



Business Ethics

Requirements around anti-corruption and tax transparency are increasing as governments, tax regulators and the public seek greater transparency.⁴⁷ For example, the G7 and G20 are working to implement stronger international anti-corruption measures, and to support the [Extractive Industries Transparency Initiative \(EITI\)](#).⁴⁸ Good governance and transparency are essential to the trust that underpins government, capital markets and society, and technology is playing a major role in transforming compliance and advancing integrity in the workplace.⁴⁹

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, as well as 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, to responding to future regulatory changes and to forming good relationships with government entities, agents and intermediaries. International initiatives such as the EITI and national regulations such as the [Extractive Sector Transparency Measures Act \(ESTMA\)](#) in Canada are widely accepted standards for open and accountable management of resources, and they help deter corruption in the extractives

sector. The International Council on Mining and Metals (ICMM) Principles also require ICMM member companies 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 all 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 know that transparency in our business practices is critical for earning trust and, as such, 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.

GRI Indicators

GRI 2-23, 2-24, 2-25, 2-26, 2-27, 2-28, 3-3, 201-4, 203-2, 205-1, 205-2, 205-3, 207-1, 207-2, 207-3, 207-4, 415, 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](#).

⁴⁷ [Is Your Business Ready for More Transparent Taxes?](#) Harvard Business Review. 2022. ⁴⁸ [Fact Sheet: U.S. Strategy on Countering Corruption](#). The White House. 2021. ⁴⁹ [Global Integrity Report 2022](#). EY. 2022.

Pictured: Employee at Vancouver Head Office, Canada.

2022 Highlights

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

Worked with federal and provincial governments on **critical minerals leadership**, to boost the competitiveness and resilience of our critical minerals supply chains

Case Study: Enriching Earth Sciences Learning Environments in British Columbia

Teck partnered with the University of British Columbia (UBC) in the development of a new geological field station in Oliver, B.C., to serve as an expanded and enriched earth sciences learning environment for future mining professionals. The original field station, which was built in the 1950s, supported a long history of successful research. The new station was built thanks to Teck's \$1 million donation and additional funding from UBC alumni and other donors. Construction began in December of 2019, and the facility opened to students in spring 2022.

The new facility, which serves as a new resource for research, is used by UBC geology, earth science and geological engineering students to gain critical field skills. The revitalized station will also play a central role in major new educational initiatives, with a focus on interdisciplinary experiential learning and the incorporation of Indigenous knowledge and practices.

Read the full case study at teck.com/news/stories.

Our Performance in Business Ethics in 2022

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 to compliance with rules relating to election activities and attending partisan events.

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, contractors and suppliers can report any violations, or potential violations, of our Code of Ethics through our *Doing What's Right* program, which includes a

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.

confidential 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 58 reports of alleged violations of our Code of Ethics in 2022. The areas for which we received the greatest number of reports were regarding employee relations (22%), harassment (21%)

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.

and safety concerns (14%). Of these 58 cases, 41 were closed following an investigation or were closed on the basis that no investigation was necessary. The remaining 17 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 2022, 2021 or 2020.

Anti-Bribery and Corruption

Our Anti-Bribery and Corruption Compliance Policy and Interpretation Guide is reviewed annually to assess whether it adequately addresses our company-wide exposure to bribery- and corruption-related risks, and internal audits are conducted on a periodic basis at specific sites to assess compliance with the Anti-Bribery and Corruption Compliance Policy. No new significant risks associated with corruption were identified in 2022.

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. Select employees in potentially high-risk roles 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, 3,048 employees were required to participate in anti-corruption training in 2021/22, and over 85% of those employees have completed the training. Table 41 provides more information about training on anti-corruption policies and procedures.

In addition to engaging with employees, Teck communicates its anti-corruption policies and procedures to all members of our governance body.⁵⁰ 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 2022, 23% 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. Ongoing monitoring and assessment are

conducted for all of our critical suppliers. Critical suppliers must provide information and supporting documentation of alignment with our Expectations for Suppliers and Contractors through a comprehensive questionnaire within Teck's supplier database. For more information, see our Value Chain Management chapter on page 82.

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 2022, one potential supplier was flagged as having anti-corruption and/or anti-bribery risks that disqualified them from conducting business with Teck.

Table 41: Number of Employees Who Have Received Training on Anti-Corruption During the 2022/23 Training Cycle

Country	Number of Employees
Canada	1,660
United States	102
Chile	1,210
Other Locations (China, Australia, Ireland, Mexico, Namibia, Peru, Turkey and Japan)	76
Total	3,048

Fraud

The senior legal officer reports to the Audit Committee on a quarterly basis on any cases of fraud identified and reported through the whistle-blower hotline. Five allegations of fraud were reported to the Audit Committee during 2022, and we had no involvement in any investigations regarding alleged breaches of competition laws.

