified them from conducting business with Teck.

[43] 'Governance body members' is interpreted as the Board of Directors at Teck.

Cybersecurity

Teck manages cybersecurity risk through stringent oversight and governance of digital technology. Our risk-based cybersecurity strategy is supported by a custom framework based on industry-leading practices from organizations such as the Information Systems Audit and Control Association (ISACA), Capability Maturity Model Integration (CMMI), Cybersecurity Maturity Model Certification (CMMC), the Canadian Centre for Cyber Security (CCCS), the ISA Cybersecurity, the Factor Analysis of Information Risk (FAIR) Institute, the National Institute of Standards and Technology (NIST) and the Cloud Security Alliance (CSA).

In 2021, we enhanced our cyber capabilities to intelligently and holistically manage cyber risks and to embed cybersecurity in Teck's workplace culture. We established a network of 78 Cybersecurity Champions across Teck to be liaisons for maintaining and improving the online security and health of our digital systems. We implemented a third-party security program to strengthen our security capabilities related to vendors and to minimize external risks, and we continue to maintain our Advanced Cyber Threat Intelligence and Intrusion Response capabilities to mitigate global threats and to protect our environment from cyberattacks. Building on successful anti-phishing education programs, we also launched a company-wide cybersecurity awareness training program, to build employee awareness on how individuals can help reduce cybersecurity risks.

Public Policy Initiatives

We focus on being a collaborative partner with governments in the jurisdictions where we work, and we regularly engage in public policy initiatives that support the competitiveness and sustainability of our industry. In 2021, we engaged with governments on several public policy and regulatory initiatives of relevance to Teck

Environmental Initiatives

Supporting effective climate change policies: Teck continued advocating to governments across Canada for policies that support the transition to a lower-carbon economy while ensuring the competitiveness of Canadian emissions-intensive, trade-exposed (EITE) sectors. We engaged the Government of Canada, the B.C. Government and the Alberta Government in support of climate action policies that are designed to address the competitiveness challenges that come from a global trade environment that has uneven climate change policies. Included in this support has been our role on the B.C. Climate Solutions Council, our contributions to designing guidance for the federal Strategic Assessment of Climate Change under the *Impact Assessment Act*, and our assessment of the paths of the Government of Canada and the B.C. Government to net-zero greenhouse gas emissions by 2050.

Advancing the development of Canada's Coal Mining Effluent Regulations: Teck remained actively engaged in the development process of the draft regulations through 2021. For Teck, the final form of these regulations will be critical for long-term planning for our steelmaking coal operations in Western Canada. We will continue to participate in the review and dialogue process with the Government of Canada in 2022 to help ensure the regulations are well-designed, science-based and protective of aquatic life.

Progressing biodiversity and conservation initiatives: Teck is committed to supporting biodiversity and land conservation in the areas where we operate. As part of this commitment, we welcomed the intent of the bilateral Nature Agreement between the Government of Canada and the B.C. Government that aims to enhance biodiversity, conservation and protection for species at risk in B.C. In Chile, we have entered into a collaboration with the Ministerial Regional Secretary of the Environment in the Tarapacá Region to protect coastal ecosystems. We are engaging governments and meaningfully contributing to shared objectives to strengthen conservation and to build a better economy through integrated economic growth, climate and biodiversity goals.

Supporting the Government of Chile's tailings removal plan: Teck's Carmen de Andacollo Operations (CdA) voluntarily committed to the removal of legacy tailings unrelated to our operations in the Andacollo community. This initiative was formalized through a cooperation agreement with Servicio de Evaluación Ambiental and the municipality of Andacollo, which has expedited the removal work that will begin in 2022. This initiative is aligned with Teck's sustainability objective of managing tailings in a safe and environmentally responsible manner and also supports the implementation of the Government of Chile's tailings removal plan.

Socio-Economic Initiatives

Collaborating with governments in Canada on COVID-19 response: Teck engaged governments in Canada to accelerate the procurement of rapid screening tests for COVID-19. These efforts supported the development and implementation of a COVID-19 rapid testing program at Teck, which was rolled out across our sites and offices in British Columbia during spring and summer 2021. The program was successful in helping to identify and quarantine numerous asymptomatic COVID-19 cases, supporting the health and safety of our employees and communities where we operate, and allowing for continued responsible work at our sites.

