

Teck Trail Operations Engaging with Our Community Fall 2020

Discussion Guide and
Feedback Form

September 21 –
October 31, 2020

teck.com/engagetrail



Teck

We Want to Hear from You

This fall we're continuing to engage with our community to inform strategic planning at Trail Operations. Given the COVID-19 pandemic, our 2020 engagement is taking place entirely online.

Through this engagement, we're sharing some information about Trail Operations that the community expressed interest in learning more about during our fall 2019 engagement.

We heard you wanted to know more and provide feedback about a number of items including:

- The long-term sustainability of Trail Operations including RACE21™;
- Greenhouse gas emissions and climate change, and
- Training and employment opportunities.

If you have any thoughts about Trail Operations you want to share, we look forward to hearing from you.

How to Participate

- Submit a feedback form by October 31, 2020:
 - Online at teck.com/engagetrail
 - By mailing the attached feedback form using the postage-paid return envelope
- Attend a virtual small group community meeting
- Send an email to engagetrail@teck.com with your feedback

How Input Will be Used

Input that you provide will be incorporated into our strategic planning at Trail Operations. It will also inform our community engagement plans in 2021 and beyond.

Virtual Small Group Community Meeting

Please email engagetrail@teck.com to RSVP for a meeting. We will send you an invitation with the link to the meeting ahead of time.

Tuesday, October 6, 2020

1:00 – 2:30 pm

Tuesday, October 6, 2020

6:00 – 7:30 pm

Wednesday, October 7, 2020

10:00 – 11:30 am

Wednesday, October 7, 2020

6:00 – 7:30 pm

About Teck and Trail Operations

Teck is a diversified resource company committed to responsible mining and mineral development with business units focused on copper, zinc, steelmaking coal and energy.

Trail Operations is one of the world's largest fully integrated zinc and lead smelting and refining complexes. We source mine concentrates from all over the world and convert them into products that support modern day life. Our operation is an integrated part of Teck's broader zinc business, and the primary refiner for concentrates from our Red Dog mine in northwest Alaska.

What We Heard in 2019

In fall 2019, we shared information about Teck Trail Operations and gathered feedback from our community. This process was designed to provide an opportunity for you to hear directly from our team and give us input on what you are interested in and how you want to engage with us in the future.

Your feedback and the most commonly asked questions guided the engagement topics we are covering this year.

Engagement Participation

200+ Interactions:



60

people attended 4 small group community meetings



37

elected officials and municipal staff attended 6 presentations to the Mayors and Councils of Trail, Castlegar, Rossland, Fruitvale, Montrose and Warfield



98

feedback forms were completed



8

mail and email submissions were received

Engagement participants noted that they want to learn more about what we do at Trail Operations, how we do it and how we're planning to be viable in the long term. Environmental performance and career opportunities were also topics of interest.

Community members were generally pleased with the progress we've made to address environmental and community impacts, but want us to continue our efforts, particularly around air quality, noise and climate change.

There is interest in how we partner with economic development organizations and educational institutions to develop and increase awareness of the skills and training required to work at Trail Operations, particularly to increase diversity in our workforce and to ensure local residents and businesses have an opportunity to work with us.

For more information about the 2019 engagement results and consideration of input, please visit teck.com/engagetrail.



Fall 2020 Community Engagement Topics

1. Long-Term Sustainability of Trail Operations

One of the questions that was asked most frequently in our small group community meetings in 2019 was how Trail Operations plans to remain viable as a significant economic driver and employer in the Kootenays for years to come.

Teck is committed to the long-term future of Trail Operations, and it will remain a strategically important, integrated part of Teck's broader business as the primary refiner for zinc from the Red Dog mine in Alaska.

The history of the smelter in Trail dates back to 1896, when a small copper-gold smelter was built to support mines in Rossland. Since then, Trail Operations has innovated and evolved into a much different operation. We plan to continue this tradition of progress and provide the materials required to support our quality of life in a sustainable manner.

Here are some of the ways that we are doing this:

Diverse Feed and Products

As an integrated zinc and lead operation, all the feed materials are converted to products with very little waste. With the majority of feed coming from the Red Dog mine, Trail Operations has a secure source of feed from a long-life, high-quality mine. Although most feed primarily comes from mines, more and more feed

is coming from recycled products such as recycled lead acid and zinc alkaline batteries, zinc oxides from recycled steel, and residues from other smelting and refining operations.