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 and programs such as ISACA (previously known as the Information Systems Audit and Control Association), Capability Maturity Model Integration (CMMI), Cybersecurity Maturity Model Certification (CMMC), the Canadian Centre for Cybersecurity (CCCS), ISA Cybersecurity, the Factor Analysis of Information Risk (FAIR) Institute, the National Institute of Standards and Technology (NIST) and the Cloud Security Alliance (CSA).

The Audit Committee of Teck's Board has explicit oversight for cybersecurity-related matters under its Charter. The Audit Committee receives quarterly briefing materials on Teck's cybersecurity risk management program, including details of top threats, risk management activities, vendor and supply chain monitoring, and internal training and awareness programs.

In 2022, we enhanced our capabilities to actively manage cyber risks and to embed cybersecurity in Teck's workplace culture. These activities included:

- Deployed a new enterprise-level solution for multi-factor authentication (MFA), standardizing the MFA practice for approximately 8,000 employees who are able to access the Teck network remotely
- Deployed an advanced telemetry product to approximately 2,400 servers and cloud services, enabling Teck's incident response teams to actively monitor our networks
- Initiated a log management improvement project, to augment the capabilities of Teck's security logs
- Completed a centralized cyber risk register, aligning Teck's risk management practices with our corporate risk matrix, FAIR risk quantification framework and threat intelligence from Teck's Cyber Security Incident Response Team
- Launched an improved cybersecurity awareness training proof of concept program for Teck employees

⁵⁰ 'Governance body members' is interpreted as the Board of Directors at Teck.

Emerging Risks

As outlined in our [Approach to Business and Sustainability](#), Teck has an integrated risk management program. Our process for integrating risk management throughout the business includes identifying, evaluating and addressing economic, social and environmental risks and opportunities on a regular basis. The likelihood and impact of individual

risks fluctuates based on external factors such as geopolitical developments, current events, and social and business trends. As such, our integrated risk management program maintains consistent observation of emerging and potentially increasing risks. In 2022, we identified a number of emerging and rising risks as being related to our business.

Table 42: Emerging and Rising Sustainability Risks, 2022⁽¹⁾

Risk	Cause of Increase or Emergence	How Teck Engages with This Risk
Biodiversity Loss	There has been a 69% drop in species population sizes since 1970. Life on earth depends on intact biodiversity to provide ecosystem services such as air and water purification, nutrient cycling and maintenance of fertile soils. Significant biodiversity loss poses an existential threat to livelihood.	In 2022, in recognition of the importance of this topic, we announced a goal to be nature positive by 2030. For more information, see our Biodiversity and Closure chapter on page 13.
Climate Change: Transition Risk	Transition risks arise as the world aims to reduce the emission of greenhouse gases and to shift to a global economy with net-zero emissions. Transition risks refer to business-related risks emerging from societal and economic shifts to support a low-carbon future. Physical risks of climate change impacts pose a primary risk to all sectors and industries, with transition risk emerging as a secondary risk.	In 2022, Teck announced the sale of our interest in the Fort Hills oil sands operation, which closed on February 2, 2023, advancing the rebalancing of our portfolio towards the green metals necessary for the low-carbon economy. For more information about how we manage all risks related to climate change, see our biennial TCFD-aligned Climate Change Outlook report .

(1) Information on emerging risk impacts and timelines validated per the CRO Forum's Emerging Risk Initiative, [Major Trends and Emerging Risk Radar - 2022 Update](#).

Public Policy Initiatives

We focus on being a collaborative partner with governments in the jurisdictions where we operate, and we engage regularly in public policy initiatives that support the competitiveness and sustainability of our industry. In 2022, we engaged governments on several public policy, legislative 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 low-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 to address the competitiveness challenges resulting from internationally varied climate change policies. Included in this support is our input to the Government of Canada and the B.C. Government on paths towards net-zero GHG emissions by 2050.

Advancing the development of Canada's Coal Mining Effluent Regulations:

Teck remained engaged in the development of draft regulations through 2022. For Teck, the final form of these regulations will be critical for long-term planning for our steelmaking coal operations in B.C. We will continue to participate in the development process with the Government of Canada in 2023 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 are active in the World Economic Forum's Champions for Nature and its initiative to contribute to conserving, restoring and growing one trillion trees by 2030, and joined Business for Nature's Call to Action in asking governments globally to adopt policies to reverse nature loss. Our CEO and executives attended and participated in the COP15 UN Biodiversity Conference in Montreal, and began engaging governments in Canada and Chile on

aligning our nature positive goals with their biodiversity and conservation commitments. We also continued engaging the Government of Canada as it seeks to modernize its federal Fish and Fish Habitat Protection Program.

Accelerating grid infrastructure to electrify mining operations:

Teck engaged the Government of Canada and the B.C. Government to accelerate permitting and construction of additional electricity transmission capacity. This increased capacity at our sites is needed to enable the powering of new decarbonization technologies on-site with clean energy sources.

