



Teck

FORWARD TOGETHER

**2020
SUSTAINABILITY
REPORT**

About This Report

Teck's 2020 Sustainability Report marks our 20th year of annual reporting on the sustainability topics that are most material to our stakeholders and to our business.

This report contains:

- Detailed performance in our 2020 material sustainability topics
- Summary of progress towards achieving our short-term sustainability goals set in 2015, in the areas of Community, Water, Our People, Biodiversity, Energy and Climate Change, and Air
- Summary of progress towards achieving our long-term sustainability strategic priorities set in 2020, and the revised sustainability goals in the areas of Health and Safety, Climate Change, Tailings Management, Our People, Responsible Production, Biodiversity and Reclamation, Water, and Communities and Indigenous Peoples

Available in English and Spanish, our report is in conformance with the Mining Principles of the International Council on Mining and Metals (ICMM). Our report has been prepared in accordance with the [Global Reporting Initiative \(GRI\) Standards: Core option](#) and the GRI G4 Mining and Metals Sector Disclosures, and is aligned with both the [Sustainability Accounting Standards Board \(SASB\) Standards](#) and the principles of integrated reporting. See Methodology & Restatements on page 112 for information about our reporting scope. This report has been reviewed and approved by Teck's senior management and Board of Directors.

Management Approach Information

Management approach information for each material topic is available on our website at teck.com/responsibility.

Assurance

PricewaterhouseCoopers LLP independently reviewed our application of the GRI Standards, the alignment of our practices with ICMM's Mining Principles, guided by the ICMM Assurance Procedure, and provided limited-level assurance on selected data in this report. See pages 113–114 for their assurance letter. PricewaterhouseCoopers LLP is also Teck's independent auditor.

Contact

If you have any questions about this report, email us at sustainability@teck.com or contact Jillian Lennartz, Manager, Sustainability Reporting, at jillian.lennartz@teck.com.

Other Reports

The 2020 Sustainability Report is part of Teck's annual reporting suite, available on our website at teck.com, which includes:



Annual Report

Management's discussion and analysis and audited consolidated financial statements

Annual Information Form

Describing our business, including our reserve and resource disclosure, and disclosure on risks that may affect Teck

Management Proxy Circular

Information on business to be conducted at the annual meeting, including details on executive compensation and our corporate governance practices

Portfolio Resilience in the Face of Climate Change Report

(aligned to the recommendations of the Task Force on Climate-related Financial Disclosures): Information on how we are analyzing and preparing for the risks and opportunities emerging from climate change and our plans to move to a lower-carbon future

Message from the President and CEO, Don Lindsay



Donald R. Lindsay
President and Chief Executive Officer
Vancouver, B.C., Canada
March 16, 2021

The past year was a milestone for Teck's ongoing work in sustainability. It marked the 20th year of publishing our annual Sustainability Report as well as the 10th anniversary of our sustainability strategy. When we set out that first strategy a decade ago, our intent was to identify the long-term challenges and opportunities facing our business, industry and stakeholders, and establish goals that would ensure we met those challenges and embraced those opportunities. Over the years, that strategy has evolved to match changing societal expectations and ensure we remained at the global forefront of sustainability performance in our industry.

Since launching our first strategy, we have made incredible strides in our performance as a sustainable miner, including:

- Reduced greenhouse gas emissions by 414 kilotonnes in total since 2011
- Utilized over 100,000 terajoules of renewable energy since 2011
- Increased the number of women at Teck by 54% since 2012
- Increased our procurement of supplies from local suppliers by 33% since 2011
- Reduced our total recordable injury frequency by 58% since 2010

We also continue to take measures to manage water, one of our most material sustainability issues. We have made significant progress on the water treatment program at our steelmaking coal operations in the Elk Valley and we continued to reduce fresh water use at our Chile operations. While we did not reach our 2020 goal to reduce our fresh water use in Chile by 15%, we did achieve a peak reduction of 13%.

