

# Tax Policy

June 2017

1. In all tax matters Teck is compliant, transparent, cooperative and ethical. Teck files all required tax returns and tax information slips on an accurate and timely basis. Teck pays its taxes on time and in full.
2. Teck responds openly and fully on a timely basis to all government requests for information pertaining to our legal structure, our financial results and our taxes in the course of their audits. Teck does not engage in tax planning that relies on the non-disclosure of activity or ownership in tax havens or secrecy jurisdictions.
3. Teck seeks to build open and trusting relationships with the tax authorities in all jurisdictions in which it operates, building on the common interest it has with the authorities in efficiently reaching a timely and accurate determination of its financial responsibilities for taxes. Where a dispute does arise, Teck will work with the authorities to reach an agreed statement of the relevant facts so that the issue can be resolved efficiently.
4. Teck undertakes tax planning in accordance with applicable laws and tax policy in relation to matters that arise in the ordinary course of Teck's business. The goal is to support the growth and development of Teck's business in a way that reflects its legal obligations and its commitments to its people, its shareholders, and to the communities in which it operates. Teck's Code of Ethics is always considered and respected.
5. Material transfers of goods and services between companies in the Teck group are effected at arm's length prices and on arm's length terms in accordance with the substance of the commercial transaction and in compliance with international transfer pricing standards such as OECD guidelines.
6. Teck has a limited presence in offshore financial centres. This currently includes a financing affiliate that finances active mining operations outside of Canada and an insurance affiliate that insures our worldwide mining operations. In accordance with our Tax Policy, our activities in any such jurisdictions are fully disclosed to all relevant tax authorities in accordance with applicable law, and are conducted on arm's length terms in accordance with applicable transfer pricing rules, are related to the ordinary course of our business. These activities are also fully compliant with the tax laws and policy applicable in the relevant financial center and in the operating jurisdiction which has received financing or insurance.
7. The tax consequences of material transactions are the subject of written analysis supported, where appropriate, by written external opinions and/or local government authority advance tax rulings.
8. Where there is a clear, unambiguous and material error in a filed tax return, Teck will disclose the error to the relevant tax authority if the error is discovered before the completion of the relevant tax audit cycle.
9. The Vice President, Tax reports regularly to the CFO and to the Audit Committee of Teck's board. Taxes are a material cost of Teck's business and the payment of our taxes is an important part of Teck's obligations to the communities in which it operates. Tax planning is monitored to ensure that it does not create inappropriate financial risk and is consistent with our commitment to the communities in which we operate.



**Donald R. Lindsay**  
President and CEO

