

Our Approach to Diversity and Employee Relations



Which Teck sites does this document apply to?

All Teck sites and projects. This does not include operations in which Teck has/had an ownership interest but is not the principal operator.

Governance and Accountability

Background

Our people are essential to our success. By establishing a strong culture of employee engagement and support for inclusion and diversity across our operations, we are able to do more, and be more, together.

We recognize that our diversity—the many different and unique things we individually and collectively bring to work each day—contributes to building a stronger workforce and makes Teck a better company. Increasing gender equity and inclusion offers significant business benefits, including ensuring a pipeline of important skills and leadership talent, improving health and wellness, increasing innovation and productivity, creating more resilient local economics and enhancing corporate reputation.¹

Through employee development, leadership and succession planning, we work to ensure that our people have the capacity, competency and opportunity to grow individually and to contribute to Teck's success. We focus on improving productivity and employee relations by maintaining constructive labour relations. Our objective is to develop leaders who confidently and efficiently manage safe, respectful and productive operations.

Accountability and Resourcing

Our commitment to inclusion and diversity is reflected in all levels of our company, beginning with our Board of Directors, which has adopted specific measures to ensure that female nominees are considered when candidates for election to the Board are taken into consideration.

The following senior leaders are involved in implementing the management of diversity and employee relations:

- The Senior Vice President, Human Resources, who reports to the CEO, is responsible for human resources management and our global people strategy, which is implemented by human resource and management teams at our head office and operations. The Senior Vice President also chairs our Senior Executive Diversity Committee, which includes our Senior Vice President, Commercial and Legal Affairs, our Senior Vice President, Sustainability and External Affairs, and one rotating executive member representing our operations.

Policies and Standards

Teck's [Inclusion and Diversity Policy](#) was developed by the Senior Executive Diversity Committee and endorsed by our Board of Directors and senior management team. The policy reflects our commitment to promoting and fostering an inclusive and diverse workforce. Our focus on inclusion and

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¹Canadian Mining Labour Market Outlook 2017. Mining Industry Human Resources Council.

diversity aligns with our company's core values of integrity and respect. It is also reflected in our [Code of Ethics](#) and our [Code of Sustainable Conduct](#). Teck's Global Harassment Policy outlines Teck's requirement for the work environment to be free from discrimination, including harassment and sexual harassment, and procedures for reporting and investigating complaints.

Memberships, Partnerships and External Commitments

External best practices and standards inform our work in human resources:

- **Mining Industry Human Resources Council (MiHR):** A recognized leader in the development and implementation of national human resources solutions
- **International Labour Organization (ILO):** A tripartite UN agency uniting member governments, employers and workers in common pursuit of social justice and internationally recognized human and labour rights. Teck incorporates several ILO standards
- **Gender Equity in Mining Works:** Helps companies create a mining and minerals industry where women and men have the best opportunities for making great contributions and having rewarding careers
- **Women in Mining Canada National Action Plan:** Facilitates the provision of assistance to women in mine-impacted areas who are increasingly facing socio-economic problems caused by mining activities
- **30% Club Canada:** The aim of this organization is to encourage both board Chairs and CEOs to achieve better gender balance at board level as well as at senior management levels. Teck's President and CEO is a member of the 30% Club Canada.
- **UN Women:** Teck and UN Women entered into a US\$1 million multi-year partnership in 2016 to promote the empowerment of Indigenous women in Chile. In 2018, the partnership was extended through an additional US\$1 million investment from Teck to develop a new training centre for this program.
- **The Minerva Foundation:** An organization that supports women and girls in British Columbia, Canada, to gain the confidence and skills they need to reach their leadership potential. Teck's President and CEO is a signatory of the foundation's Diversity Pledge.

Approach to Diversity and Employee Relations

Diversity

Fostering an inclusive and diverse workforce contributes to our innovation and success through exposure to increased perspectives and ideas, helps attract a broader pool of candidates, improves employee retention, and better reflects the diversity of the communities in which we operate. Inclusion and diversity also strengthen a culture of safety, one of our core values.