Case Study: A Year of Extreme Weather – Partnering with Local Governments and Communities to Assist Those in Need

We know that climate change has resulted in changes to temperature and precipitation, and in the likelihood of extreme events such as droughts and floods — all of which have adverse effects on our operations, supply chains and customers. In 2021, many regions of British Columbia, Canada, experienced a series of devastating extreme weather events, including locations where Teck has operations and assets. From wildfires during the summer months to extreme flooding during the fall and winter, many communities in these regions were deeply impacted and are still recovering from the effects. During these extreme weather events, Teck partnered with communities and charitable organizations to support those in need. Read the full case study at teck.com/news/stories.

Advocating for cost-competitiveness: Teck continued to engage the Government of Canada, the B.C. Government and the Alberta Government to address cost-competitiveness issues relating to carbon taxation and Emissions-Intensive and Trade-Exposed (EITE) sectors, transportation and logistics costs, the ongoing administrative inefficiencies around the provincial sales tax, and other federal and provincial tax and regulatory measures.

Ensuring the competitiveness of Western Canada's trade corridors: Teck is Canada's single-largest shipper and a leading commodity exporter from Canada's Pacific coast ports, and our export competitiveness depends on infrastructure and trade corridors that are reliable, cost-effective and efficient. As such, we continued to communicate with the Government of Canada and the B.C. Government about the need for new federal and provincial investments into infrastructure projects that facilitate efficient trade between Western Canada and key markets abroad.

Enhancing trade relations with key export markets: We continued to work with the Government of Canada in enhancing relationships with key export destinations, primarily in Asia. This included advocating for addressing tariff and non-tariff barriers, as well as advancing the Canada-India Comprehensive Economic Partnership Agreement.

Growing Canada's critical minerals sector: advocated for the development of a B.C. Critical Minerals Strategy to increase the provincial mining sector's competitiveness in global markets. Such a strategy would include measures to strengthen regional supply chains and to support the sale and export of these products for use in clean energy infrastructure around the world. We also advocated for action plans within the Government of Canada's Critical Minerals Strategy that would set specific short- and long-term objectives and milestones for growing Canada's critical minerals sector. Metals and minerals are essential in the development of green, low-carbon technologies. At the same time, critical minerals markets are competitive, and global mining jurisdictions are vying to become the world's supplier of choice.

Reviewing potential for amendments to U.S. mining legislation: Teck continued to review where potential changes could be made to federal U.S. mining legislation affecting how mineral rights are secured on federal lands and how these lands could be used for activities ancillary to mining, including community and recreational activities.

Reviewing potential for amendments to Chile mining tax legislation: Teck has been actively involved in discussions in Chile related to proposed new royalties for mining activities. As part of our engagement, Teck presented to the Chilean Senate Mining Committee during the discussion of the proposed bill of law establishing these mining royalties.

Preserving cultural heritage for areas of operation: Teck's archeological plan for the port areas of the Quebrada Blanca Phase 2 (QB2) project was approved by the National Monuments Council (CMN) in 2021. The plan consists of a series of voluntary actions related to supporting archeological research, and disseminating and enhancing the cultural heritage associated with the coast of Tarapacá and the archeological sites in the port area of the QB2 project. The plan also includes the joint work on heritage management proposed to be carried out by Teck and the CMN, in particular around the port area of the project in the Patache sector, in the municipality of Iquique. This project has attracted the interest of various national and regional authorities, with whom we are sharing the archeological findings.

Teck is also partnering to support the construction of the Regional Anthropological Museum (MAR), *"Tarapacá Dragon"*, which will be designed by the renowned U.S. architect Daniel Libeskind. Teck will support the design of this museum by donating over US$2 million for the first stage of the initiative. With this support, Teck reaffirms our commitment to the development of the Tarapacá region, the recognition of Indigenous Peoples, and the enhancement of cultural heritage through our community investment programs. This project is expected to enhance tourism in the Tarapacá region and be an important source of new jobs for the local economy.

Innovation Initiatives

Working with governments to foster more innovation in mining: Teck actively pursued government initiatives to advance innovation in our operating jurisdictions, including continuing to work with Canada's Digital Technology Supercluster (under the federal Innovation Supercluster Initiative) as a Founding Member and engaging the B.C. Government on the development of the MABC's Mining Innovation Roadmap and the B.C. Mining Innovation Hub.

In Chile, we continue to collaborate with multiple organizations in support of mining innovation. Teck's partnership with the Tarapacá Circular Economy Center seeks to establish education, training and materials development projects in order to leverage the circular economy's role in the ongoing regional economic strategy. Teck also supports the Innova and Emprende Tarapacá programs, which encourage local innovation and entrepreneurship in materials use.

Engaging government on mining innovation and clean technology deployment: Teck engaged the Government of Canada on opportunities for supporting large decarbonization projects at our Canadian operations, including requesting access to federal programs that advance research, development and deployment of new clean technologies that can reduce greenhouse gas emissions at our operations.