While we are proud of the progress we have made to date, we know we need to continually raise the bar to meet the expectations of our communities and stakeholders. The 2020 update to our sustainability strategy set out ambitious, new long-term priorities and goals under eight strategic themes. These goals include becoming a carbon-neutral operator by 2050, disposing of zero industrial waste by 2040, and transitioning to the use of seawater or low-quality water for operations in water-scarce regions by 2040. Each of our long-term objectives are supported by interim milestone goals to guide and track our progress.

Our most critical priority and one of our core values is the health and safety of our people. Our health and safety performance in 2020 was the best on record for Teck, with a 17% reduction in total recordable injury frequency, and a 32% reduction in high-potential incident frequency from 2019. While we had no employee fatalities in 2020, I am deeply saddened to report that there were two fatalities of contractors in 2020 at the Fort Hills joint venture and, in January 2021, an incident at our Red Dog Operations resulted in the death of an employee. These occurrences are being investigated and the learnings will be shared broadly across our company and industry. They also serve as a stark reminder that we cannot waver in our focus on health and safety performance.

Sustainability and Resilience

While our focus on sustainability and operational performance remains constant, the fact is that the past year has been unlike any other, and the world has changed dramatically. The COVID-19 pandemic has altered how we live and work. Every day, businesses and people find new ways to be resilient in adapting to this 'new normal'. At Teck, our long history of sustainable business strategy has allowed us to be well positioned with the agility and resilience needed to navigate the current landscape.

At the same time, there is no question that COVID-19 has affected everyone. Many have fallen ill and, in some cases, passed away from the virus, including members of the Teck family. The strain of illness and lengthy lockdowns is felt across our workforce and beyond, which is why we put in place resources to ensure that our employees and surrounding communities were supported during these challenging times. In addition to implementing extensive COVID-19 precautions and protocols, we established a suite of employee support programs, including expanded paid time off, employee and family assistance programs, and virtual healthcare services.

We also established a dedicated \$20 million community investment fund to support critical social and health initiatives in our local communities and expanded our Copper & Health program to promote greater use of copper surfaces to fight the spread of infection in public spaces.

Forward Together

As vaccinations are beginning to be administered around the globe, we can all begin to imagine what a post-pandemic future could look like. At Teck, we recognize the opportunity that global recovery presents in building a better tomorrow. As a responsible producer, we are committed to providing the metals and minerals necessary to support a strong global economic recovery and to address other important challenges of our time. For instance, we are increasing our capacity to produce copper, which is essential to the technology and infrastructure needed for the global transition to a low-carbon economy.

Our sustainability strategy provides a vision for a sustainable and inclusive future, enabled by responsible mining and production. We have already made major strides toward achieving our new sustainability goals. In 2020, we announced two power purchase agreements, securing 50% renewable power at our Quebrada Blanca Phase 2 project, and 100% renewable power at our Carmen de Andacollo Operations. Combined, these agreements will avoid one million tonnes of greenhouse gas emissions annually, equivalent to the emissions from over 200,000 passenger vehicles.

We have also been advancing the Elk Valley Water Quality Plan, part of our long-term approach to address mining impacts throughout the Elk Valley watershed. Our first water treatment facility at Line Creek continued successfully treating up to 7.5 million litres of water per day. Additionally, in 2020, we completed a project to double treatment capacity of the Elkview saturated rock fill (SRF) facility to 20 million litres per day; our third treatment facility, which will also treat

20 million litres of water per day, is on track for completion in the first half of 2021.

Our sustainability performance to date has been recognized by the Dow Jones Sustainability World Index for the 11th straight year, with Teck being the top-ranked mining company for the second year in a row. Teck has also been ranked the #1 mining company by Sustainalytics, Vigeo Eiris and FTSE4Good. While the recognition is encouraging, we know there is more work to be done. As we move forward together, we remain focused on continual improvement in our sustainability performance while at the same time continuing to provide the metals and minerals the world needs.

