

## Refiner Responsible Mineral Sourcing Compliance Report

The LBMA Responsible Silver Guidance and Joint Due Diligence Standard for Copper, Lead, Molybdenum, Nickel and Zinc have been established for Refiners to adopt high standards of due diligence in order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict or financing cartel or terrorist activities, and to avoid contributing to anti-money laundering.

This report summarizes how Teck Metals Ltd has complied with the requirements of the LBMA Responsible Silver Guidance Version 2 and the Joint Due Diligence Standard for Copper, Lead, Molybdenum, Nickel and Zinc .

### PART A: Refiner's Details

Refiner's name: Teck Metals Ltd  
Location: Trail British Columbia Canada  
Reporting year-end: 2024  
Date of Report February 10, 2025  
Compliance Officer responsible for this report: Richard Deane, Manager Commercial Services and Public Affairs Teck Metals Trail [Email Richard.Deane@teck.com](mailto:Email.Richard.Deane@teck.com) Phone+1.250.364.4118

Signature:



#### Teck's evaluation

The following lists the minimum requirements that must be satisfied by Refiners in accordance with the *LBMA Responsible Silver Guidance Version 2* to demonstrate compliance.

### PART B: Summary of activities undertaken to demonstrate compliance

#### Step 1: Company Management Systems

**Teck Metals is compliant with Step 1 of the Responsible Silver Guidance and Joint Due Diligence Standard.**

##### 1.1 Supply Chain Policy

Teck Metals Ltd. is a wholly owned subsidiary of Teck Resources Limited and operates Trail Operations, one of the world's largest fully integrated lead and zinc smelting and refining complexes, located in southern British Columbia, Canada. Trail Operations produces lead, silver, zinc and other metals and fertilizers from concentrates sourced globally through the Teck Metals Sales and Marketing office in Toronto, Ontario. Teck has adopted a Teck Responsible Mineral Sourcing Policy first issued in July 2018 as the Teck Responsible Silver Sourcing Silver Policy. In 2019 it was broadened to include all mineral sourcing and is reviewed annually and approved by the Director, Metal Sales & Marketing. The policy includes OECD Annex II risks and is communicated to all relevant staff through annual training. It is located publicly at <https://www.teck.com/products/other-metals/>.

## 1.2 Internal management structure to support supply chain due diligence

Teck Metals maintains an internal management structure for supply chain due diligence. The Teck Responsible Sourcing Management Committee is composed of:

- Committee Chair - Director, Metal Sales & Marketing – expertise in non-ferrous metals business, product sales and marketing, contracting and customer relations, financial reporting, several years' experience in global markets and industry initiatives and advisory.
- Compliance Officer – Manager, Commercial Services – expertise in non-ferrous metals business, risk management, contracting and customer relations, legal and regulatory requirements.
- Committee Member - Director, Lead & Zinc Concentrate Marketing - 25+ years' experience marketing zinc and lead metals and concentrates globally with expertise in product sales and marketing, contracting and customer/supplier relations.
- Committee Member - Concentrate Marketing Representative - expertise in non-ferrous metals and concentrate business, product sales and marketing, contracting and customer/supplier relations, several years' experience in global markets.
- Committee Member – Raw Materials Manager - expertise in non-ferrous metals and concentrate business, concentrate procurement, contracting and supplier relations, several years' experience in global concentrate markets.
- Committee Member – Superintendent, Quality and Responsible Sourcing - experience in non-ferrous metals and concentrate business, risk management, legal and regulatory requirements, product certification, supplier relations, management system operation

Teck Metals has assigned a Compliance Officer who is accountable for processes related to supply chain due diligence for silver. Teck Resources Corporate Marketing and Logistics is responsible for policies related to supply chain due diligence. The Teck Responsible Mineral Management System defines the responsibility for each specific role that supports the silver supply chain.