Contributions to Industry Associations

We believe it is important to engage with industry associations to advance research, share best practices, and contribute to improving the regulatory systems and industry performance across the extractive sector and beyond. There can be a wide range of views within the membership of each association and, as members, we may not always agree with every position or approach. This is especially the case when the association's membership is large and the mandate is broad, covering a wide range of issues. This diversity of perspectives creates a rich and full debate.

When disagreement arises, Teck may provide greater clarity on our own positions and activities with policy-makers, work with the association to understand alternative points of view and to seek common ground for progress, consider our ability to influence the policies or perspectives of the organization or, ultimately, consider whether to continue participating in the association.

Our five largest contributions in 2021 were to the International Copper Association ($0.8 million), the World Economic Forum ($0.8 million), the International Zinc Association ($0.6 million), the Mining Association of Canada ($0.6 million) and the International Council on Mining and Metals ($0.5 million). For a full list of associations to which Teck pays annual membership fees of $50,000 or more, visit Memberships and Partnerships on our website.

Commitment to Transparency

Teck publicly reports on payments to governments in the countries where we operate, as required under the Canadian *Extractive Sector Transparency Measures Act* (ESTMA). These payments include taxes, royalties and other payment types, by country and on a project-by-project basis, in relation to the commercial development of oil, gas and minerals. See our ESTMA disclosure on the Annual Regulatory Filings Archive page.

We also publish an annual voluntary Economic Contribution Report to complement and enhance our ESTMA disclosure. This report demonstrates our overall value generation in the areas where we operate through wages and benefits, payments to contractors and suppliers, community investment, payments to governments and other payments. See the Economic Contributions page on our website for more information.

We engage in and support the work being done to fight financial corruption by supporting relevant international frameworks such as the Extractive Industries Transparency Initiative (EITI). We participate in the EITI through our ICMM membership. In 2021, Teck engaged with EITI to assess our adherence to its supporting company expectations, and the summary of results is now publicly available on the EITI website.

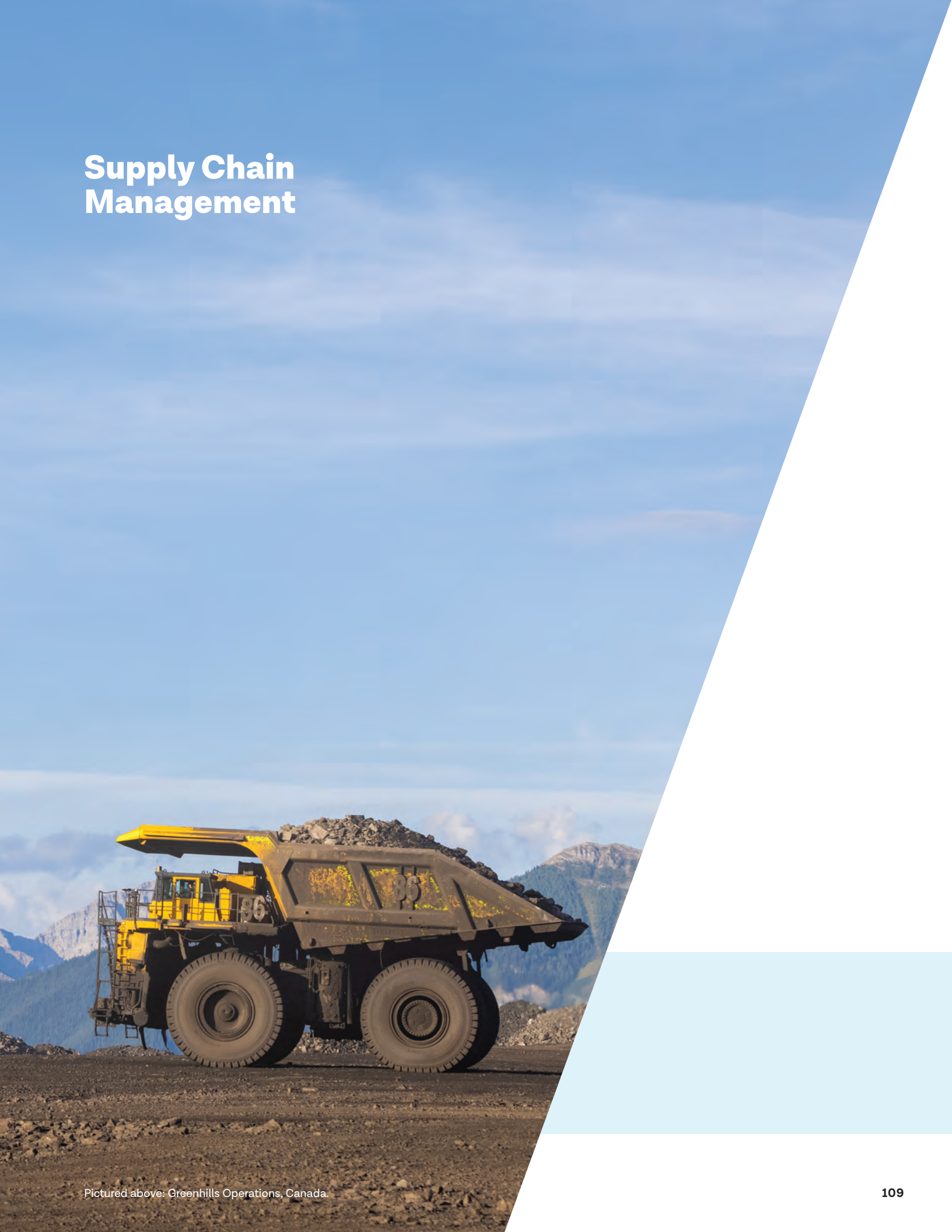
As outlined in our Political Contributions Policy, Teck does not make use of corporate resources, including funds, goods, property and/or services, for the purpose of contributing to a political party, a campaign for elected office, a nomination process for a political party, a local political constituency and/or any individual candidate seeking election at any level of government. In 2021, we did not make any direct financial or in-kind political contributions.