Our Commitments:

[United Nations Global Compact](#)

[International Council on Mining and Metals Mining Principles](#)

[Mining Association of Canada Towards Sustainable Mining initiative](#)

[GRI Standards](#)

[United Nations Declaration on the Rights of Indigenous Peoples \(UNDRIP\)](#)

[Council for Clean Capitalism](#)

[Carbon Pricing Leadership Coalition](#)

[International Labour Organization Labour Standards](#)

[30% Club Canada](#)

And many others listed on our [Memberships and Partnerships](#) page

Recognition in 2020

Dow Jones Sustainability World Index for the 11th straight year, Top-Ranked Mining Company in the World and the only Metals & Mining company awarded the S&P Gold Class Award

Sustainalytics: Top-Ranked Mining Company in 2020

MSCI ESG: 'A' Rating in 2020 and Member of MSCI World ESG Leaders Index

ISS E&S Top Performer

Vigeo Eiris Top-Ranked in North America Mining and Metals in 2020

Sustainability Award
Gold Class 2021

S&P Global



FTSE4Good Index Series Top-Ranked in the Mining Subsector in 2020

Bloomberg 2021 Gender Equality Index

Canada's 2021 Top 100 Employers by Mediacorp

2020 CDP Discloser

Forbes World's Best Employers 2020

Corporate Knights: 2021 Global 100 Most Sustainable Corporations in the World and 2020 Best 50 Canadian Corporations

And others listed on our [Awards page](#)



Engaging with Stakeholders and Indigenous Peoples

Engagement with stakeholders — including investors, customers and local communities — and Indigenous Peoples helps to enhance our mutual understanding of interests, concerns and aspirations, and strengthens relationships. Stakeholders are identified based on the degree to which they are affected by our activities, by our relationships with them and by their ability to influence the achievement of our business objectives. In particular, stakeholder identification helps us:

- Understand the positive and negative impacts of our business
- Understand the risks and opportunities — for stakeholders and our business — associated with these impacts
- Manage these impacts in a responsible and effective manner
- Understand the effectiveness of our management actions

Direct and Indirect Stakeholder Engagement and Management

Teck conducts direct engagement, which involves speaking and working directly with stakeholders, as well as indirect engagement, which involves reviewing publications that reflect our stakeholder expectations. Our direct engagement with stakeholders is carried out on an ongoing basis, and is organized around three levels: disclosure, dialogue and participation. We carry out indirect engagement through the application of externally developed standards and frameworks. Our engagement with community stakeholders and Indigenous Peoples is guided by our Health, Safety, Environment and Community (HSEC) Management Standards, and our Social

Management and Responsibility at Teck (SMART) tools. Engagement outcomes are reported to the Safety and Sustainability Committee of our Board of Directors and to our HSEC Risk Management Committee.

Engagement with Local and Indigenous Communities

All of our operations, exploration sites, projects and closed properties identify, prioritize and directly engage local and Indigenous communities. Our work in this area is focused on:

- Disclosing and appropriately communicating accurate and timely information
- Maintaining an open dialogue so all parties can fully understand each other's views and concerns
- Engaging in decision-making around our activities
- Collaborating on issues of mutual interest
- Creating social value and maintaining our ability to operate
- Understanding the potential impact of our activities on the rights of Indigenous communities

Those responsible for engagement with local communities and Indigenous Peoples are trained to conduct dialogue that is focused on building and maintaining relationships and addressing issues important to those communities. This helps enable engagement that is productive and constructive, and that directly contributes to the building and maintenance of long-term, trust-based relationships. Our engagement with our workforce, communities, civil society and Indigenous Peoples also supports our commitments to respecting human rights and Indigenous rights across Teck.