Teck recognizes that, historically, women have been under-represented in the mining sector, so we are working to increase the number of women across our organization, with a focus on leadership, technical and operational roles. One of the programs that has helped to attract and retain a greater number of women at Teck is the Mining and Refining for Women project at our Trail Operations. The goal of this project is to identify workplace barriers and increase opportunities for women in technical positions such as front-line operations, and technical and professional roles.

We also implement various diversity training programs, which vary by site and operation, for employees.

Workplace Flexibility

Teck has family-friendly policies and programs that vary by location and employee group. They include academic scholarship programs for children or dependents of employees and retirees, maternity and parental leave benefits, and flexible work arrangements for employees where feasible at their work location. As obtaining childcare is becoming increasingly challenging in many regions where Teck operates, we are piloting a partnership with Kids & Company, who provide daycare services at 90 locations across Canada. Teck also provides an annual Healthy Lifestyle account to Canadian employees, which the families may use for benefits such as sports team memberships, sporting equipment, safety equipment, recreational activities and more.

Non-Discrimination and Anti-Harassment

Discriminatory and harassment practices are unacceptable and not tolerated in our company, and we are committed to the proper treatment of all employees. Teck's Global Harassment Policy and Code of Ethics recognizes that all employees have a right to work in an environment free from violence and threats, including acts of physical, verbal or written aggression.

Employee Feedback and Grievances

Identifying problems or violations, and quickly resolving them to prevent them from escalating or recurring, benefits all workers and the workplace environment.

Our employees are required to report any violations, or potential violations, of our Code of Ethics through our Doing What's Right program, which includes a whistle-blower hotline and web portal that are managed by The Network, an arm's-length third party. The hotline and portal are available 24 hours a day, seven days a week, in all jurisdictions in which we have employees, to provide a confidential and secure means for our employees and others to report concerns anonymously about conduct that may be contrary to our values and standards.

We do not tolerate any form of retaliation against employees raising concerns. All allegations of harassment or intimidation by others as a result of contacting the hotline/ web portal or otherwise raising ethics or safety concerns are investigated, and if required, appropriate disciplinary actions are taken, which can include dismissal.

Labour Relations

Mining is a heavily unionized industry, and we aim to develop our relationships with unions and our unionized employees at both the local and national levels. Approximately 60% of our employees are unionized. We engage with our unions on a regular basis across our operations on all aspects of business.

We fully recognize the rights of employees to freely associate and join trade unions, and we have embedded the principle in our Health, Safety, Environment and Community Management Standards. All unionized operations have employee committees with representation from their respective unions. For instance, 100% of locations have an Occupational Health and Safety Committee. Examples of other committees at our operations include Labour/ Management, Training, Apprenticeship, Grievance, and Contracting Out committees.

We ensure that our minimum notice periods meet or exceed those stipulated by applicable employment standards legislation. Minimum notice periods may also be specified in collective agreements. To ensure that harassment against union members does not occur, we have global or site policies and non-discrimination measures in place that are specific to each collective agreement.

In addition to the company-wide grievance process and Global Harassment Policy, some sites have specific bullying and harassment policies that provide for a joint investigation when a unionized employee is involved. Applicable human rights and workers' compensation legislation also governs Teck in areas where we operate.

Retention, Training and Development

As we operate in market conditions that require us to enhance productivity, employee engagement remains integral to our business. We focus on enhancing engagement across Teck through employee remuneration, performance review processes, employee development opportunities and labour relations practices.

Employee Remuneration

Teck is committed to providing a fair living wage to all employees and contractors. We monitor the employment market to ensure we maintain a cost-effective total compensation offering while attracting and retaining the employees needed now and in the future.

A gender pay review conducted in 2017 indicated that there was no systematic gender pay issue within our company. To ensure that the analysis was conducted in a rigorous and structured manner, the process was externally reviewed, and similar reviews will be conducted regularly in the future.

Performance Reviews, Employee Training and Leadership Development

Each year, all regular full-time, active salaried employees receive formal performance development and career reviews through our Building Strength with People program. Details on this program are provided in Table 1.

Teck is committed to the ongoing development of our people, with a focus on leadership development and technical skills. We provide all employees with a variety of training opportunities that include general business education, change and project management, gender intelligence, first aid, mine rescue, maintenance training for apprentices and tradespeople, operator training for our equipment, confined space training, and a variety of environment and safety programs. All employees may apply for additional training programs according to their local education assistance policies.

Our approach to leadership development is primarily focused on four programs: Leading for the Future, Leading for Excellence, Leadership Challenge and Emerging Leaders, as described in Table 1.

Table 1: Development Programs at Teck

Program	What Is It?	Why Do We Do It?	How Do We Measure Effectiveness?
Building Strength with People (BSWP)	Framework through which salaried employees have regular performance, development and career conversations with their supervisors. Goals tracked in BSWP are directly linked to goals in annual and five-year business plans.	To clarify and align business priorities with individual performance and development expectations, and to identify critical experiences that are necessary to meet the individual's career interests.	Conduct an annual BSWP effectiveness survey, analyze results and focus on improvement based on employee feedback.
Leading for the Future (LFF)	A cohort-based program that takes place over nine months where participants attend three modules. This program is designed for front-line leaders and supervisors across Teck's business.	Our leadership development programs are crucial to our business growth and to our future success. The programs ensure that our next generation of leaders will be prepared to lead, live Teck's values and provide our business with a competitive edge.	Track the number of employees who participate in the programs, with an emphasis on diversity. Through business impact stories, 360° reporting and competency improvement tracking, we also track retention, movement and promotions of past program participants and their effectiveness as leaders.
Leading for Excellence (LFX)	A cohort-based program that takes place over six months where participants attend two modules with interim coaching. This program is for employees who are leaders of leaders. At many sites, this translates to Superintendent, Manager or General Supervisor.		
Leadership Challenge	A site-based 10- to 12-week cohort-based program designed for graduates of the LFF and LFX programs. The program challenges participants to develop their leadership competencies through deliberate practice at work.		
Emerging Leaders	A cohort-based program with five four-day modules that take place over 12 months. Participants are selected based on their future potential, and prior to the start of the program their strengths and development gaps are identified in an assessment centre. After the program, participant development plans are reviewed annually to ensure accelerated development opportunities are identified and implemented.	The program is designed to identify and prepare high-potential leaders for senior leadership roles in Teck.	The success of the program is measured by the number of annual critical experiences, assignments, rotations, transfers and promotions. The ultimate success of the program is the appointment of senior leaders in Teck from this talent pool, rather than external hires.

Knowledge Transfer and Succession Planning

Every employee has a unique set of experiences, skills and knowledge, which is crucial to retain as employees move into different roles or exit the organization. We conduct reviews of knowledge transfer systems to understand operationally how we are approaching this problem, what systems are in place, how to share best practices, and what areas need improvement. In addition to knowledge transfer, Teck conducts semi-annual succession and development planning meetings designed to identify skills at all levels and to ensure that they are developed in time to achieve business objectives.

Our Targets and Commitments

Our sustainability strategy guides our long-term approach to diversity and employee relations across the organization. These goals were developed in consultation with employees and reflect our commitment to continuous improvement.

By 2020, we will:

- Build a diverse workforce that includes more women and Indigenous Peoples
- Develop leaders who can confidently and efficiently manage safe, respectful and productive operations

By 2030, we will:

- Be a diverse and inclusive workforce representative of the communities in which we operate
- Be a workplace with a shared commitment to fairness, respect, operational excellence and productivity

We report on our performance against these indicators and our progress towards our diversity and employee management goals on an annual basis in our [sustainability report](#).