Payments Received from Governments

In certain jurisdictions, part of our statutory obligations related to lobbying is to publicly report funding we applied for and received from any government around the world. In 2021, Teck received $636,225 from two government programs in Canada: the CleanBC Industry Fund and the Student Work Placement Program. The CleanBC Industry Fund invests a portion of carbon tax revenues into businesses working on greenhouse gas emission reduction projects. For 2021, our B.C.-based operations incurred $81.7 million in British Columbia provincial carbon tax. The Student Work Placement Program supports post-secondary students across Canada with paid work experience related to their field of study.

In 2021, Teck did not receive nor apply for any direct financial assistance relating specifically to COVID-19 from governments — such as the Canada Emergency Wage Subsidy — in jurisdictions in which we operate. However, Teck utilized some COVID-19 tax deferral and temporary tax suspension programs universally put in place for industry. Additionally, in Chile, our contractors used a subsidy program established in the COVID-19 Employment Protection Law that allows employers to suspend contracts with their workers and provide access to unemployment insurance funds. This law benefited Teck by reducing contract suspension costs with our suppliers and facilitating restart activities. We do not have a cost estimate of this benefit for Teck.

Supply Chain Management



Pictured above: Greenhills Operations, Canada.

Supply Chain Management

Supply chain disruptions related to climate change caused significant impacts in 2021 and are expected to increase going forward. Companies across industries can expect cyclical supply chain disruptions with varying durations, with the most severe events resulting in major financial costs.[44] Globally, companies are exploring ways to make their supply chains more resilient, to mitigate risk, and to secure better access to supplies and markets.

The value chain of the mining industry has high exposure to geophysical shocks, heat stress and natural disasters such as flooding, and therefore needs to explore ways to mitigate such risks and build resilience.[44] Teck is actively investigating the potential impacts of various climate change scenarios and making plans to mitigate impacts and to ensure business continuity.

Teck procures goods and services such as mobile equipment, machinery, fuel and lubricants, explosives, and a range of other products and services that support large-scale mining and refining operations. Through responsible supply chain management, our objective is to ensure that we minimize our potential impacts on people and on the environment, and that we manage business and reputation risks while capitalizing on opportunities. For example, we make efforts to source supplies and services from local sources where possible, including from Indigenous Peoples.

As our operations and the majority of our business activities are in lower-risk jurisdictions that have strong legal frameworks, we expect and have a good level of confidence that our suppliers' and contractors' business conduct is aligned with robust human rights, environmental and labour legislation and regulations. For suppliers in jurisdictions with higher risk, additional vetting is conducted to ensure compliance with Teck's Expectations for Suppliers and Contractors.

GRI Indicators and Topic Boundary

102-9, 308-103, 308-1, 308-2, 414-1, 414-2

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

How Does Teck Manage This Topic?

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

[44] Risk, resilience, and rebalancing in global value chains. McKinsey Global Institute. 2020.