Table 1: Key Engagement Topics with Stakeholders and Indigenous Peoples Identified and Managed in 2020

Stakeholder	Description	Priority Engagement Topics in 2020	Learn More
Our Workforce	Union, non-union, full-time and part-time employees and contractors	<ul style="list-style-type: none"> • Health and safety strategies • COVID-19 response and support • Inclusion and diversity • Bargaining and collective agreements • New technology and opportunities for innovation 	Pages 51, 80
Investors, Financial Institutions	Institutional investors, other equity holders, debt holders, banks and credit rating agencies	<ul style="list-style-type: none"> • Financial and operational performance • Social and environmental management • Climate change and carbon pricing • COVID-19 impact and response • Project execution • Capital allocation • Governance • Developments in financial markets • Sustainability-linked financial products 	See the 2020 Annual Report for information on financial and operational performance
Communities	Indigenous communities, non-Indigenous communities, community-based institutions, and those outside of project- and site-affected communities	<ul style="list-style-type: none"> • Community investments, including those in response to COVID-19 • Water quality and/or availability • Health and safety • Dust, noise and vibration issues • Local procurement and employment • Participative community monitoring • Tailings management • Biodiversity management • Permitting activities 	Pages 61, 68
Civil Society, Non-Governmental and Multinational Organizations	Regional, national and international organizations focused primarily on advocacy	<ul style="list-style-type: none"> • Community investment opportunities • Global development topics • Public health partnerships, including those in response to COVID-19 • Transparency on the payments we make to governments and others • Climate change and carbon pricing • Cultural heritage 	Pages 19, 68, 100
Academic Institutions and Researchers	Academic institutions and research organizations	<ul style="list-style-type: none"> • Research partnerships, including those in response to COVID-19 • Training programs 	Pages 68, 80
Governments	Local government bodies or institutions, provincial/sub-national governments and national/federal governments	<ul style="list-style-type: none"> • Industry competitiveness • Climate change and carbon pricing • Innovation • Environmental management • Transportation regulations • International trade and development • Environmental regulatory and permitting reform • Taxation policy and reform 	Pages 19, 100

Table 1: Key Engagement Topics with Stakeholders and Indigenous Peoples Identified and Managed in 2020

Stakeholder	Description	Priority Engagement Topics in 2020	Learn More
Indigenous Governments and Communities	Formal governance structures representing Indigenous communities and organizations, including businesses identified by Indigenous communities and traditional land users	<ul style="list-style-type: none"> • Traditional knowledge and land use • Indigenous rights and free, prior and informed consent • Agreement negotiation and implementation • Environmental aspects, including water quality and access • Economic opportunities • Reconciliation • Cultural heritage • Regulatory approvals • Implementation of the United Nations Declaration on the Rights of Indigenous Peoples • Community investment opportunities • Subsistence and local livelihoods 	Pages 61, 68
Commercial Interests	Joint venture partners, large contractors and customers	<ul style="list-style-type: none"> • Logistics and transportation • Materials stewardship • Supply chain sustainability • Health and safety • Responsible mining practices • Technology and innovation 	Pages 46, 51, 96
Industry Associations	Associations representing businesses (e.g., mining associations, sustainable business organizations)	<ul style="list-style-type: none"> • Regulatory issues • Social issues and best practices • Environmental management • Business competitiveness • Health and safety • Tailings management • Implementation of the United Nations Declaration on the Rights of Indigenous Peoples • Cultural heritage 	Pages 29, 46, 51, 61, 68

Supporting the United Nations Sustainable Development Goals (SDGs)

Through our activities and initiatives, Teck is contributing to progress on the UN SDGs. While we recognize that the mining industry has an opportunity to positively contribute

to all 17 of the SDGs, Teck's sustainability strategy is most strongly aligned to the following goals:



An overview of the work Teck is doing to help address each of the 17 Sustainable Development Goals is available on [our website](#).

Our Response to COVID-19

The global health crisis posed by COVID-19 has caused unprecedented impacts on companies, families and communities. In 2020, Teck implemented a number of robust measures to protect our workers and communities. We continue to engage health authorities, medical experts, technology companies, communities and our peers to provide the best possible protection and response.

Teck understands the importance of the health, safety and well-being of our employees, our contractors and the communities where we operate. We have implemented extensive measures across our operations and projects to

prevent the spread of COVID-19, and we provide support to all our employees and local communities. Consistent with Teck's strong crisis management framework, including business resiliency and continuity plans, all Teck-managed operations continued to operate in 2020 with appropriate protocols in place. In all aspects of our response to COVID-19, we are following the most up-to-date direction from governments and public health authorities in each jurisdiction where we operate.