Trail Operations produces a diverse range of metals, chemical products and fertilizers used in everyday items that run our homes and our cars, and even help grow the food we eat. Products we make are used directly in essential applications such as the production of medical equipment, in food sterilization, and municipal water treatment processes. We are one of the top 10 refined zinc producers in the world. The primary uses of zinc are for galvanizing steel to protect against weather and corrosion, producing brass and bronze, and in die-casting to produce a wide range of metal products. Zinc can increase crop yields and quality, and is an essential nutrient in human development and disease prevention. The technology sector also benefits from our products including lead batteries, used to power electric vehicles, and to store energy from renewables such as wind turbines. Germanium is used in developing solar panels, infrared optics and thermal imaging cameras, often used by emergency crews and search and rescue operations.

At Teck Trail Operations, we are continually exploring new applications for our wide range of products.

Investing to Stay Competitive

At Trail Operations, our people are key to our success. Continued improvement and innovation leveraging our knowledge and technical expertise will ensure Trail Operations remains competitive, viable and sustainable.

We are investing in our assets throughout the site to both maintain and improve the equipment we have today, as well as construct new assets to incorporate new technology. Being a part of Teck's diversified portfolio helps with capital investment for projects such as our acid plants.

We have made significant recent investments at Trail Operations to ensure that we remain competitive and sustainable, including:

- Over \$300 million for two new acid plants that are part of the process to recover sulphur from our feed materials and turn it into useful products like fertilizer;
- Environmental improvements to protect water and air quality; and
- Enhancing our zinc electrolytic capability with new rectifiers.

Securing Low Cost, Low Carbon Power

In 2018, Teck sold our two-thirds interest in the Waneta Dam to BC Hydro to strengthen Teck's overall financial position, while maintaining a reasonable cost of power for Trail Operations to support our continued competitiveness.

Under the terms of the agreement, Teck entered into a 20-year lease agreement for Waneta to provide power to Trail Operations at competitive, below market rates, with an option to extend for a further 10 years.

In addition to cost, continued availability of clean renewable power from Waneta provides Trail Operations with a greenhouse gas advantage relative to most of our competitors.

We Want to Hear from You

Are there other considerations you think Trail Operations should be looking at in terms of long-term sustainability of the operations?

Please provide your input through the feedback form.

The newly completed No. 2 Acid Plant.





Heavy duty mechanics at work in the equipment depot.

Harnessing Technology to Remain Competitive: RACE21™

RACE21™ is a company-wide approach to renewing our technology infrastructure, accelerating and scaling our automation and robotics program, connecting our data systems to enable broad application of advanced analytics and artificial intelligence, and empowering our employees to create new opportunities.

Innovation has been core to Trail Operations' 120 years of history and success and is the cornerstone of our future. RACE21™ is grounded in innovation and technology. We've been working on RACE21™ initiatives for close to a year now. So far, we have implemented 11 initiatives across the site with annualized potential benefits of over \$25 million.

RACE21™ at Trail Operations is focused on using dependable data and advanced analytics to improve the efficiency of our operations. Another key focus has been the migration of data to the Cloud to enable access and improve the speed of analytics.

An example of work undertaken so far includes increasing the control of critical process parameters in the Lead Circuit and Roasters to improve system performance. We are also optimizing the blend of materials processed on site to maximize financial margins based on inventory levels, metallurgical constraints, and supply chain status.

Successfully advancing RACE21™ will be critical to our continued success as a business by driving a step change in our performance and helping Teck remain competitive in a rapidly changing landscape.

2.Reducing Greenhouse Gas Emissions and Climate Action

Teck-Wide Initiatives to Reduce Greenhouse Gas Emissions

As a company, Teck is a signatory to the Paris Pledge for Action and is committed to acting on climate change, advancing renewable energy development and supporting the global transition to a low-carbon economy, including a commitment to achieving carbon neutrality across all operations and activities by 2050.

We have set out a roadmap of how we will reduce carbon intensity and ultimately achieve our long-term objective of carbon neutrality. It starts with a solid understanding of our current and future emission sources, and then applying a mitigation framework.

This mitigation framework has four steps:

1. Avoiding emissions altogether where possible.
2. Eliminating emissions through the use of alternatives – such as solar instead of coal power.
3. Minimizing emissions.
4. Using carbon offsets if needed.

We know that our two most significant emission sources are from power supply and from our mobile equipment fleets, such as haul trucks. We have prioritized those sources, and are deploying proven, cost-effective technologies to achieve three short-term goals:

1. Reduce the carbon intensity of our operations by 33% by 2030.
2. Accelerate the adoption of zero-emissions alternatives for transportation by displacing the equivalent of 1,000 internal combustion engine vehicles by 2025.
3. Procure 50% of our electricity demands in Chile from clean energy by 2025 and 100% by 2030.

We support action at all levels to combat climate change and are actively advocating for broad-based, effective carbon pricing. We were the first Canadian resource company to join the Carbon Pricing Leadership Coalition, a partnership of national and sub-national governments, businesses, and organizations working toward integrating carbon pricing into the global economy.





Environmental technicians at the Butler Park Air Monitoring Station.

Tackling Climate Action at Trail Operations

Our community cares about climate change and carbon emissions and wants to know how Trail Operations is addressing our impacts.

Climate change is one of Teck Trail Operations' sustainability key focus areas. We take action to reduce greenhouse gas emissions by improving our operational efficiency and implementing low-carbon technologies:

- Trail Operations is world-leading for carbon emissions for an integrated lead and zinc smelter. (PwC, 2019)
- Replacement of blast furnaces with the KIVCET lead furnace in 1997 had a significant carbon emissions benefit.
- Our zinc production uses low-carbon electricity from the Waneta Dam, a clean and renewable source of energy produced with substantially lower amounts of CO_{2e} than is emitted from conventional fossil fuel power generation.
- The current smelting process for metallurgy is a high-heat, carbon-based chemical reaction. Non-fossil fuel chemical processes for large-scale production are not yet commercially viable, but we continue to work on operational efficiencies to further enhance our environmental performance while assessing potential new technologies.
- Opportunities for near-term improvements include operational efficiencies with our use of coal, natural gas, and coke.

At Trail Operations, our goal is continuous improvement.

We Want to Hear from You

Do you agree with the approach we are taking to address greenhouse gas emissions from our operations?

What are your thoughts on the potential further actions we could take to reduce greenhouse gas emissions?

Please provide your input through the feedback form.

3. Training and Employment Opportunities

Trail Operations is proud to be a part of the local community. We have approximately 1,400 employees living in Trail, Castlegar, Warfield, Fruitvale, Montrose, Rossland and the surrounding areas. We contract and hire local companies, and we support local initiatives that strengthen our community.

Developing the Next Generation of Teck Employees

Members of the community told us that they wanted us to work with local educational organizations on programs to set up students for careers in the sciences, operations and trades, including positions at Trail Operations. We have several initiatives with local schools and Selkirk College designed to engage and support students interested in these fields. While the COVID-19 pandemic impacted how education is delivered to students of all ages, and our traditional means of engagement, we are committed to continuing to support educational efforts in ways that we can.

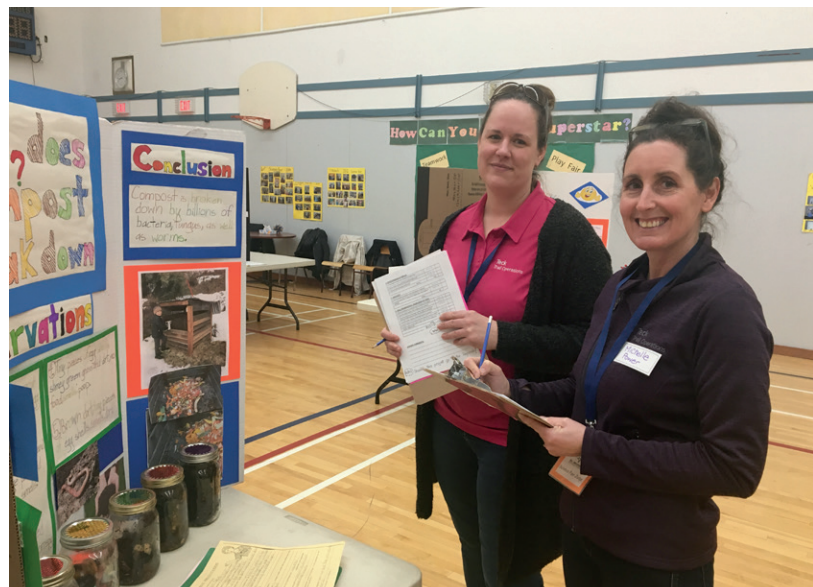
We have a long-standing partnership with Selkirk College that has included community investment support of major initiatives such as:

- The recent renewal of the Nelson Trades Campus;
- The TeckServ internship program that supports Selkirk students in undertaking community-based research projects benefiting local communities; and
- Annual scholarships supporting students in business administration and metal-based trades.

We have also partnered with Selkirk College on the development of education programs and work experience opportunities, such as the Process Operators program. Since 2010, over 125 graduates, over 40 of whom are female, have joined the workforce at Teck Trail Operations.

Our engagement with elementary and secondary schools traditionally includes classroom presentations, science fair judging, participating in the annual Youth Action Summit, supporting career fundamentals through mock job interviews and resume writing, trades tours and work experience opportunities. Unfortunately, the pandemic has impacted a number these initiatives during the spring and the delivery of educational programs will likely change moving forward. We will be pleased to continue our participation in new ways as schools work through new protocols.