2020 Highlights

29% of total procurement spend was on local suppliers

4% of total procurement spend was on Indigenous suppliers

Our Performance in Supply Chain Management in 2021

Our Targets and Commitments Teck's Code of Ethics and Anti-Corruption Policy affirm Teck's commitment to uphold high moral and ethical principles and specifies the basic norms of behaviour for employees and others conducting business on our behalf. Teck expects suppliers to adhere to the same fundamental principles, including those relating to legal compliance, fairness and honesty, anti-corruption and human rights. Teck's Code of Sustainable Conduct affirms that protecting the environment, the safety and health of our people, and our relationships with local communities are core values of Teck. We expect suppliers to apply the same or more stringent standards in a manner that is appropriate and proportional to the nature and scale of their activities, the goods that they supply and the services that they perform.

Supplier Expectations and Qualifications

All suppliers are required to follow our Expectations for Suppliers and Contractors, which builds on our Code of Ethics, our Anti-Bribery and Corruption Compliance Policy and Interpretation Guide, our Code of Sustainable Conduct, our Indigenous Peoples Policy and our Human Rights Policy.

The qualification of all suppliers involves examining whether a supplier meets or exceeds our minimum standards as a condition to supplying products and services to Teck. This screens out the suppliers who are unable or unwilling to meet our requirements as outlined in our Expectations for Suppliers and Contractors.

Evaluating and Measuring Supply Chain Risk Management Performance

Ongoing monitoring and assessment is conducted for all of our critical suppliers. In 2021, 991 suppliers provided information and supporting documentation of alignment with our Expectations for Suppliers and Contractors through a comprehensive questionnaire within Teck's supplier database.

If higher risk is identified, Teck's Risk Group may initiate a manual review and vetting process of a supplier to determine whether the supplier meets our standards as a condition to supplying products and services to Teck. Results of the review determine whether work with the supplier will or not proceed. In 2021, 26 of these detailed reviews were conducted. There were no material social, environmental or economic impacts identified, and no suppliers or service providers were terminated.

We measure the supply management performance of our critical suppliers by setting and tracking Performance Metrics in contracts. For example, all contracts with critical suppliers have safety performance indicators and some have environmental indicators related to reducing or minimizing impacts based on the nature of the product or service provided. In addition to measuring supplier-specific performance indicators, we measure and report on:

1. Company-wide procurement from local suppliers: page 92
2. Company-wide procurement from Indigenous suppliers: page 101
3. Contractor health and safety: page 61

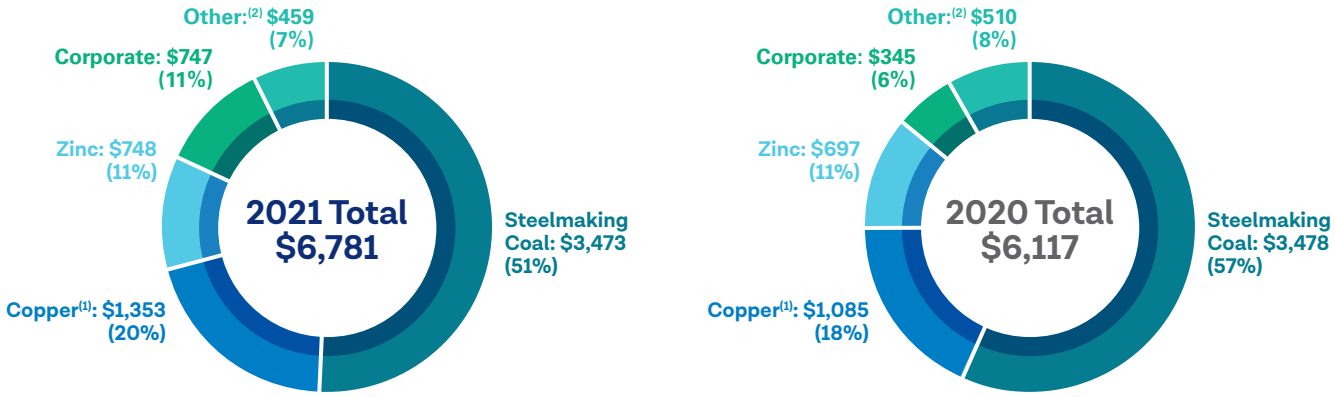
Case Study: Minding the (Risk) Gaps: An Interview with Teck's Risk Leadership

Anne Chalmers, Teck's Vice President of Risk and Security and Chair of the Materials Stewardship Committee, has been with Teck for more than 35 years. During this time she has shepherded Teck's Risk program from its roots as a small and mighty program to its current state as a global web of influence and oversight, touching all regions in which Teck operates and all aspects of the work we do. We sat down with Anne to talk about the evolution of the Risk program and what out-of-the-box practices she and her team employ today. Read the full story at teck.com/news/stories.

Suppliers and Critical Suppliers

In 2021, we purchased goods and services from 3,878 suppliers, with an overall global spend of approximately $6.8 billion, as shown in Figure 26.

Figure 26: Supply Chain Spend by Business Unit (millions)



(1) Does not include Quebrada Blanca Phase 2 project spend, as our reporting only includes operational spend.
(2) Includes our energy business unit.

Critical suppliers are suppliers of goods or services that, in the event of an interruption in the supply chain, can have a significant impact on Teck's production, costs and/or revenue. Suppliers may also be considered critical due to the nature of their products and the potential risk and impact on health, safety, the environment and the communities in which we operate.

Critical suppliers include inbound suppliers of mobile equipment, fuels, tires, ammonium nitrate, process equipment, consumables such as grinding media, and suppliers of related parts and services, and outbound suppliers of rail, marine, trucking, bulk terminal and related distribution services. In 2021, critical suppliers represented approximately 40% of our total procurement spend, as shown in Table 42. Within critical suppliers, there are two types: those managed on-site and those managed at a corporate level. Our top critical supplier in 2021 was Canadian Pacific Railway, as in 2020; other critical suppliers included Neptune Bulk Terminals, Komatsu and Caterpillar and their respective dealers, Suncor, Imperial Oil and Westshore Terminals.

Table 42: 2021 Spend on Critical Suppliers

Business Area	**Total** (millions)	**Critical** (millions)	**% of Total That Are Critical**
Steelmaking Coal	$ 3,473	$ 2,095	60%
Copper[1]	$ 1,353	$ 388	29%
Zinc	$ 748	$ 209	28%
Corporate	$ 747	$ –	–
Other[2]	$ 459	$ 28	6%
Total	**$ 6,781**	**$ 2,721**	**40%**

(1) Does not include Quebrada Blanca Phase 2 project spend, as our reporting only includes operational spend.
(2) Includes our energy business unit.

Methodology and Restatements

This report discloses sustainability data for the fiscal year ending December 31, 2021. The scope of this report covers all of the active operations managed by Teck and also, where appropriate, key issues at closed sites, exploration and development projects and at joint venture operations. Data for joint ventures not operated by Teck is not presented unless otherwise stated.

Operations included in this report are those actively managed by Teck, which include:

1. Carmen de Andacollo
2. Elkview
3. Fording River
4. Greenhills
5. Highland Valley Copper
6. Line Creek
7. Quebrada Blanca
8. Red Dog
9. Trail Operations

Joint venture operations not managed by Teck but covered in some areas of this report are:

1. Antamina
2. Fort Hills

Development projects, including those managed by Teck and those not managed by Teck, that are covered in some areas of this report are:

1. QB2
2. NuevaUnión
3. San Nicolás
4. Galore Creek
5. Mesaba
6. Schaft Creek
7. Zafranal

Countries where we sell our products are as follows:

- Australia
- Argentina
- Belgium
- Brazil
- Bulgaria
- Canada
- Chile
- China
- Colombia
- Czech Republic
- Egypt
- Finland
- France
- Germany
- India
- Indonesia
- Italy
- Japan
- Luxemburg
- Malaysia
- Mexico
- Netherlands
- Norway
- Oman
- Pakistan
- Philippines
- Poland
- South Korea
- Slovakia
- Spain
- Sweden
- Switzerland
- Taiwan
- Thailand
- Turkey
- Ukraine
- United Kingdom
- United States
- Vietnam

Unless otherwise stated, we report data for our operations on a 100% ownership basis (e.g., for a 97.5%-owned operation, we report 100% of the data). Data is reported using the metric system and Canadian dollars, unless otherwise stated. Unless otherwise stated, all workforce data is limited to permanent and temporary employees.

Where available, we include comparative historical data to demonstrate trends. Historical data is reported based on the scope of the report for the respective year. The scope of the report can change year to year, depending on acquisitions or sales of assets. In our efforts to continually improve and standardize our annual reporting process, the interpretation of data from year to year can often change. Certain comparative amounts for prior years have been reclassified or restated to conform to the presentation adopted for this reporting period.

Independent Assurance Report

To the Directors and Management of Teck Resources Limited

We have undertaken a limited assurance engagement of the following subject matter information (the subject matter) presented within Teck Resources Limited (Teck)'s 2021 Sustainability Report, hosted on Teck's website[45], for the year ended December 31, 2021 and selected performance metrics for the year ended December 31, 2020.