Socio-economic Initiatives

Growing Canada's critical minerals sector: Teck submitted detailed recommendations to the Government of Canada for developing its first Critical Minerals Strategy. Critical minerals and metals 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. Teck also advocated for the development of a B.C. critical minerals strategy to increase the provincial mining sector's competitiveness in global markets.

Encouraging increased Indigenous participation in the mining sector:

Teck is pleased to see that the participation of Indigenous Peoples and Indigenous businesses in the mining sector is steadily increasing. Mining activity has positive impacts such as employment creation, opportunities for education and training, local economic development and valuable community investment projects. As such, we encouraged governments to consider ways to continue increasing Indigenous participation in the mining sector, including through revenue-sharing opportunities with Indigenous Peoples and investments in education and training for mining-related employment.

Public Policy Initiatives (continued)

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 EITE sectors, transportation and logistics costs, and other federal and provincial tax and regulatory measures.

Advocating for maintenance of Western Canada's supply chains: Teck is Canada's single-largest shipper and a leading commodity exporter from Canada's Pacific coast ports. Our export competitiveness depends on supply chain 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 more resilient supply chain infrastructure that enables efficient trade between Western Canada and key markets abroad.

Partnering with UN Women on the Originarias Programme: Teck's partnership with UN Women began in 2016, with the objective of delivering training opportunities and developing the skills of Indigenous women in Chile to improve their economic well-being. In August 2022, the Originarias Programme was extended for an additional five years. This new phase of the program will expand training and learning opportunities for Indigenous youth, including skill-building in science, technology, engineering, the arts and mathematics (STEAM) to support the long-term sustainability of local communities. It also fosters the development of spaces for intercultural care and learning, and access to financing instruments for businesses owned by Indigenous women.

Promoting youth in industry initiatives: Teck is working with industry associations to educate, attract and mentor young individuals entering the mining community. Government, along with several industry associations and agencies within the U.S., view the current replacement workforce as insufficient to meet future needs.

Enhancing trade relations with key export markets: Teck continued to work with the Government of Canada on 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, and new opportunities in Japan, South Korea and Europe.

Reviewing potential for amendments to U.S. mining legislation: Teck worked with U.S. legislators, agencies and industry associations to provide education on the current mining law and supply data. We encouraged refinement within the proposed mining law that could improve permitting timelines and certainty while keeping appropriate regulations in place.

Participating in Women and Mining Study: Teck participated in this study, which was led by Women in Mining Chile with the support of the Faculty of Economics at the University of Chile. The study analyzes the barriers to entry and development challenges faced by women in mining. Over 1,300 women were consulted as part of the study. The results were presented to Chile's Minister of Mining, Chile's Minister of Women and Gender Equity, and the Ambassador of Canada to Chile.

Innovation Initiatives

Working with governments to foster more innovation in mining: Teck actively pursued government initiatives to advance innovation in our operating jurisdictions, including submitting feedback to the Government of Canada on the design of the federal investment tax credit for carbon capture, utilization and storage (CCUS).

At our Red Dog Operations, we formed the Red Dog Tundra Working Group (RDTWG) to determine best practices in site rehabilitation along the DeLong Mountains Transportation System (DMTS). The DMTS is the road that connects the mine to the port site. The RDTWG is a multi-community and multi-agency working group.

Engaging governments on support for Teck's decarbonization efforts: Teck engaged the Government of Canada and the B.C. Government on how it may support decarbonization efforts at our Canadian operations. Opportunities included submitting recommendations on the proposed federal Clean Electricity Regulations, and requesting access to federal programs that advance research, development and deployment of new clean technologies that can significantly reduce GHG 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.

Through our membership in various industry associations, Teck strives to advance research, share best practices and exert a positive influence in a manner that aligns with our company's values as well as those of our employees, stakeholders and shareholders. In 2022, we published our first [Industry Associations Review](#), to identify and report the degree to which climate change positions and actions of selected associations are aligned with our Climate Change Guiding Principles.

Our five largest contributions in 2022 were to the International Copper Association (\$0.8 million), the World Economic Forum (\$0.7 million), the Mining Association of Canada (\$0.6 million), the International Zinc Association (\$0.5 million) and the Mining Association of British Columbia (\$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

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. EITI's assessment of Teck's adherence to the Expectations of EITI Supporting Companies, and the summary of results is publicly available on the [EITI website](#).

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](#) page on our website.

We also publish a 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 direct benefits such as wages and benefits, payments to contractors and suppliers, community investments, and payments to governments, as well as other indirect and induced benefits. See the [Economic Contributions](#) page on our website for more information.

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 2022, 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 2022, Teck received \$935,100 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 GHG emission reduction projects. For 2022, our B.C.-based operations incurred \$88.4 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.