We have a comprehensive five-pillar approach to managing the risks and impacts of COVID-19.



Prevention



Employee Support



Communities and Public Health



Business Continuity



Communication

Prevention

Teck has implemented extensive preventive measures across our operations, projects and offices to safeguard the health of our employees and contractors. These include requiring masks to be worn, operating with reduced crew sizes, supporting physical distancing, implementing remote work wherever feasible, enhanced cleaning and disinfecting protocols, promoting personal preventive measures, and screening all employees, contractors and external visitors for risk factors and symptoms. See pages 55–56 in the Health and Safety section for a full description of preventive and mitigative measures in place.

Employee Support

We are focused on operating safely and responsibly, and on maintaining employment and economic activity to the extent possible during the COVID-19 pandemic. We expanded coverage of sick leave benefits for full-time employees to ensure anyone required to self-isolate remains eligible for sick leave benefits with no waiting period. We have also implemented new and expanded services to help support our people through the additional challenges created by COVID-19. This includes our Employee and Family Assistance Program that offers support services and crisis counselling, as well as other on-demand virtual medical and mental healthcare services. See page 84 in the Inclusion, Diversity and Our People section for a full list of employee engagement activities and support services.

Communities and Public Health

Teck is supporting critical social initiatives and increased healthcare capacity in areas where we operate. We created a \$20 million fund that is supporting COVID-19 response and future recovery efforts. This includes funding for critical social initiatives and increased healthcare capacity, and an innovative partnership to test germ-killing copper on public transit in Metro Vancouver. See page 78 in the Relationships with Communities section for a full description of our community investments, engagement with communities and other supporting activities.

Business Continuity

COVID-19 significantly impacted our operations and product markets in 2020. As a result of the pandemic, in early 2020, we experienced temporary closure of a number of operations and reduced production. We also temporarily suspended active construction at our Quebrada Blanca Phase 2 (QB2) project. Despite the challenges presented by the pandemic, currently all Teck-managed operations continue to operate, with measures in place for preventing transmission of COVID-19. These measures follow best practices and guidance from health and government authorities.

All Teck activities continue to be underpinned by our focus on health, safety and sustainability leadership. Teck has established a COVID-19 Response Committee of senior executives, which is chaired by the Senior Vice President and

Chief Human Resources Officer, who reports regularly to the Board on COVID-19 response. We also have in place COVID-19 response teams at all of our operations and offices.

Throughout the current health crisis, we remain committed to responsible business practices in all aspects of our activities, including meeting the company-wide policies and commitments set out in our Code of Sustainable Conduct, Code of Ethics, Health and Safety Policy, Human Rights Policy, and other Teck policies and commitments. See page 85 in the Inclusion, Diversity and Our People section for more details on how we are working with our unions, and page 99 in the Supply Chain Management section for details on our supplier relations.

Communications

We provide regular updates to employees, including information on COVID-19 protocols and prevention. Our

safety leadership campaign, *Stopping the Spread – It Starts with Me*, highlights employees speaking about what they are doing to stop the spread and help strengthen the culture of prevention across our sites. See page 84 in the Inclusion, Diversity and Our People section and page 56 in the Health and Safety section for more details.

We are also focused on providing timely and meaningful information to shareholders in a safe and responsible way. We have modified our shareholder communications in line with our COVID-19 precautionary measures and have encouraged our shareholders and others to participate virtually. See our [2021 Management Proxy Circular](#) for more information.

Further information about our COVID-19 response and impacts to our material issues can be found within the following chapters of this report.

Chapter	Information
Health and Safety	Details on COVID-19 prevention protocols implemented at our sites
Relationships with Indigenous Peoples	Our support of Indigenous Peoples and communities through the COVID-19 pandemic, including donations and partnerships
Relationships with Communities	Our support of local communities through the COVID-19 pandemic, including donations and partnerships
Inclusion, