



November 4, 2014

Dear UN Global Compact Office,

I am pleased to renew our ongoing support and endorsement of the CEO Water Mandate and commit Teck Resources Limited (Teck) to continue implementing a comprehensive approach to water stewardship that will incorporate the six core elements of the CEO Water Mandate and publicly report our progress annually.

Please find attached two reports that together describe our progress towards implementation of the six core elements of the CEO Water Mandate:

- Teck's 2013 Sustainability Report water section: Our Sustainability Report presents our sustainability performance and reports on all of our sustainability focus areas, including water. The full report can be obtained from our website at: [www.tecksustainability.com/](http://www.tecksustainability.com/).
- Teck's 2014 CDP Water submission: The CDP Water submission provides investors with information on how Teck identifies, manages, and mitigates risks and opportunities related to water.

At Teck, our approach to water stewardship is strongly connected to and defined by our commitment to sustainability. We believe sustainability is fundamental to our long-term success and we remain committed to meeting our sustainability goals and implementing the six core elements of the CEO Water Mandate.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Lindsay", is positioned above the typed name.

Donald R. Lindsay  
President & CEO  
Teck Resources Limited

# Water



5

number of times  
water is reused at our  
mining operations

**Vision:** We contribute to the ability of present and future generations to enjoy a balance between the social, economic, recreational and cultural benefits of water resources, within ecologically sustainable limits.

### **Why is this topic important?**

Water is essential for life and there is increasing concern around water scarcity and quality. Less than 1% of fresh water is readily accessible for human consumption, and access to fresh water has been declared a human right by the United Nations. Water is often not readily available in the quantity or quality that is needed for human activity, making the fair allocation of water an important issue in regions of water scarcity.

Mining and smelting rely heavily on water, as it is used in large volumes to process and transport minerals. The use of water in mining and smelting can also introduce potential changes in water quality, which can impact the surrounding environment when water is returned to the environment. In addition, these activities can impact other water users who rely on shared water resources.

### **What does it mean for Teck?**

Water is Teck's most material sustainability issue. We are affected by, and we can affect, the availability and quality of water. Being able to use water efficiently, maintain water quality and ensure the fair allocation of water resources is essential for us to maintain access to water. Given the global trends in water scarcity and deteriorating water quality, we are working to address key issues, including increased competition for water, restricted water use, more stringent limits on discharge water quality and quantity, increased monitoring and reporting requirements, and the development of more innovative solutions for water treatment and conservation.

We want to be a leader in water stewardship, helping to ensure our continued access to water and setting the foundation for strong relationships with communities and other water users in our areas of influence.

### **Why is this important to our communities of interest (COIs)?**

Water is essential to our COIs. Communities near our operations or with whom we share watersheds care about water quality and the environment, and about the availability of water for their livelihoods and recreation. Governments are increasingly engaged in the development and modification of water policies, and industry associations are establishing best practices for water stewardship.

### **What is our approach?**

Our approach to water management is based on three key elements: maintaining water quality, using water efficiently and collaborating with our COIs to ensure the fair allocation of water.

Our water strategy and goals are intended to position Teck as a leader in water stewardship. We are moving beyond compliance and towards collaborative water management practices that focus on sustaining and restoring water resources.

We have defined the steps needed to improve our understanding of water use and management at our operations. We focus on research and development in water innovation, we consider diverse watershed interests for every new resource development project, and we implement operation-specific water management plans and systems across our operations. We are implementing a comprehensive approach to water management and developing collaborative solutions that engage water users in water management planning on a regional or watershed scale.



## 2013 Highlights

- Established a company-wide water balance that provides a more comprehensive account of the volumes of water that flow into and out of our operations
- Completed integrated water management plans at each of our operations
- Working closely with communities, First Nations and governments to create an Elk Valley Water Quality Plan near our steelmaking coal operations in British Columbia

## Developing Integrated Water Management Plans

In 2013, each of our operations completed integrated water management plans (IWMPs) that describe how water will be managed in order to:

- Contribute to meeting our sustainability goals
- Provide direction and strategy to address water management risks and challenges
- Establish how water management infrastructure performance will be monitored and reviewed

- Determine staffing resources that are required for water management

Each plan also provides context on how an operation fits into the area watershed and its corresponding regulatory context. IWMPs will be updated in conjunction with each operation's water balance. See below for an example of how IWMPs are being used at Cardinal River Operations.

### Integrated Water Management at Cardinal River Operations

Adapting and evolving with changing priorities or targets, the integrated water management plans (IWMPs) created at each of our operations in 2013 provide an overview of water stewardship at our operations, and help us work towards our company-wide 2015 water goals.

"Integrated water management plans provide the opportunity to develop a comprehensive approach to water management, where information is centralized and where staff from various departments can collaborate in developing and implementing the plan," said Troy Jones, Director, Environmental Performance. "The creation of cross-functional water teams at each operation is the first step in this direction."

"Developing a water plan helped us document our water management strategies," said Chris Blurton, Environmental Scientist, Cardinal River Operations (CRO). "We created a plan that is accessible to everyone on-site so that we're all on the same page about our approach to water management. If you have a question about water management at Cardinal River, this plan is the first place you would look."

One of the water management strategies outlined in CRO's IWMP was to reduce the number of discharge points that cross the operation's 25-kilometre haul road in order to decrease reliance on licensed settling ponds and minimize the number of ways that water, which may have had contact with mine activities, can leave the site.

"Reducing the number of discharge points also decreases the strain placed on multiple treatment structures and improves our operational efficiency," said Blurton. "If we have fewer discharge points to monitor and maintain, a greater amount of our attention can be spent on the few that remain."

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## Protecting Water Quality

Protecting water quality is part of our sustainability strategy. We monitor the quality of water that is discharged from our operations and returned to the environment in order to ensure compliance with applicable standards, regulations and permits.

Our efforts also focus on keeping clean water clean through a water management strategy that avoids affecting water quality whenever possible.

Currently, our primary water quality focus is on managing selenium at our five steelmaking coal mines in the Elk Valley of British Columbia. Selenium is an essential element required for the health of humans and other animals. However, when it is present in elevated

concentrations, there is potential for ecosystems to be affected. For example, high levels of selenium can impact aquatic habitats and impede fish reproduction. Water quality monitoring in the rivers near our steelmaking coal mines has detected increased selenium concentrations; we continue to dedicate resources to address selenium levels, including the construction of a water treatment plant. In April 2013, the provincial government issued an Area Based Management Plan Order that calls for Teck to develop the Elk Valley Water Quality Plan to address the effects of selenium as well as other substances released by mining activities throughout the watershed and, as required, initiate mitigation strategies. The case study on page 73 gives more information on the development of this plan.

## Improving Water Efficiency

Water is an increasingly scarce resource and, as a result, we are working to ensure that we are optimizing our water use. One of the first steps towards setting water efficiency targets is to develop an understanding of our water balance, which accounts for the volumes of water that flow into and out of our operations and their associated watersheds. Our water balance consists of data on the volume of water inputs, use, reuse, recycling and outputs at each operation. It is complex, due to the variability of natural factors such as rainfall, snowmelt and the diversity of the climate where we have our operations; these factors can all affect the flows within aquifers and surface water. Understanding our water balance is the key to improving water management practices and to enabling better decision-making.

We developed site-specific water balances at all operations in 2013, allowing us to create a company-wide water balance that will serve as our baseline. The site-specific water balances, in combination with enhanced water monitoring and measuring systems, have been used within a comprehensive water accounting framework that allows us to better understand the water volumes that are managed at each operation, including the flow of water into and out of our operations by the water source and destination. Our company-wide water balance for 2013 is shown in Figure 12 on the next page.

### How to Read a Water Balance

**Water inputs:** Water that is received, extracted or managed, (i.e., collected and conveyed through an operation's infrastructure). Water inputs can come from:

- Surface water
- Groundwater
- Seawater
- Third-party sources<sup>(1)</sup>

Water inputs exclude water diverted away from operational areas.

**Water use:** Water used for mining or operational processes, such as for mineral processing, cooling, dust control, or truck washing. Water use includes:

- Fresh water — water that is used for the first time
- Reused water — water that is reused without being treated between uses
- Recycled water — water that is reused and is treated prior to reuse

#### Water discharged without use

**Water outputs:** Water that is returned to the environment or not available for further use after it has been collected, used, treated or stored. The destination for water outputs include:

- Surface water
- Groundwater
- Seawater
- Third-party entities
- Other<sup>(2)</sup>

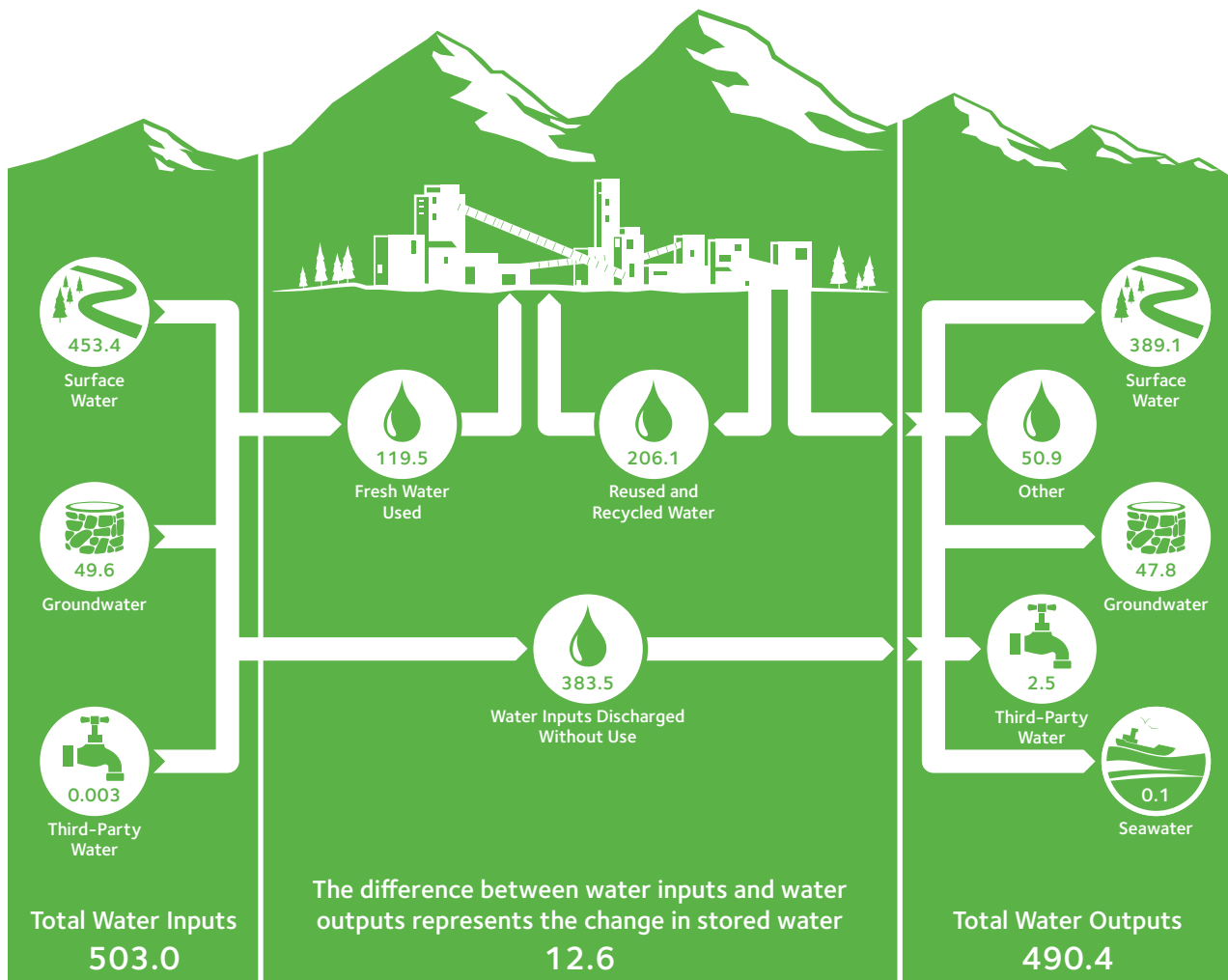
**Water accumulated:** The difference between water inputs and water outputs. This is indicative of the change in the stored water volume at our operations.

<sup>(1)</sup>Third-party water is water supplied by an entity external to the operation, such as from a municipality.

<sup>(2)</sup>Other includes water that has evaporated or is not recoverable (e.g., entrained in the ore concentrate or tailings).

Figure 12

**Company-Wide 2013 Water Balance in million cubic metres (m<sup>3</sup>)**



**Water Used, Reused and Recycled**

We used a total of 325.6 million cubic metres (m<sup>3</sup>) of water in 2013, of which 119.5 million m<sup>3</sup> was fresh water, and 206.1 million m<sup>3</sup> was reused or recycled water.

We track our water data both company-wide and for our mining operations only (excluding Trail Operations, which is our zinc and lead smelting and refining facility). Water reused and recycled, expressed as a percentage of freshwater use, was 172% across the company. At our mining operations only, this percentage was 464%. This means that our mining operations recycled and reused the same water approximately five times on average before returning that water to the environment.

Trail Operations accounts for approximately 28% of our total water use and 65% of our freshwater use. This water is primarily used for cooling purposes, meaning that it does not come into contact with chemicals or

reagents, and the only change it undergoes is a slight increase in temperature before being returned to the environment. Therefore, we track this water separately from the data for our mining operations.

**Freshwater Intensity**

We began assessing our water performance on the basis of freshwater use intensity in 2013, as shown in Table 15. Our freshwater use intensity is defined as the annual volume of freshwater used per unit of material processed for our coal, milling and flotation operations. These water metrics allow us to more consistently evaluate our water performance independent of variations in annual precipitation and ore grades. In addition, they will allow us to establish freshwater use efficiency targets that will inform water management decisions at our operations.

Table 15

**2013 Freshwater Use Intensity**

	<b>Steelmaking coal Operations<sup>(1)</sup></b>	<b>Milling and Flotation Operations<sup>(2)</sup></b>
Freshwater use, in millions of cubic metres (m <sup>3</sup> )	16.2	23.5
Quantity processed or produced	39,941,000 tonnes of raw coal processed	67,357,000 tonnes of ore processed
Freshwater use intensity	0.41 m <sup>3</sup> /tonne of raw coal processed	0.35 m <sup>3</sup> /tonne of ore processed

<sup>(1)</sup> Includes Cardinal River, Coal Mountain, Elkview, Fording River, Greenhills and Line Creek operations.

<sup>(2)</sup> Includes Red Dog, Highland Valley, Duck Pond and Carmen de Andacollo operations.

For Quebrada Blanca Operations and Trail Operations, a freshwater intensity metric is not meaningful. This is because the amount of fresh water used at both operations is largely independent of the amount of material produced or processed. Therefore, we assess

our water performance at Quebrada Blanca Operations and Trail Operations based on the amount of fresh water used. In 2013, Quebrada Blanca Operations used 1.9 million m<sup>3</sup> of fresh water and Trail Operations used 78 million m<sup>3</sup> of fresh water.

## Promoting the Fair Use of Water

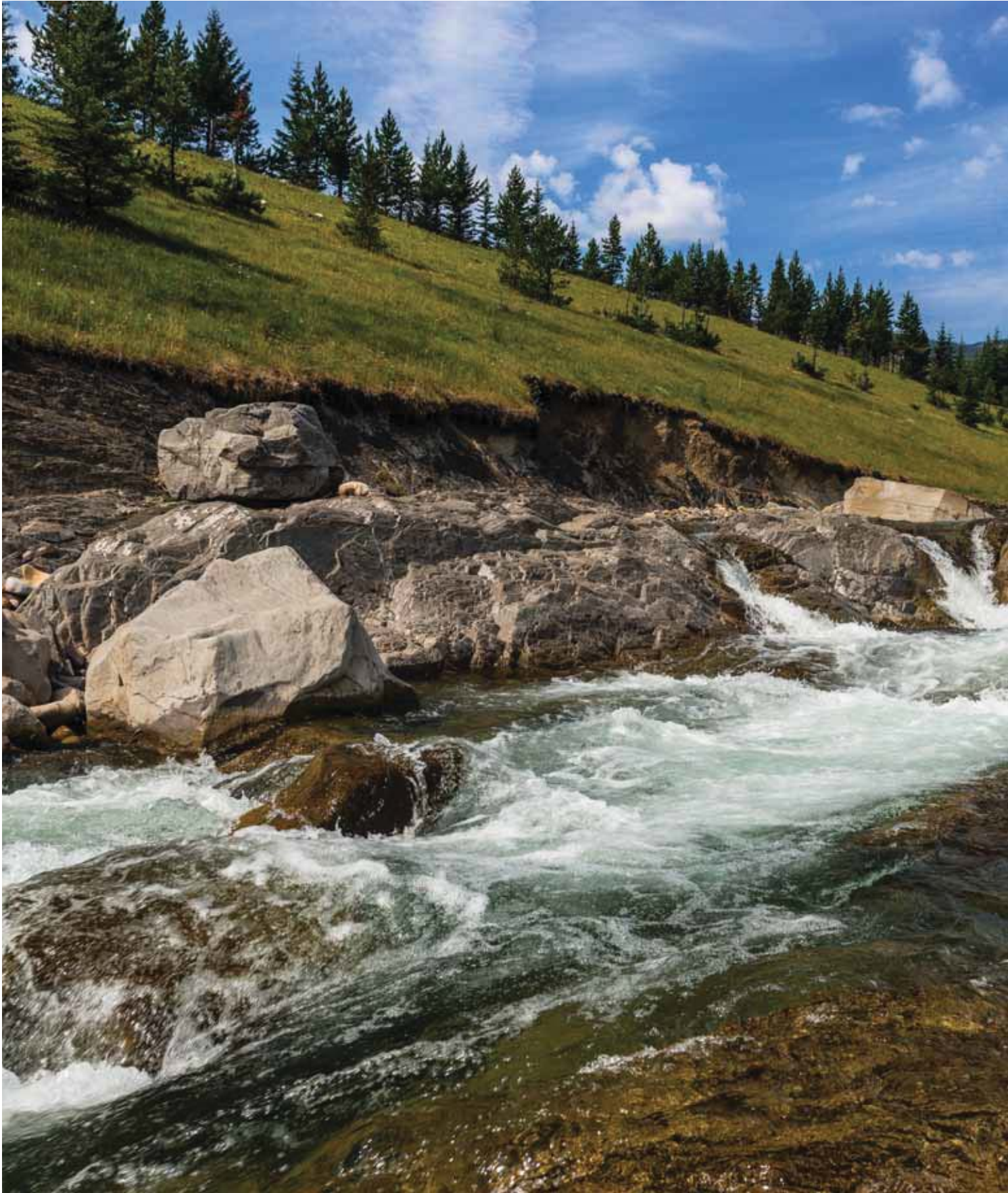
The fair allocation of water among users in our areas of influence is important to us and to our communities of interest. When implementing our water management practices, we consider other water users in the watersheds where we operate.

Carmen de Andacollo Operations, the Relincho resource development project, and Quebrada Blanca Operations and its associated Phase 2 project are located in water-stressed regions where the fair allocation of water is essential.

Demand for water in these regions may result in water resources becoming unavailable or more costly to utilize. This could increase operating and capital costs for water supply, or result in community concerns. Water scarcity can also lead to increased regulation and reduced water rights for mining companies. To manage these risks, we are developing and utilizing alternative water sources

such as seawater and municipal wastewater, and we are engaging with our communities of interest to collaborate with them on fair water allocation.

For example, our Quebrada Blanca and Carmen de Andacollo operations are maximizing water reuse. Only 13% of the water used is from fresh water, while the remaining 87% is recycled or reused water. This means that every cubic metre of fresh water is reused about seven times before being discharged. At our Quebrada Blanca Phase 2 and Relincho resource development projects, we are planning to use desalinated seawater in order to protect and conserve local freshwater sources for community and agricultural use. The water would be pumped from the coast via pipeline approximately 170 kilometres to Quebrada Blanca Phase 2 and 125 kilometres to Relincho.







As the operator of five steelmaking coal mines in the Elk Valley of British Columbia that employ more than 4,000 people who live in the region, fish in the rivers and enjoy the outdoors, we take water quality issues seriously.

Mining generates large quantities of waste rock that contain small quantities of naturally occurring substances such as selenium, an element that is essential for human and animal health in small amounts but that, in high enough quantities, can potentially affect aquatic health. In the spring of 2013, following an Area Based Management Plan Order issued by the Government of British Columbia, we began working collaboratively with our First Nations neighbours, local communities, non-governmental environmental organizations, various regulatory bodies and a multi-party technical advisory committee on the development of an Elk Valley Water Quality Plan. The aim of the plan is to address the impact of selenium and other substances released by mining activities, with the goal of maintaining the health of the watershed and ensuring continued sustainable mining in the region.

The process to develop this Plan — which will include establishing concentration targets and the time frames required to address levels of these substances — involved several consultation periods where interested parties were able to learn about the Plan and provide feedback through a number of channels, including a series of open houses and small-group meetings. These consultation opportunities were advertised widely through household mailers, newspaper and radio advertisements — in addition to invitations extended to our existing economic, social and community networks — to ensure we received feedback from a wide variety of individuals and groups.

Participants in attendance at these group meetings included a representative from the B.C. Ministry of Environment, an independent facilitator and a meeting recorder. At each meeting, participants were provided with a discussion guide and were encouraged to complete a feedback form. A Teck representative presented information focusing on the consultation topics, and participants were invited to ask questions and provide feedback at the meeting. Key topics for discussion included current and potential water treatment and water quality management approaches, ongoing mitigation strategies, and short-, medium- and long-term approaches to be included in the Plan.

In addition to public consultation, we are receiving science-based advice from a Technical Advisory Committee. This Committee includes representatives from B.C. and the Canadian government, Montana and the U.S. government, the Ktunaxa Nation Council, and an independent scientist.

Input received during consultation is being considered, along with technical and socio-economic information, in the development or refinement of the Plan prior to its submission to the government of British Columbia in July 2014. We continue to take action, including the construction of our first Elk Valley water treatment plant at our Line Creek Operations, as well as monitoring and extensive research and development. Our goal is to stabilize and reverse the trend of selenium and other substances to keep the watersheds near our mining operations healthy for present and future generations.

For more information on our approach to protecting water quality in the Elk Valley, please visit [www.teck.com/elkvalley](http://www.teck.com/elkvalley).

# Performance Overview Table<sup>(1)</sup>

Category		2013	2012	2011
Health and Safety <sup>(2)</sup>	Total Recordable Injury Frequency (TRIF)	<b>1.26</b>	1.33	1.45
	Fatalities	<b>0</b>	0	0
	Lost-Time Injury (LTI)	<b>69</b>	94	92
	LTI Frequency (LTIF)	<b>0.34</b>	0.46	0.50
	Severity	<b>19</b>	17	21
Energy and Greenhouse Gas (GHG) Emissions	Energy — fuel (TJ)	<b>31,399</b>	33,016	31,709
	Energy — electricity (TJ)	<b>14,158</b>	13,977	13,595
	Total energy use (TJ)	<b>45,556</b>	46,993	45,304
	GHG emissions — direct CO <sub>2</sub> e (kt)	<b>2,722</b>	2,889	2,718
	GHG emissions — indirect CO <sub>2</sub> e (kt)	<b>367</b>	294	299
	GHG emissions — total CO <sub>2</sub> e (kt)	<b>3,089</b>	3,183	3,018
Materials	Waste rock (kt)	<b>784,520</b>	778,654	748,464
	Tailings (dry kt)	<b>67,388</b>	66,035	61,413
	Coarse coal refuse (kt) <sup>(3)</sup>	<b>10,307</b>	10,348	11,866
Environmental Compliance	Permit non-compliance	<b>79</b>	81	91
	Regulatory non-compliance	<b>5</b>	4	5
Significant Spills	Number of Significant Spills	<b>1</b>	1	2
Biodiversity <sup>(4)</sup>	Area reclaimed during the current year (ha)	<b>434</b>	179	84
	Area disturbed during the current year (ha)	<b>310</b>	478	65
	Area of land yet to be reclaimed (ha)	<b>22,087</b>	19,163	18,943
	Total area of disturbance to date (ha)	<b>28,984</b>	28,615	26,760
Waste Management and Recycling <sup>(5)</sup>	Hazardous waste sent off-site but not recycled (t)	<b>10,087</b>	2,029	1,814
	Hazardous waste treated/disposed of on-site (t)	<b>22,659</b>	15,310	22,998
	Hazardous waste recycled (t)	<b>44,559</b>	22,418	23,085
	Non-hazardous waste sent off-site but not recycled (t)	<b>12,863</b>	1,620	2,583
	Non-hazardous waste treated/disposed of on-site (t)	<b>100,798</b>	115,872	84,400
	Non-hazardous waste recycled (t)	<b>28,711</b>	26,103	26,787
Water <sup>(6)</sup>	Total water inputs (m <sup>3</sup> )	<b>503,034,046</b>	n/a	n/a
	Total water outputs (m <sup>3</sup> )	<b>490,427,187</b>	n/a	n/a
	Freshwater use (m <sup>3</sup> ) <sup>(7)</sup>	<b>119,534,612</b>	118,155,666	118,973,680
	Water reused/recycled (m <sup>3</sup> )	<b>206,063,577</b>	212,185,568	200,838,981
	Water reused/recycled (%) <sup>(8)</sup>	<b>172</b>	180	169

**Module: Introduction**

**Page: W0. Introduction**

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**W0.1**

**Introduction**

Please give a general description and introduction to your organization.

Teck is a diversified resource company committed to responsible mining and mineral development with business units focused on copper, steelmaking coal, zinc and energy. Headquartered in Vancouver, British Columbia, Canada, we own or have an interest in 13 mines in Canada, the United States, Chile and Peru, as well as one large metallurgical complex in Canada. We have expertise across a wide range of activities related to exploration, development, mining and minerals processing including smelting and refining, safety, environmental protection, materials stewardship, recycling and research. Our corporate strategy is focused on building a broadly diversified resource company, growing our production at existing operations and developing new projects in stable jurisdictions. The pursuit of sustainability guides our approach to business and we recognize that our success depends on our ability to establish safe workplaces for our people and collaborative relationships with communities.

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**W0.2**

**Reporting Year**

Please state the start and end date of the year for which you are reporting data.

Period for which data is reported
Tue 01 Jan 2013 - Tue 31 Dec 2013

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**W0.3****Reporting Boundary**

Please indicate the category that describes the reporting boundary for companies, entities, or groups for which water-related impacts are reported.

Companies, entities or groups over which operational control is exercised

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**W0.4****Exclusions**

Are there any geographies, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?

Yes

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**W0.4a****List of Exclusions**

Please report the exclusions in the following table

Exclusion	Please explain why you have made the exclusion
Water data for development projects and closed or dormant properties are not included.	Development projects and closed or dormant properties use significantly less water than operations (mines and smelters).

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**Further Information****Module: Current State****Page: W1. Context**

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**W1.1**

**Please rate the importance (current and future) of water quality and water quantity to the success of your organization**

<b>Water quality and quantity</b>	<b>Importance rating</b>	<b>Please explain</b>
Direct use: sufficient amounts of good quality freshwater available for use across your own operations	Vital for operations	We rely on freshwater to process and transport minerals. Therefore, we are directly affected by the availability and quality of freshwater.
Direct use: sufficient amounts of recycled, brackish and/or produced water available for use across your own operations	Vital for operations	We recycle significant amounts of water to process and transport minerals.
Indirect use: sufficient amounts of good quality freshwater available for use across your value chain	Not very important	We do not believe our key inputs are sourced from regions significantly exposed to water risks. We continue to improve our understanding of the water risks associated with our key inputs, including energy from fuels and electricity, explosives, grinding media, and chemicals such as sulphuric acid and lime.
Indirect use: sufficient amounts of recycled, brackish and/or produced water available for use across your value chain	Not very important	We do not believe our key inputs are sourced from regions significantly exposed to water risks. We continue to improve our understanding of the water risks associated with our key inputs, including energy from fuels and electricity, explosives, grinding media, and chemicals such as sulphuric acid and lime.

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**W1.2**

**Have you evaluated how water quality and water quantity affects /could affect the success (viability, constraints) of your organization's growth strategy?**

Yes, evaluated over the next 10 years

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**W1.2a**

**Please explain how your organization evaluated the effects of water quality and water quantity on the success (viability, constraints) of your organization's growth strategy?**

Each operation and business function maintains and annually updates a risk register identifying and assessing risks, including water-related risks, facing the operation and business function. The risk register is used to inform risk management decisions at the operation and corporate level, for the life of the operation. In addition, water-specific risk and opportunity workshops have been completed at all operations and actions to address the risks and opportunities have been embedded into a water management plan for each operation. These water management plans are also reviewed and updated on an annual basis. For development projects, water quality and water quantity are important aspects that are integrated into the project definition beginning at the exploration stage.

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**W1.2b**

**What is the main reason for not having evaluated how water quality and water quantity affects /could affect the success (viability, constraints) of your organization's growth strategy, and are there any plans in place to do so in the future?**

Main reason	Current plans	Timeframe until evaluation	Comment
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**W1.3**

**Has your organization experienced any detrimental impacts related to water in the reporting period?**

Yes

W1.3a

Please describe the detrimental impacts experienced by your organization related to water in the reporting period

Country	River basin	Impact indicator	Impact	Description of impact	Overall financial impact	Response strategy	Description of response strategy
Canada	Other: Elk River	Physical-Flooding	Closure of operations	In June 2013, an intense rainstorm occurred across southeastern British Columbia, Canada, affecting our Elk Valley coal operations. The storm caused floods that exceeded the 200-year return period flood. The impact at our coal operations varied. For example, at our Fording River operation (FRO), the floods caused damages to infrastructure (water management and others). It also caused a processing plant shutdown for 4 days.	The full cost of the floods is not yet known. To date, the floods cost Teck about 6 million dollars related to reconstructing damaged infrastructure and upgrading infrastructure at risk from future floods.	Increased capital expenditure	Following the floods, projects were identified ranging from repairs to damaged infrastructure to upgrade flood protection works for infrastructure at risk.
Chile	Other: Quebrada Choja	Other: Spill	Other: Clean-up costs	In January, 2013, a release of fuel oil caused by a pipe failure was detected at our Quebrada Blanca Operations in Chile. The pipe failure allowed fuel oil to discharge into a trench that was connected to the sewage water treatment facility. The fuel oil passed through the sewage treatment facility and was discharged with treated water into a ravine.	The full cost is not yet known, but included costs for developing a Compliance Plan, performing ravine clean up and follow-up requirements, and replacing and upgrading infrastructure.	Increased capital expenditure	Once the pipe failure was detected, the source was shut off, containment and clean-up efforts were initiated, and a Compliance Plan was developed. Clean-up of ravine was substantially complete by end of April 2013, and all testing and compliance requirements were completed by August 2013 and approved by authorities. Since this incident, we have replaced pipes and redesigned containment around fuel oil storage to ensure that this type of incident does not reoccur.

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W1.3b

Please choose the option below that best explains why you do not know if your organization experienced any detrimental impacts related to water in the reporting period and any plans you have to investigate this in the future

Primary reason	Future plans
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**Further Information**

**Module: Risk Assessment**

**Page: W2. Procedures and Requirements**

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W2.1

**Please select the option that best describes your procedures with regard to assessing water risks and provide an explanation as to why this option is suitable for your organization**

Water is integrated into a comprehensive, company-wide risk assessment process incorporating direct operations only

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W2.1a

**You may provide additional information about your approach to assessing water risks here**

Each operation and business function maintains and annually updates a risk register identifying and assessing all risks, including water-related risks. The risk register is used to inform risk management decisions at the operation and corporate level, for the life of the operation. In addition, water-specific risk and opportunity workshops have been completed at all operations and actions to address the risks and opportunities have been embedded into a water management plan at each operation. These water management plans are also reviewed and updated on an annual basis. At the company-level, strategic-level processes are also undertaken.



Committees composed of board members and/or senior management frequently review and assess both the process of risk and opportunity identification and the risks and opportunities themselves. We also complete risk assessments with external third parties such as geotechnical and hydrology experts.

**W2.2**

**Please state how frequently you undertake water risk assessments, what geographical scale and how far into the future you consider**

Frequency	Geographic scale	Timeframe
At our operations, risks and opportunities are identified and updated annually.	Facility	At our operations, risks and opportunities are identified and updated annually for the planned life of the operation.
At the company-level, several committees review and assess both the process of risk and opportunity identification and the risks and opportunities themselves. Water-related risks and opportunities are included in this process.	Business unit	Risks and opportunities are identified and/or updated as frequently as quarterly to annually.

**W2.3**

**Please state the methods used to assess water risks**

Method
Internal company knowledge
WRI water stress definition
Other: a combination of ISO 3001, HazOp, FMECA

**W2.4**

**Which of the following contextual issues are always factored into your organization's water risk assessments?**

Issues	Choose option	Please explain
Current water availability and quality parameters at a local level	Relevant, included	Water is essential for all of our operations. Our operations have developed and maintain water management plans and water balances to assess risks and opportunities to current and future water availability and quality. Our operations are also engaged in determining water requirements and risks within the natural environment for ensuring viability of local ecosystems and collecting and evaluating relevant water quality and quantity data.
Current water regulatory frameworks and tariffs at a local level	Relevant, included	We factor the current and future regulatory frameworks and tariffs at our operations when we assess regulatory and/or tariff risks. We continually engage with regulators to ensure potential changes in fees and regulations are understood prior to implementation.
Current stakeholder conflicts concerning water resources at a local level	Relevant, included	Consistent with their position in the mining life cycle and the time remaining until operational activities cease, our operations engage with communities of interest in the watersheds where we operate to identify water-related interests and concerns, including current and future water-related requirements.
Current implications of water on your key commodities/raw materials	Not relevant, explanation provided	We continue to improve our understanding of the water risks associated with our key inputs, including energy from fuels and electricity, explosives, grinding media, and chemicals such as sulphuric acid and lime. We do not currently believe these key inputs are sourced from regions that are significantly exposed to water risks that have the potential to generate a substantive change in our business.
Current status of ecosystems and habitats at a local level	Relevant, included	We assess local ecosystems and habitat carefully prior to and during operations and incorporate measures to mitigate or offset impacts.
Estimates of future changes in water availability at a local level	Relevant, included	Our operations have developed and maintain water management plans and water balances to assess risks and opportunities to current and future water availability.
Estimates of future potential regulatory changes at a local level	Relevant, included	We factor the current and potential future regulatory changes at the operational level. We continually engage with regulators to ensure potential changes in regulations are understood prior to implementation.
Estimates of future potential stakeholder conflicts at a local level	Relevant, included	Consistent with their position in the mining life cycle and the time remaining until activities cease, our operations engage with communities of interest to identify potential future water-related issues and concerns.
Estimates of future implications of water on your key commodities/raw materials	Not relevant, explanation provided	We continue to improve our understanding of the water risks associated with our key inputs, including energy from fuels and electricity, explosives, grinding media, and chemicals such as sulphuric acid and lime. We do not currently believe these key inputs are sourced from regions that will be significantly exposed to water risks that have the potential to generate a substantive change in our business.
Estimates of future potential changes	Relevant,	We assess local ecosystems and habitat carefully prior to and during operations and incorporate

Issues	Choose option	Please explain
in the status of ecosystems and habitats at a local level	included	measures to mitigate or offset impacts.
Scenario analysis of availability of sufficient quantity and quality of water relevant for your operations at a local level	Relevant, included	Our operations have developed and maintain water management plans and water balances to enable scenario analyses of current and future water availability and quality at the operation level.
Scenario analysis of regulatory and/or tariff changes at a local level	Relevant, included	We assess potential changes in regulatory frameworks and tariffs at our operations prior to implementation of changes.
Scenario analysis of stakeholder conflicts concerning water resources at a local level	Relevant, included	We assess different scenarios of stakeholder response as part of our social/community risk assessment process.
Scenario analysis of implications of water on your key commodities/raw materials	Not relevant, explanation provided	We continue to improve our understanding of the water risks associated with our key inputs, including energy from fuels and electricity, explosives, grinding media, and chemicals such as sulphuric acid and lime, and assess the implications of new information as it is obtained.
Scenario analysis of potential changes in the status of ecosystems and habitats at a local level	Relevant, included	We assess local ecosystems and habitat carefully prior to and during operations and incorporate measures to reduce impacts. Analysis of potential impacts is completed prior to new disturbance and appropriate measures are implemented to mitigate or offset impacts.
Other		

#### W2.4a

**Which of the following stakeholders are always factored into your organization's water risk assessments?**

Stakeholder	Choose option	Please explain
Customers	Not evaluated	We do not currently include customers in our operation's water risk assessments.
Employees	Relevant, included	Our employees and their health and safety is central to our success and a key focus area of our sustainability strategy and we consider employees in our water risk and opportunity assessments to ensure access to appropriate potable water and sanitation facilities.
Investors	Relevant, included	Protecting shareholder and investor interests is fundamental to our business through ensuring the long-term

Stakeholder	Choose option	Please explain
		viability of our operations by managing water risks.
Local communities	Relevant, included	Our operations engage with local communities to identify water-related interests and concerns, including current and future water-related requirements. We consider local communities in our water-related risk assessments.
NGOs	Relevant, included	We engage with local and international NGOs to identify water-related interests and concerns. We consider NGOs in our water-related risk assessments.
Other water users at a local level	Relevant, included	Our operations engage with other local water users to identify water-related interests and concerns. We consider other water users within the watersheds where we operate in our water-related risk assessments.
Regulators at a local level	Relevant, included	Our operations engage with local regulators to identify water-related interests and concerns. We include local regulators in our water-related risk assessments.
Statutory special interest groups at a local level	Relevant, included	Our operations engage with statutory special interest groups to identify water-related interests and concerns. We consider these special interest groups in our water-related risk assessments.
Suppliers	Not relevant, explanation provided	Our key inputs include energy (fuels and electricity), explosives, grinding media, and chemicals such as sulphuric acid and lime. We do not currently believe our supply chain for these materials is significantly exposed to a water-related risk that has the potential to generate a substantive change in our business.
Water utilities/suppliers at a local level	Relevant, included	Our operations are engaging with local water utilities/suppliers where relevant to identify water-related interests and concerns. We consider local water utilities/suppliers in our water-related risk assessments.
Other		

## W2.5

**Do you require your key suppliers to report on their water use, risks and management?**

No

## W2.5a

Please provide the proportion of key suppliers you require to report on their water use, risks and management and the proportion of your procurement spend this represents

Proportion of key suppliers %	Total procurement spend %	Rationale for this coverage
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**W2.5b**

Please choose the option that best explains why you do not require your key suppliers to report on their water use, risks and management

Primary reason	Please explain
Judged to be unimportant	Our key inputs include energy from fuels and electricity, explosives, grinding media, and chemicals such as sulphuric acid and lime. We do not currently believe our supply chain for these materials is significantly exposed to a water-related risk that has the potential to generate a substantive change in our business. We continue to improve our understanding of the water risks associated with our key inputs and supply chain.

**Further Information**

**Module: Implications**

**Page: W3. Water Risks**

**W3.1**

Is your organization exposed to water risks, either current and/or future, that could generate a substantive change in your business, operations, revenue or expenditure?

Yes, direct operations only

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**W3.2**

**Please provide details as to how your organization defines substantive change in your business, operations, revenue or expenditure from water risk**

We define substantive change to our operations from water risks as the prolonged or permanent shutdown of one of our operations.

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**W3.2a**

**Please complete the table below providing information as to the number of facilities in your direct operations exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure. Please also provide either the proportion of cost of goods sold, global revenue or global production capacity that could be affected across your entire organization at the river basin level**

Country	River basin	Number of facilities within the river basin exposed to water risk	Reporting metric	Proportion of chosen metric that could be affected within the river basin
Chile	Other: Elqui River	1	Other: prolonged shutdown of operations	6-10
Chile	Other: Quebrada Choja	1	Other: prolonged shutdown of operations	6-10
Canada	Columbia	5	Other: prolonged shutdown of operations	41-50

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**W3.2b**

**Please list the inherent water risks that could generate a substantive change in your business, operations, revenue or expenditure, the potential impact to your direct operations and the strategies to mitigate them**

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
Chile	Other: Elqui River	Physical-Increased water scarcity	Higher operating costs	Demand for water in arid and semi-arid regions may result in fresh water resources becoming unavailable or more costly. Potential impact on viability of new projects in arid regions. Potential increase in operating and capital costs for existing and new projects for water supply. Water scarcity concerns may also lead to increased regulation and reduced water rights for the mining sector.	>6 years	Probable	Medium	Increased capital expenditure	Medium	Developing and utilizing alternative water sources (e.g. seawater, municipal wastewater). Stakeholder engagement and collaboration on water allocation and associated regulations.
Chile	Other: Quebrada Choja	Physical-Increased water scarcity	Higher operating costs	Demand for water in arid and semi-arid regions may result in fresh water resources becoming unavailable or more costly. Potential impact on viability of new projects in arid regions. Potential increase in operating and capital costs for existing and new	>6 years	Probable	Medium	Increased capital expenditure	Medium	Developing and utilizing alternative water sources (e.g. seawater, municipal wastewater). Stakeholder engagement and collaboration on water allocation and associated regulations.

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				projects for water supply. Water scarcity concerns may also lead to increased regulation and reduced water rights for the mining sector.						
Canada	Other: Elk River	Other: Water quality no longer meeting regulatory targets	Higher operating costs	Increasing concentrations of selenium have been observed in the Elk River of British Columbia, where we operate 5 steelmaking coal mines.	>6 years	Probable	Low-medium	Increased capital expenditure	Medium	We are developing the Elk Valley Water Quality Plan to define the actions we will take to mitigate impacts and to stabilize selenium concentrations downstream from our mining operations. Our strategy includes significant investment focused on water treatment facilities, water diversions, research and development, and monitoring.



Please list the inherent risks that could generate a substantive change in your business operations, revenue or expenditure, the potential impact to your supply chain and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
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W3.2d

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your direct operations that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain
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W3.2e

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your supply chain that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain
Risks exist, but no substantive impact anticipated	Our key inputs include energy from fuels and electricity, explosives, grinding media, and chemicals such as sulphuric acid and lime. We do not currently believe our supply chain for these materials is significantly exposed to a water-related risk that has the potential to generate a substantive change in our business. We continue to improve our understanding of the water risks associated with our key

Primary reason	Please explain
	inputs and supply chain.

W3.2f

Please choose the option that best explains why you do not know if your organization is exposed to water risks that could generate a substantive change in your business operations, revenue or expenditure and discuss any future plans you have to assess this

Primary reason	Future plans
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Further Information

Page: W4. Water Opportunities

W4.1

Does water present strategic, operational or market opportunities that substantively benefit/have the potential to benefit your organization?

Yes

W4.1a

Please describe the opportunities water presents to your organization and your strategies to realize them

Country or region	Opportunity	Strategy to realize opportunity	Estimated timeframe	Please explain
Company-wide	Cost savings	Recognize water as an important opportunity, engage early and broadly, operate responsibly.	Current-up to 1 year	Increased potential to gain a license/social license permit or accelerate the process. May reduce project costs and timelines by identifying more collaborative approaches and by engaging proactively with communities of interest.
Company-wide	Increased brand value	Identify and assess opportunities to generate power and create revenue and renewable energy.	>6 years	Where possible, use our existing or proposed water storage facilities to provide the ability to generate hydropower and create revenue from a renewable energy source.
Company-wide	Improved water efficiency	Set targets and identify and implement projects to improve water use efficiency	1-3 years	Water use efficiency can be improved through enhanced water recycling and reuse. Water targets and projects are being identified and implemented in 2014 and 2015.
Company-wide	Increased brand value	Establish reputation as a leader in water stewardship	1-3 years	Through demonstrating leadership in water stewardship, become a preferred company by regulators, potential partners, and/or customers

W4.1b

Please choose the option that best explains why water does not present your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain

W4.1c

Please choose the option that best explains why you do not know if water presents your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain
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**Further Information**

**Module: Accounting**

**Page: W5. Water Accounting (I)**

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**W5.1**

**Please report the total withdrawal, discharge, consumption and recycled water volumes across your operations for the reporting period**

<b>Water use</b>	<b>Quantity (megaliters)</b>
Total volume of water withdrawn	503000
Total volume of water discharged	439500
Total volume of water consumed	50900
Total volume of recycled water used	206100

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**W5.2**

**For those facilities exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure, the number of which was reported in W3.2a, please detail which of the following water aspects are regularly measured and monitored and an explanation as to why or why not**

Water aspect	% of facilities	Please explain
Water withdrawals- total volumes	76-100	At each Teck operation a robust water monitoring program is in place to ensure regulatory compliance. In addition, a site-wide water balance has been developed and is maintained annually to provide a thorough understanding of water withdrawal volumes.
Water withdrawals- volume by sources	76-100	At each Teck operation a robust water monitoring program is in place to ensure regulatory compliance. In addition, a site-wide water balance has been developed and is maintained annually to provide a thorough understanding of water withdrawal volumes by sources.
Water discharges- total volumes	76-100	At each Teck operation a robust water monitoring program is in place to ensure regulatory compliance. In addition, a site-wide water balance has been developed and is maintained annually to provide a thorough understanding of water discharge volumes.
Water discharges- volume by destination	76-100	At each Teck operation a robust water quantity and quality monitoring program is in place to ensure regulatory compliance. In addition, a site-wide water balance has been developed and is maintained annually to provide a thorough understanding of water discharge volumes by destination.
Water discharges- volume by treatment method	76-100	At each Teck operation a robust water monitoring program is in place to ensure regulatory compliance. In addition, a site-wide water balance has been developed and is maintained annually to provide a thorough understanding of water discharge volumes by treatment method.
Water discharge quality data- quality by standard effluent parameters	76-100	Each Teck operation regularly monitors effluent water quality to ensure compliance with regulatory requirements.
Water consumption- total volume	76-100	At each Teck operation a robust water monitoring program is in place to ensure regulatory compliance. In addition, a site-wide water balance has been developed and is maintained annually to provide a thorough understanding of water consumption volumes.
Water recycling/reuse-total volume	76-100	At each Teck operation a robust water monitoring program is in place to ensure regulatory compliance. In addition, a site-wide water balance has been developed and is maintained annually to provide a thorough understanding of water recycling/reuse volumes.

**W5.3**

**Water withdrawals: for the reporting period, please complete the table below with water accounting data for all facilities included in your answer to W3.2a**

Facility reference number	Country	River basin	Facility name	Total water withdrawals (megaliters/year) at this facility	How does the total water withdrawals at this facility compare to the last reporting period?	Please explain the change if substantial
Facility 1	Chile	Other: Elqui River	Carmen de Andacollo	13369	About the same	In 2013 we began to use a comprehensive water accounting framework at each operation to better understand the water volumes that are managed, including the flow of water into and out of our operations by water source and destination. On CDP's recommendation, we include intercepted rainwater in our withdrawal volumes.
Facility 2	Chile	Other: Quebrada Choja	Quebrada Blanca	1921	About the same	In 2013 we began to use a comprehensive water accounting framework at each operation to better understand the water volumes that are managed, including the flow of water into and out of our operations by water source and destination. On CDP's recommendation, we include intercepted rainwater in our withdrawal volumes.
Facility 3	Canada	Other: Elk River	Elk Valley Coal Operations (Fording River, Greenhills, Line Creek, Elkview, Coal Mountain)	285817	Higher	In 2013 we began to use a comprehensive water accounting framework at each operation to better characterize the water volumes that are managed, including the flow of water into and out of our operations by water source and destination. On CDP's recommendation, we include intercepted rainwater in our withdrawal volumes.

**Further Information**

**Page: W5. Water Accounting (II)**

**W5.3a**

**Water withdrawals: for the reporting period, please provide withdrawal data, in megaliters per year, for the water sources used for all facilities reported in W5.3**

Facility reference number	Surface water	Groundwater (renewable)	Groundwater (non-renewable)	Municipal water	Recycled water	Produced/process water	Wastewater	Brackish/salt water
Facility 1	522	10450	0	0	32708	0	0	0
Facility 2	248	1673	0	0	49802	0	0	0
Facility 3	275615	10200	0	2627	16764	0	0	0

**W5.4**

**Water discharge: for the reporting period, please provide the water accounting data for all facilities reported in W5.3**

Facility reference number	Total water discharged (megaliters/year) at this facility	How does the total water discharged at this facility compare to the last reporting period?	Please explain the change if substantive
Facility 1	13369	Much higher	In 2013 we began to use a comprehensive water accounting framework at each operation to better understand the water volumes that are managed, including the flow of water into and out of our operations by water source and destination. On CDP's recommendation, we include intercepted rainwater in our discharge volumes.
Facility 2	3399	Much higher	In 2013 we began to use a comprehensive water accounting framework at each operation to better understand the water volumes that are managed, including the flow of water into and out of our operations by water source and destination. On CDP's recommendation, we include intercepted rainwater in our discharge volumes.
Facility 3	283576	Lower	In 2013 we began to use a comprehensive water accounting framework at each operation to better understand the water volumes that are managed, including the flow of water into and out of our operations by water source and destination. On CDP's recommendation, we include

Facility reference number	Total water discharged (megaliters/year) at this facility	How does the total water discharged at this facility compare to the last reporting period?	Please explain the change if substantive
			intercepted rainwater in our discharge volumes.

**W5.4a**

**Water discharge:** for the reporting period, please provide water discharge data, in megaliters per year, by destination for all facilities reported in W5.3

Facility reference number	Surface water	Municipal Treatment Plant	Saltwater	Injection for production/disposal	Aquifer recharge	Storage/waste lagoon
Facility 1	0	0	0	0	598	0
Facility 2	82	0	0	0	34	0
Facility 3	238036	0	0	0	38222	0

**W5.5**

**Water consumption:** for the reporting period, please provide water consumption data for all facilities reported in W5.3

Facility reference number	Consumption (megaliters/year)	How does this compare to the last reporting period?	Please explain the change if substantive
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Facility reference number	Consumption (megaliters/year)	How does this compare to the last reporting period?	Please explain the change if substantive
Facility 1	10374	This is our first year of estimation	
Facility 2	3283	This is our first year of estimation	
Facility 3	7318	This is our first year of estimation	

**W5.6**

For the reporting period, please provide any available water intensity values for your organization's products or services across its operation

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
Canada	Other: Elk River	Steel-making Coal (Coal Mountain, Elkview, Fording River, Line Creek, and Greenhills)	Other: tonnes	Liters	400	Water use in operations	Beginning in 2013, we benchmarked our water performance on the basis of freshwater use intensity. Our freshwater use intensity is defined as the annual volume of fresh water used per unit of material processed for our coal, milling and flotation operations. These water metrics allow us to more consistently evaluate our water performance independent of variations in annual precipitation and ore grades. The metric used here is litres/tonnes of raw coal processed. The metric used here is litres/tonnes of raw coal processed.
Canada	Other: Exploits River	Copper (Duck Pond)	Other: tonnes	Liters	1960	Water use in operations	Beginning in 2013, we benchmarked our water performance on the basis of freshwater use intensity. Our freshwater use intensity is defined as the annual volume of fresh water used per unit of material processed for our coal, milling and flotation operations.

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
							These water metrics allow us to more consistently evaluate our water performance independent of variations in annual precipitation and ore grades. The metric used here is litres/tonnes of ore processed.
Chile	Other: Elqui River	Copper (Carmen de Andacollo)	Other: tonnes	Liters	580	Water use in operations	Beginning in 2013, we benchmarked our water performance on the basis of freshwater use intensity. Our freshwater use intensity is defined as the annual volume of fresh water used per unit of material processed for our coal, milling and flotation operations. These water metrics allow us to more consistently evaluate our water performance independent of variations in annual precipitation and ore grades. The metric used here is litres/tonnes of ore processed.
Canada	Other: Fraser River	Copper (Highland Valley)	Other: tonnes	Liters	240	Water use in operations	Beginning in 2013, we benchmarked our water performance on the basis of freshwater use intensity. Our freshwater use intensity is defined as the annual volume of fresh water used per unit of material processed for our coal, milling and flotation operations, and per unit of metal produced for our leaching operations. These water metrics allow us to more consistently evaluate our water performance independent of variations in annual precipitation and ore grades. The metric used here is litres/tonnes of ore processed.
Canada	Other: McCleod River	Steel-making Coal (Cardinal River)	Other: tonnes	Liters	600	Water use in operations	Beginning in 2013, we benchmarked our water performance on the basis of freshwater use intensity. Our freshwater use intensity is defined as the annual volume of fresh water used per unit of material processed for our coal, milling and flotation operations. These water metrics allow us to more consistently evaluate our water performance independent of variations in annual precipitation and ore grades. The metric used here is litres/tonnes of raw coal processed.
United	Other:	Zinc (Red Dog)	Other:	Liters	310	Water use in	Beginning in 2013, we benchmarked our water

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
States of America	Wulik-Kivalina Rivers		tonnes			operations	performance on the basis of freshwater use intensity. Our freshwater use intensity is defined as the annual volume of fresh water used per unit of material processed for our coal, milling and flotation operations, and per unit of metal produced for our leaching operations. These water metrics allow us to more consistently evaluate our water performance independent of variations in annual precipitation and ore grades. The metric used here is litres/tonnes of ore processed.
Chile	Other: Quebrada Choja	Copper (Quebrada Blanca)	Other: none	Megaliters	1900	Water use in operations	For Quebrada Blanca Operations, a freshwater intensity metric is not meaningful. This is because the amount of fresh water used is largely independent of the amount of material produced or processed. Therefore, we assess our water performance based on the total amount of fresh water used.
Canada	Columbia	Zinc (Trail)	Other: none	Megaliters	78000	Withdrawals	For Trail Operations, a freshwater intensity metric is not meaningful. This is because the amount of fresh water used is largely independent of the amount of material produced or processed. Therefore, we assess our water performance based on the total amount of fresh water used.

#### W5.7

For all facilities reported in W3.2a what proportion of their accounting data has been externally verified?

Water aspect	% verification	What standard was used?
Water withdrawals- total volumes	76-100	Deloitte was engaged to provide assurance on selected sustainability areas for the year ended December 31, 2013. For 2013, water withdrawals was verified following the ICMM standard procedure for assurance.
Water withdrawals- volume by sources	Not verified	
Water discharges- total volumes	Not verified	
Water discharges- volume by destination	Not verified	
Water discharges- volume by treatment method	Not verified	
Water discharge quality data- quality by standard effluent parameters	Not verified	
Water consumption- total volume	Not verified	
Water recycling/reuse-total volume	Not verified	

**Further Information**

**Module: Response**

**Page: W6. Governance and Strategy**

**W6.1**

**Who has the highest level of direct responsibility for water within your organization and how frequently are they briefed?**

Highest level of direct responsibility for water issues	Frequency of briefings on water issues	Comment
Individual/Sub-set of the	Other: varies	The Community, Environment, and Risk Management Committee (CERMC) includes water as part of its

Highest level of direct responsibility for water issues	Frequency of briefings on water issues	Comment
Board or other committee appointed by the Board		mandate. CERMC is made up of Senior Management. In addition, the Vice-President Environment, Senior Vice-President Sustainability & External Affairs, and Senior Vice-President Project Development are responsible for and are frequently briefed on water issues.

**W6.2**

**Is water management integrated into your business strategy?**

Yes

**W6.2a**

**Please choose the option(s) below that best explain how water has positively influenced your business strategy**

Influence of water on business strategy	Please explain
Alignment of public policy positions with water stewardship goals	Teck has recently endorsed the CEO Water Mandate and has committed to adopt and implement the Mandate's strategic framework, its six core elements for water management, and to publicly report on progress annually. Teck is also committed to implement ICMM's sustainable development framework.
Establishment of sustainability goals	Our approach to water stewardship is strongly tied to and defined by our commitment to sustainability. Our sustainability goals for water are composed of long-term and short-term goals. Our long-term goals span through to 2030 and are intended to drive our drive our water strategy and actions; our short-term goals span through to 2015 and identify the first steps that lead us towards the long-term goals.
Introduction of water	As part of our short term sustainability goals, each operation will set water targets to improve water management in 2014 and implement

Influence of water on business strategy	Please explain
management KPIs	projects to achieve the targets by 2015.
Investment in staff/training	Our people are the foundation of our company and help build value for the company, its investors and its communities of interest. At each operation, we formed "water teams" to help raise awareness of operation-specific water challenges and opportunities with colleagues. The water teams are key to develop a culture of excellence in water stewardship. Training of staff achieved through practical work experience and continuing education opportunities such as attendance at conferences and seminars.
Water resource considerations are factored into location planning for new operations	All viable water use and supply options are considered when planning major projects and assessing potential expansions or extensions. A broad range of scenarios are developed and assessed such as the use of desalinated water for the hypogene expansion at Quebrada Blanca and potential use of desalinated water or treated municipal wastewater at other projects or operations in Chile.
Publicly demonstrated our commitment to water	We publicly share our water practices and performance through our responses to the CDP Water Disclosure program. Teck also endorsed the CEO Water Mandate in December 2013. We also report on our water initiatives and progress toward our sustainability strategy ( <a href="http://www.tecksustainability.com/">http://www.tecksustainability.com/</a> ) and goals annually through our sustainability report ( <a href="http://www.tecksustainability.com/res/base/documents/content/downloads/2013%20sustainability%20report.pdf">http://www.tecksustainability.com/res/base/documents/content/downloads/2013%20sustainability%20report.pdf</a> ).
Water management incentives established	We have included the key actions from our water sustainability strategy and goals in the operations bonus plans. Connecting the water strategy actions to an incentive plan clearly communicates to all staff that we have a strong commitment to water.

**W6.2b**

**Please choose the option(s) below that best explains how water has negatively influenced your business strategy**

Influence of water on business strategy	Please explain
Increased capital expenditure	Increasing concentrations of selenium have been observed in the Elk Valley of British Columbia, where we operate 5 steelmaking coal mines. We are developing an Elk Valley Water Quality Plan to mitigate impacts and to stabilize and reduce selenium concentrations

Influence of water on business strategy	Please explain
	downstream from our mining operations. Our strategy includes significant investments focused on water treatment facilities, water diversions, research and development, and monitoring.

**W6.2c**

Please choose the option that best explains why your organization does not integrate water management into its business strategy and discuss any future plans to do so

Primary reason	Please explain

**W6.3**

**Does your organization have a water policy that sets out clear goals and guidelines for action?**

Yes, a publicly available company-wide water policy

**W6.4**

**How does your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) during the most recent reporting period compare to the previous reporting period?**

Water-related spending: % of total CAPEX during this reporting period compared to last reporting period	Water-related spending: % of total OPEX during this reporting period compared to last reporting period	Motivation for these changes
		CAPEX/OPEX details are not classified into water-related and non water-related spending.

**Further Information**

**Page: W7. Compliance**

**W7.1**

**Was your organization subject to any penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations in the reporting period?**

Yes, not significant

**W7.1a**

**Please describe the penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations and your plans for resolving them**

Facility name	Incident description	Financial penalty or fine	Currency	Incident resolution



Facility name	Incident description	Financial penalty or fine	Currency	Incident resolution
Trail	In November 2013, we paid a stipulated penalty related to an environmental release that occurred at Trail Operations in 2011 when 5.6 kg of cadmium was released into the Columbia River following an upset at the Effluent Treatment Plant.	210000	CAD (\$)	Since the incident, procedures have been reviewed and revised, and additional instrumentation has been installed. The 2011 discharge did not create any health or safety risk to people, fish or wildlife other than the potential short-term impacts on aquatic life immediately at the outfall point.

#### W7.1b

Please indicate the total of all penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations as a percentage of total operating expenditure (OPEX) compared to last year

About the same

#### Further Information

**Page: W8. Targets and Initiatives**

#### W8.1

Do you have any company wide targets (quantitative) or goals (qualitative) related to water?

Yes, goals only

#### W8.1a

Please complete the following table with information on company wide quantitative targets (ongoing or reached completion during the reporting period) and an indication of progress made

Category of target	Motivation	Description of target	Quantitative unit of measurement	Base-line year	Target year	Proportion of target achieved, % value
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**W8.1b**

Please describe any company wide qualitative goals (ongoing or reached completion during the reporting period) and your progress in achieving these

Goal	Motivation	Description of goal	Progress
Other: Establish baseline for water use intensity and water quality	Water stewardship	Establish baseline for water use intensity and water quality at all current operations by 2013, through the following actions: - Establish water management teams - Enhance existing flow monitoring systems - Update water balance - Develop comprehensive water management plans	Completed
Other: Implement Teck's water standard	Water stewardship	Implement Teck's water standard by 2013, through the following actions: - Integrate water management into our existing HSEC Assurance programs - Continue to train and educate employees on the increasing importance and value of water to Teck, people and communities - Pursue opportunities to work with communities of interest to address broader community water issues - Continue to support research and technology development in water-related issues.	Completed
Other: Implement operation-specific water targets	Water stewardship	Implement measures to achieve operation-specific targets for improvements in water use intensity and water quality by 2015 through the following actions: - setting of operation-specific goals for water use intensity and water quality at all current operations – Develop operation-specific initiatives to meet water use intensity and water quality targets – Achieve operation-specific key performance indicators on water use intensity and water quality targets.	In progress, with completion at all operations expected for 2015.

**W8.1c**

Please explain why you do not have any water-related targets or goals and discuss any plans to develop these in the future

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**Further Information**

**Module: Sign Off**

**Page: Sign Off**

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**W9.1**

Please provide the following information for the person that has signed off (approved) your CDP water response

Name	Job title	Corresponding job category
Michael Davies	Vice-President Environment	Environment/Sustainability manager

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**Further Information**

**CDP**