The Responsible Mineral Sourcing Management System involves employees from many divisions of Teck Metals. There are several broad-based Teck policies communicated to employees involved which require both formal training and sign-off annually, such as Teck's Code of Ethics. In the case of the Responsible Mineral Sourcing Policy and Program, communication and ongoing training is focused on approximately 45 employees directly and indirectly involved in the supply chain including decision making roles related to feed supply. Training includes details on the Responsible Mineral Sourcing Management System, OECD 5-Step process, and potential risks in the supply chain. Teck conducts payments only through official banking channels and does not provide cash payments.

## 1.3 Traceability system over supply chain

Teck's internal due diligence system requires all sources to define the mine source and country location of mineral origin and countries of transport. Teck utilizes its own Mineral Supplier Information Form to better facilitate supplier information collection. Our form incorporates the LBMA's KYC Questionnaire as well as information required by the Joint Due Diligence Standard for Base Metals. In some cases, obtaining a supplier information form directly from mine sources can be challenging and Teck utilizes several other alternative sources to confirm necessary supplier and source information.

A Raw Materials Management System is utilized to manage and document transactions and logistics. Documents collected and stored includes supplier provision assays, bills of lading, loading weights, vessel, rail and trucking shipment notifications, port receipt and discharge notifications, on-site receipts, assays and weights. This information allows Teck to monitor and track shipments from mine to site as well as cross reference material characteristics to ensure receipt of actual material purchased.

#### **1.4 Strengthening company engagement with mineral supplying counterparties**

Teck is compliant and has enhanced communication with supply counterparties, promoting Teck's Responsible Mineral Sourcing Policy, the LBMA Responsible Silver program, and emphasizing the need for enhanced transparency in supply source including the expectation to provide supplier and source information. Revised and new contracts for feed sources include a contractual requirement for policy compliance. In 2024, Teck has continued to work with concentrate trading companies to better understand their due diligence programs and supply chains.

Teck has demonstrated our commitment to responsible sourcing to our suppliers by conducting on-the-ground assessments and increasing our knowledge of complex supply chains, including Artisanal and Small-Scale Mining (ASM) supply chains. We have been able to identify well implemented due diligence systems employed by ASM suppliers and continue to improve our due diligence strategies, as well as promote responsible mineral sourcing. Teck Resources Limited is a supporting company of the Extractive Industries Transparency Initiative (EITI) and is committed to EITI company expectations. See <https://eiti.org/supporters/teck-resources> for more information.

#### **1.5 Established confidential grievance mechanism**

Teck has an established program called 'Doing What's Right' that allows any employee or external stakeholder to anonymously voice concerns or grievances over the supply chain or any newly identified risk via a toll-free hotline or secure website at [www.teck.com/speakup](http://www.teck.com/speakup).

Upon receipt of a report via the Doing What's Right Hotline, the confidential designees will: 1) in the case of environment, health, or safety related concerns, notify the Chair of the EH&S Committee, in the case of human resources concerns, notify the Senior Vice-President and Chief Human Resources Officer and in the case of tailings facility concerns, notify the Accountable Executive for purposes of the Global Industry Standard on Tailings Management; 2) conduct an investigation, if deemed appropriate for the nature of the Concern; 3) and report on the investigation and disposition of Concerns to the appropriate committee chair, the Senior Vice-President and Chief Human Resources Officer, the President & Chief Executive Officer or others as deemed necessary. The Confidential Designees shall inform the person reporting the Concern (unless it was made anonymously) of the steps that will be taken in the investigation of the Concern, the anticipated duration of the investigation and (subject to reasonable restrictions) the final outcome of the investigation.

No grievances relevant to Teck's lead, silver, or zinc supply chain were received in 2024.

### **Step 2: Risk Identification and Assessment**

**Teck Metals is compliant with Step 2 of the Responsible Silver Guidance and Joint Due Diligence Standard.**

## 2.1 Due diligence process to identify risks in the supply chain

Teck employs a risk identification process that tracks supplier and mineral origin information, identifies risks, and assesses risk and due diligence activities. Locations of mineral origins and transit routes, conflict-affected and high-risk areas (CAHRAs) are identified utilizing several globally published indicator reports. Locations and sub-regions are rated in several categories and potential CAHRAs or red flags are identified.

Information on suppliers is obtained when onboarded and then annually to identify any areas of concern related to supplier company entities. If a potential risk is identified, additional action is undertaken which may include conversations with suppliers, investigative studies, and site visits. Risk assessments are completed throughout the year and the Responsible Sourcing Management Committee meets throughout the year to review risk assessments.

Teck engages several trading companies to source concentrates, and we work to understand their due diligence processes and responsible sourcing programs, and in some cases incorporate their due diligence efforts into our assessments. Teck has enhanced our program to include mine operation size (Large Scale Mining (LSM) or Artisanal and Small-Scale Mining (ASM)) considerations in our risk assessment process. Teck recognizes the value of comprehensive evidence-based risk assessments and have updated our program and seek additional criteria for potential high-risk suppliers.

When potential unacceptable risks are identified, enhanced due diligence (EDD) is undertaken to understand if actual adverse risks are present in the supply chain. Actions may include further dialogue with supply chain counterparties (miners or traders), on-the-ground assessments, and targeted investigative studies to understand the level of risk present in the supply chain. A risk assessment is documented, reviewed by the Responsible Mineral Sourcing Committee and approved by the Compliance Officer.

## 2.2 Classifying Identified Risks

Supply chain risks are evaluated in three categories: Location, Supplier, and Mine Type. For location risks, the country and region of mineral origin, countries of transport, and countries of suppliers are evaluated utilizing several globally published indicator reports for CAHRA related risks, including reports promoted by the OECD. A plausibility assessment is also conducted on the location. If any potential high risks in the CAHRA categories are identified in any of the locations, EDD must be undertaken to confirm no adverse effects are present in the supply chain.

Suppliers are evaluated in several risk categories such as sanctions, politically exposed persons, beneficial owners, and legal and regulatory compliance. If any potential high risks in the supplier categories are identified, EDD must be undertaken to confirm no adverse effects are present in the supply chain.

Mine type, specifically, mine operation size is categorized into Large Scale Mining (LSM) or Artisanal and Small-Scale Mining (ASM). Teck considers all ASM sources as a potential high risk and EDD must be undertaken to confirm no ASM related adverse effects are present in the supply chain.

In 2024, two source countries/regions were identified in the supply chain to have potential CAHRA risks based on indicator reports. One source region was investigated using on-the-ground assessment in 2023

and no risks were found to be present in the supply chain. We continue to enhance our due diligence for this region and work with suppliers and traders to also understand their due diligence activities. Additionally, many mine sites in the region are considered ASM operations, and Teck has begun to tailor our supplier information requests and EDD to reflect the complexities of the supply chain.

For the second source country, Teck investigated via an on-the-ground assessment at the supplier mine site and the supplier was found to have implemented appropriate risk mitigation measures to the risks present in the supply chain. We continue to monitor the supply chain risks in the region.

### **2.3 Enhanced Due Diligence measure for identified high-risk supply chains**

Mineral supplier and sources that have identified as potential high risk and are subjected to enhanced due diligence to further understand potential risks. A Mineral Source Risk Assessment Form is completed to summarize the enhanced due diligence and risk assessment conclusions for potential high risk or red flag sources. Risk assessments of the mineral supply chain are conducted by the Responsible Sourcing Management Committee and reviewed by the Compliance Officer. Teck monitors suppliers with the appropriate scrutiny on a continuous basis.

EDD activities include but are not limited to further supplier engagement, public reports, independent third-party investigations, and on-the-ground site visits.

The Responsible Sourcing Management Team, which includes senior management, meets throughout the course of the year to assess risks, new suppliers, ongoing due diligence activities, and program status. Annually, the Compliance Officer reviews the Mineral Source Risk Assessment with the Senior Management Team responsible for the program including the Teck Director of Metal Sales & Marketing who oversees the implementation of the program.

In 2023, Teck conducted site visits in Mexico and Bolivia to investigate potential location (CAHRA) high risks in the supply chain. Mexico was identified as a potential high-risk location due to CAHRA risks related to cartel corruption and violence. Bolivia was identified as a potential high-risk location due to CAHRA risks related to child labour. Both site visits confirmed no adverse effects in the supply chain, and where risks are present in the region, appropriate mitigation efforts are undertaken by the suppliers. Teck plans to re-visit supplier locations within 5 years, or if circumstances change that warrant an on-the-ground assessment.

### **Step 3: Risk Management**

#### **Teck Metals is compliant with Step 3 of the Responsible Silver Guidance and Joint Due Diligence Standard.**

Teck has a risk management strategy which includes identification and evaluation of identified risks. When potential high risks have been identified, Teck continues further investigation into the source areas and companies. For Annex II risks other than serious human rights abuses or support of non-state armed groups Teck may continue to receive materials while mitigation efforts take place, or temporarily suspend the source while mitigation efforts are pursued. For serious human rights abuses or support to non-state armed groups Teck will immediately suspend and may implement a risk mitigation plan before resuming trade or disengage from the source completely.

Teck has not identified any high-risk counterparties that required a risk mitigation strategy for the reporting period ending December 31, 2024. Teck maintains a formal Corporate Risk and Security group that monitors global geopolitical changes and actively reviews risk on an ongoing basis. Our Responsible Mineral Sourcing Program reviews, identifies, and updates risks continually and as needed in the case of new feed opportunities or as emerging risks warrant.

#### **Step 4: Arrange for an independent third-party audit of the supply chain due diligence**

**Teck Metals is compliant with Step 4 of the Responsible Silver Guidance and Joint Due Diligence Standard.**

Teck is compliant and has retained the services of a LBMA authorized third party audit firm to provide a limited assurance statement regarding the claims of this report and assurance of the associated Countries of Origin of Silver Report. Teck evaluates prospective service providers based on their global service locations and ability to assure our program to multiple standards in a combined audit. The third-party assurance statement is located publicly at <https://www.teck.com/products/othermetals/>.

#### **Step 5: Report on supply chain due diligence**

**Teck Metals is compliant with Step 5 of the Responsible Silver Guidance and Joint Due Diligence Standard.**

Teck produces the Teck Refiner Compliance Report annually to report on mineral supply chain (including silver) due diligence. It is located publicly at <https://www.teck.com/products/othermetals/>.

### **PART C: MANAGEMENT CONCLUSION**

**Is the Refiner in compliance with the requirements of the LBMA Responsible Silver Guidance for the reporting period?**

Teck Metals is compliant with the requirements of the LBMA Responsible Silver Guidance and Joint Due Diligence Standard for the reporting period January 1 to December 31, 2024.

In 2024, Teck continued promoting responsible sourcing to Teck's counterparties, risk assessed using independent public indicators and gathering additional information on higher risk countries/areas. Teck strengthened its relationships with supply chain counterparties by engaging them to better understand their due diligence programs. By conducting on-the-ground assessments, Teck has demonstrated our commitment to responsible sourcing to our suppliers while growing our knowledge of complex supply chains.

Teck is committed to ensuring it meets its social responsibilities and regulatory requirements and will continue to review and update its internal controls on an ongoing basis. This includes continuing the implementation of ongoing program improvement initiatives and industry best practices.

### **PART D: OTHER REPORT COMMENTS**



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If users of this report wish to provide any feedback to Teck with respect to this report, they can contact the Teck Compliance Coordinator at E-mail: [anti.corruption@teck.com](mailto:anti.corruption@teck.com). or Director, Zinc & Lead Concentrate Marketing - Concentrates at [marketing.sales@teck.com](mailto:marketing.sales@teck.com)