Selected subject matter

- Teck's assertion on page 1 that it has aligned their policies to the International Council on Mining and Metals (ICMM)'s Principles and mandatory requirements set out in ICMM's Position Statements (ICMM Subject matter 1).
- Teck's assertions on page 8 regarding the approach it has adopted to identify and prioritize its material sustainable development risks and opportunities based on its own review of the business and the views and expectations of its stakeholders (ICMM Subject matter 2).
- The existence and status of implementation of systems and approaches used by Teck to manage the following material sustainable development risk areas (ICMM Subject matter 3):

Environmental

1. Air Quality
2. Biodiversity and Reclamation
3. Climate Change
4. Responsible Production
5. Tailings Management
6. Water Stewardship

Social

7. Health and Safety
8. Human Rights
9. Our People and Culture
10. Relationships with Communities
11. Relationships with Indigenous Peoples

Governance

12. Business Ethics
13. Supply Chain Management

- Teck's company reported performance metrics for the year ended December 31, 2021 and selected performance metrics for the year ended December 31, 2020, presented in the Data Tables below (ICMM Subject matter 4).
- Teck's assertion that it has disclosed the company's description of the prioritisation of assets for PE validation (ICMM Subject matter 5) linked here.
- Teck's assertion on page 1 that it has reported its disclosure in accordance with the GRI Standards: Core Option and the GRI G4 Mining and Metals Sector Disclosures.
- Teck's assertion of the level of conformance with the ICMM Performance Expectations of the selected sites; Highland Valley Copper and Line Creek operations linked here.

[45] The maintenance and integrity of Teck's website is the responsibility of Teck; the work carried out by PricewaterhouseCoopers LLP does not involve consideration of these matters and, accordingly, PricewaterhouseCoopers LLP accepts no responsibility for any changes that may have occurred to the reported information or criteria since they were posted on the website.

	Performance Metrics	2021	Reference
1	Number of fatalities	1.2	Table 15
2	Lost-Time injuries	114	Table 15
3	Lost-Time injury frequency (LTIF)	0.27	Table 15
4	Total Occupational Disease Rate (per 200,000 hours)	0.27	Table 20
5	HPIs Frequency (per 200,000 hours)	0.12	Figure 18
6	Total emissions – Direct (Scope 1) (kt CO_2e)	2,851	Table 9
7	Total emissions – Indirect (Scope 2) (kt CO_2e)	87	Table 9
8	Total emissions – Scope 3 (use of coal product sold) (kt CO_2e)	69,000	Table 9
9	Total Energy Consumption (TJ)	42,379	Figure 6
10	All operations - Water withdrawals (ML)	117,262	Table 14
11	Total area of land reclaimed (ha)	6,126	Table 8
12	Area of land yet to be reclaimed (ha)	28,026	Table 8
13	Total number of significant disputes relating to land use and the customary rights of local communities and Indigenous Peoples at Teck sites	1	Table 35
14	Total SO_2 emissions from stacks, stationary and mobile fossil fuel combustion (tonnes)	3,093.6	Table 3
15	Percentage of selected community-based air quality stations (three stations) with annual mean concentrations of ambient $PM_{2.5}$ within the World Health Organization guideline interim target value of 10 µg/m^3 (%)	100	Performance Metrics
16	Hazardous waste directed to disposal off-site (tonnes)	14,101	Table 11
17	Non-hazardous waste directed to disposal off-site (tonnes)	6,645	Table 11
18	Total number of employees, temporary and permanent, working at Teck operations and offices	11,280	Figure 21
19	Total number of women, temporary and permanent, working at Teck operations and offices	2,385	Figure 22

	Performance Metrics	2020	Reference
1	HPIs Frequency (per 200,000 hours)	0.21	Figure 18
2	Total number of employees, temporary and permanent, working at Teck operations and offices	10,452	Figure 21
3	Total number of women, temporary and permanent, working at Teck operations and offices	2,068	Figure 22

Management's responsibility

Management is responsible for the preparation of the selected subject matter in accordance with the following criteria:

- The 10 ICMM Principles and mandatory requirements set out in ICMM Position Statements, ICMM performance expectations and the Global Reporting Initiative Standards (GRI); and
- Management's internally developed criteria referenced in above table for the selected performance data.

Management is also responsible for such internal control as management determines necessary to enable the preparation of the selected subject matter that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the selected subject matter based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the selected subject matter is free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement, whether due to fraud or error, in preparing the selected subject matter in accordance with the applicable criteria are likely to arise.