Over 130 tradespersons have graduated from our Apprenticeship Program since its inception in 2006, representing 45% of our current trade workforce. There are six male and one female apprentices in the program currently. Six women have participated in the program since 2006. Approximately 95% of graduates were hired locally. Our trades group has also supported the Selkirk College Trades Discovery for Women Program.





The progress of our current apprentice class has been delayed slightly due to the impact of the pandemic at the training schools. These institutions will be moving forward through the fall with a combination of online and in-person training. Our partners in the program include Selkirk College, the Industry Training Authority and School District 20.

Diversity and Inclusion

We support an inclusive and diverse workplace that recognizes and values difference. We recognize that our diversity—the many unique things we individually and collectively bring to work each day—contributes to building a stronger workforce and a better company.

Teck promotes and fosters an inclusive and diverse workforce in order to:

- Contribute to innovation and better decision making through exposure to increased perspectives and ideas;
- Attract a broader pool of candidates and improved employee retention;
- Build a strong workforce that is engaged and contributes to Teck's social and economic goals; and
- Better reflect the diversity of the communities in which we operate.

Want to Join our Team?

Teck Trail Operations has a dynamic workforce with challenging careers in everything from process operations, trades and engineering, to human resources, finance, safety, environment and sustainability. A career at Teck provides interesting work assignments and excellent opportunities for professional growth. The Careers page at teck.com/careers showcases the various jobs available and allows you to sign up for job alerts that match your interests.

We Want to Hear from You

Where should we focus our efforts as we with our education partners to develop the next generation of Teck employees?

Please provide your input through the feedback form.

4. Our Response to COVID-19

The global health crisis posed by COVID-19 is unlike anything previously faced by companies, families, and communities. The scope and severity of this pandemic requires all of us to step up and do our part. At Trail Operations, our core value is protecting the health and safety of our employees and their families, and the community. Teck is closely monitoring guidance from public health agencies and government, and has implemented comprehensive measures in response to COVID-19 including:

- Enhanced cleaning and disinfecting protocols;
- Restricting the number of people in plant control rooms and other key areas to support physical distancing;
- Promoting, and educating employees on, personal preventative measures and implementing regular checks to ensure everyone is complying with protocols; and
- Reducing the number of workers on site, with roughly 33% of our employees working remotely and staggered shifts onsite.

Trail Operations produces a number of products that are used directly in essential applications such as production of medical equipment, including instrument panels, thermal scan thermometers, food sterilization, and municipal water treatment processes.

We are focused on maintaining jobs and economic activity, while following extensive COVID-19 protocols as we continue to provide essential products.

We Want to Hear from You

Is there more information you want about our response to COVID-19?

Please provide your input through the feedback form.





Feedback Form

We encourage you to complete this feedback form online at teck.com/engagetrail. You can also mail it back to us using the postage-paid envelope attached to this guide.

Long-Term Sustainability of Trail Operations (pages 3–5)

1. In addition to the considerations outlined in the discussion guide, are there other considerations you want Teck to be aware of in relation to the long-term sustainability of Trail Operations?

Reducing Greenhouse Gas Emissions and Climate Action (pages 6–7)

2. Please rate your level of agreement with the approach that Teck is taking to reduce greenhouse gas emissions from Trail Operations.

Strongly agree	Somewhat agree	Neutral	Somewhat disagree	Strongly disagree
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Are there other ways you would like to see us work with the community to help address climate change?

4. Please provide any additional comments or suggestions you may have regarding the reduction of greenhouse gas emissions.

Training and Employment Opportunities (pages 8–9)

5. Which areas would you like us focus on with our education partners in order to further develop the next generation of Teck employees?

Rank from most important to least important, with 1 being most important and 5 least important.	
Develop more education and training opportunities	
Further engagement with students in elementary and secondary schools	
Increased funding for scholarships	
Expanded promotion of our Apprenticeship Program	
Promoting roles at Teck targeted to underrepresented student demographics	

Our Response to COVID-19 (pages 10)

6. Have we provided enough information about the health and safety protocols we have in place to protect employees and local communities? Is there any other information you are interested in?

Additional comments

7. Please provide any additional comments that you may have regarding Trail Operations.

Tell us about you (optional)

8. Where you do live?

- ☐ Trail
- ☐ Warfield
- ☐ Rossland
- ☐ Montrose
- ☐ Fruitvale
- ☐ Castlegar
- ☐ Other: _____

9. Are you a Teck employee?

- ☐ Yes
- ☐ No

If you would like to receive information about future opportunities to provide feedback about Teck Trail Operations, please provide us with your name and email address:

Name: _____

Email: _____

Contact information will only be used to provide updates about consultation opportunities.

