June 4, 2019

Adam C.T. Matthews  
Co-Lead, Investor Mining & Tailings Safety Initiative  
Director of Ethics & Engagement, Church of England Pensions Board

John Howchin  
Co-Lead, Investor Mining and Tailings Safety Initiative  
Secretary General, Swedish Council on Ethics for the AP Public Pension Funds

Dear Mr. Matthews and Mr. Howchin,

Thank you for your April 10 inquiry regarding Teck’s approach to responsible management of our tailings facilities. We share the focus of the Church of England and Swedish Council on Ethics for the AP Funds on responsible management of such facilities, and welcome the opportunity to share details on our approach. Nothing is more important than the safety of our employees and communities in the areas where we operate and the surrounding environment, which is why we conceive, operate and maintain our tailings facilities in accordance with recognized leading practices.

Teck actively manages 55 tailings facilities across our active and legacy mine sites. Of these Teck-managed facilities, 16 are active and 39 are inactive and no longer receiving tailings. We also have non-operated joint venture interests with active tailings facilities at Antamina in Peru and Fort Hills in Canada.

We are committed to being open and transparent with communities and other stakeholders regarding the construction and management of our tailings facilities. For example, we make information on our approach to tailings management, a detailed list of facilities, and copies of recent Dam Safety Inspections (DSIs) available at www.teck.com/tailings. DSIs are conducted annually for each tailings facility by the Engineer of Record to identify any conditions or changes that might impact the safety and reliability of the structure(s) and to make recommendations where any issues warranting attention are noted. As one component of our governance process, Teck tracks the recommendations and works with the Engineer of Record to address each item in a timely manner.

Information on Teck’s overall approach to tailings management and response to recent incidents involving other companies is included below. In response to the detailed facility-by-facility questions listed in your letter, please find attached a spreadsheet with the requested list of facilities and information. This letter and the attached spreadsheet have also been made publicly available at www.teck.com/tailings. Of the 55 tailings facilities across our active and legacy sites, the spreadsheet does not include the details of 16 unsaturated/dry-stack tailings facilities and two in-pit tailings facilities located at our steelmaking coal operations. While Teck technically classifies these as tailings facilities, none of these facilities has a “dam” and they are low risk landforms and/or open pit rock-enclosed facilities that do not have any potential failure mechanism that could result in life safety or environmental concerns.
Teck’s approach to tailings management

Teck operates and maintains our tailings facilities to meet global leading practices for life safety and environmental protection including industry leading guidance and protocols established by the Mining Association of Canada, best practice technical guidance from the Canadian Dam Association and the International Commission on Large Dams, and the overall governance framework provided by the International Council on Mining and Metals.

The General Managers (GMs) of each site are responsible for developing and implementing systems for safe management and operation of tailings facilities, including defining site roles and responsibilities. These responsibilities are supported by Teck’s Tailings Working Group (TWG), a cross-functional team with subject matter expertise that approves selections of Engineers of Record, confirms appointments for all external reviewers, maintains Teck’s overall tailings governance program and supporting documentation, and conducts regular governance reviews of tailings facilities and the individuals assigned by the respective GMs to manage those facilities as an additional measure of confidence and due diligence. The Chair of the TWG functionally reports to the corporate Vice President, Environment. The TWG also regularly meets with business unit leaders responsible for our operating and legacy tailings facilities to review, for example, DSI action items and to provide their perspectives on performance, independent of GMs. The TWG reports annually on the collective performance of all 55 tailings facilities to the company’s Health, Safety, Environment and Community Risk Management Committee, chaired by the President & CEO, and to the Safety & Sustainability Committee of the Board of Directors.

Teck’s comprehensive systems and procedures for safe management and operation of tailings facilities are organized around six levels of protection:

1. **Surveillance Technology**: Sites employ surveillance systems such as GPS hubs, piezometers, inclinometers, pressure gauges, remote aerial/satellite sensing and other technologies to monitor such components of the facilities as tailings impoundments, dam crests/abutments, natural slopes and water levels.

2. **Staff Inspections**: Tailings dams are inspected by trained operators and expert technical staff as frequently as several times daily, with formal staff inspections at our operations at least once per month.

3. **Annual Dam Safety Inspections**: Formal dam safety inspections are conducted annually by an external Engineer of Record. Recent annual Dam Safety Inspections for our facilities are publicly available at www.teck.com/tailings.

4. **Detailed Third-Party Reviews**: Comprehensive third-party dam safety reviews are conducted by a qualified independent tailings reviewer as frequently as every three years, based upon the consequence classification for each facility.

5. **Internal Governance Reviews**: Teck’s Tailings Working Group conducts internal management reviews of our tailings facilities as well as our major tailings projects on a regular basis.

6. **Independent Tailings Review Boards**: Our active operations, higher consequence legacy facilities and major development projects have Tailings Review Boards made up of independent experts who meet regularly, at least annually, to conduct a third-party review of design, operation, surveillance and maintenance.

Emergency preparedness

All Teck facilities have a detailed Operations, Maintenance and Surveillance (OMS) manual. These OMS manuals are site-specific documents that include contributions to an overall site Emergency Preparedness and Response Plan. Both the OMS document and response plans are regularly reviewed.
and updated. We also review Emergency Response plans with local communities and stakeholders and undertake tests to work through these plans and discuss our approach to tailings management.

Irrespective of all the comprehensive systems and procedures Teck has in place to minimize or completely eliminate credible failure modes for our tailings facilities, for all facilities where life safety issues could result from a hypothetical failure event, a formal inundation study based upon that hypothetical failure event is conducted. These hypothetical events are used to identify any potentially impacted communities and waterbodies in the extremely unlikely event of a tailings incident, in order to evaluate design/mitigation strategies and to assist with emergency planning and response.

For consistency across our global facilities, Teck follows the Canadian Dam Association Consequence Classification system that assigns a consequence ranking from Low to Extreme based upon the potential life safety, environmental, and economic effects of a failure. This ranking does not reflect likelihood of failure, but rather provides a tool to assist with facility design and emergency planning.

**Response to tailings incidents**

While we are confident in the safety and security of our tailings facilities, we are committed to continually reviewing both these facilities and our procedures to maintain the highest standard of safety at our operations and legacy sites. As such, following each of the tailings failures at Mount Polley, Samarco and Brumadinho, we conducted internal reviews that confirmed that none of our facilities are directly comparable to those that have been involved in those failures. Further, our one active and eight closed upstream facilities are all in the interior of British Columbia, Canada, and our internal subject matter experts, external engineers of record and our expert review boards indicate that the tailings materials in all of these cases are not comparable to the materials retained at Vale’s Brumadinho facility and do not represent a similar concern.

As noted we have carried out special additional reviews after each of the three external events that have driven significant catalysts for change in the global tailings management practices. Specifically following the Brumadinho failure, we initiated a special independent review of our tailings facilities and procedures which is currently underway. This review includes external experts who are independent to any aspect of the design or operation of any of our facilities and who are looking at Teck’s governance culture in addition to the more typical aspects of external reviews. The results of this review will be provided to me, Teck’s senior management team and to the Board of Directors.

In addition to our internal systems and procedures, Teck works in partnership with numerous local, national and international organizations to support improvements in tailings and mine waste management across the entire mining industry, including:

- **International Council on Mining and Metals (ICMM):** A global industry association that represents leading international mining and metals companies. As Chair of ICMM, I have championed the establishment of an independent review of tailing storage facilities by ICMM to establish an international standard for safe management of tailings facilities.
- **Mining Association of Canada (MAC):** A national association that promotes the development of Canada’s mining and mineral processing industry. Through MAC, we implement the Towards Sustainable Mining (TSM) program, which aids in improving industry performance.
- **Canada’s Oil Sands Innovation Alliance (COSIA):** An alliance of oil sands producers focused on accelerating improvement in environmental performance, including tailings facilities, in Canada’s oil sands through collaborative action and innovation.
- **Association of Professional Engineers and Geoscientists of British Columbia:** As a member company, Teck was a reviewer for the guideline for the requirements of foundation investigations for dams that was issued in 2016.
• **Australian Research Council:** In 2017, Teck became part of an initial three-year applied research program, along with four universities in Australia and several other mining companies, focused on finding more effective tools for predicting and avoiding tailings facility failures.

• **Canadian Dam Association:** As a member of the Association, Teck’s senior technical leaders have provided input to industry guidance on best practices.

Thank you again for your commitment to working with the mining sector on this issue of critical importance to investors, communities, employees and industry.

Sincerely,

Donald R. Lindsay  
President and CEO  
Teck