Our limited assurance procedures included, but were not limited to the following:

- Making enquiries of management and senior executives to obtain an understanding of the overall governance and internal control environment, risk management, materiality assessment and stakeholder engagement processes relevant to the identification, management and reporting of Teck's material sustainability topics, and associated selected key performance metrics;
- Evaluation of the design of controls and implementation of Teck's sustainability information management systems at a corporate level;
- Analytical reviews and trend analysis of reported data for selected key performance metrics;
- Obtained and inspected a limited sample of underlying documentation to support the performance metrics;
- Conducting virtual site interviews and physical site visits on a sample of sites. This work was performed to corroborate consistency in understanding and implementation of Teck's Reporting Criteria and to identify systemic challenges to sustainability management and data measurement, collection, reporting and control processes for the selected subject matter; and
- Evaluating the presentation of the subject matter in the sustainability report.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements,* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Teck Resources Limited's subject matter for the year ended December 31, 2021 and selected performance metrics for the year ended December 31, 2020 is not prepared, in all material respects, in accordance with the applicable criteria.

Purpose of statement and restriction on distribution and use of our report

The subject matter information has been prepared to report Teck's performance on the applicable criteria as prescribed by ICMM. As a result, the subject matter information may not be suitable for another purpose. Our report is intended solely for the use of the Board and management of Teck in reporting their performance on the applicable criteria. We neither assume nor accept any responsibility or liability to any third party in respect of this report.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
March 17, 2022

Cautionary Note on Forward-Looking Statements

This report contains certain forward-looking information and forward-looking statements as defined in applicable securities laws (collectively referred to as "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "expect", "anticipate", "plan", "estimate", "potential", "may", "will", "work to", "should", "believe", "focus", "targets", "goals;" "believe" and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this report.

Forward-looking statements in this report include, but are not limited to, statements relating to: our sustainability strategy; our short-term and long-term sustainability goals, including, but not limited to, our water policy goals, our carbon intensity and carbon neutrality goals and our goal of achieving 100% clean electricity in Chile by 2030, and our expectations as to how and when we will meet those goals, including, but not limited to, most statements under the section *"Teck's Roadmap to Net Zero";* our strategic priorities and related goals, targets, commitments and plans and our expectations regarding those goals, targets, commitments and plans; the estimated timing and spending to achieve our goals; expectations regarding the Elk Valley Water Quality Plan, including expected benefits and outcomes, timing of progress of water treatment facilities and estimated completion dates and treatment capacity and our expectation that we will stabilize and reduce the selenium trend in the Elk Valley and Koocanusa; expectations regarding the conduct of our suppliers and contractors; the timing of first production at our Quebrada Blanca Phase 2 project and amount of copper production expected therefrom; the timing for operation of the new KIVCET dryer at our Trail Operations; expectations regarding the benefits of our agreement with Oldendorff for energy-efficient bulk carriers; the use of blockchain technology to trace our supply chain; the fact that all of our active tailings management facilities will be operated in conformance with the Global Industry Standard on Tailings Management by August 2023; and expectations regarding the benefits of technology and innovation, including, but not limited to, technology and innovation related to water treatment in the Elk Valley and technology and innovation relating to tailings, including, but not limited to, projects related to dewatering and co-mingling, the use of additives and the development of a digital tailings management system.

The forward-looking statements in this report are based on a number of estimates, projections, beliefs and assumptions the management team believed to be reasonable as of the date of this report, though inherently uncertain and difficult to predict, including, but not limited to, expectations and assumptions concerning: the development, performance and effectiveness of technology 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 on commercially reasonable terms without impacting production objectives; our ability to successfully implement our technology and innovation strategy; our ability to attract and retain skilled employees; costs of closure; environmental compliance costs generally; and assumptions regarding the development of our business generally. Assumptions regarding water quality management in the Elk Valley include assumptions that additional treatment will be effective at scale, that the technology and facilities operate as expected and that required permits will be obtained.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance, experience or achievements of Teck to be materially different from those expressed or implied by the forward-looking statements. Risks and uncertainties that could influence actual results include, but are not limited to: risks associated with the consequence of climate-change; risks associated with permitting and development of our properties; operational problems; regulatory action; environmental compliance challenges; changes in laws and governmental regulations; costs of compliance with environmental and other laws and regulation; risks relating to the development and use of new technology or lack of appropriate technologies needed to advance our goals; natural disasters and adverse weather conditions, changes in commodity prices; operations in foreign countries; general business and economic conditions and the future operation and financial performance of the company generally.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. You should also carefully consider the matters discussed under *"Risk Factors"* in Teck's Annual Information Form and its management's discussion and analysis and other documents available at www.sedar.com and in public filings with the United States Securities and Exchange Commission at www.sec.gov. The forward-looking statements speak only as of the date of this report. Teck does not assume the obligation to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

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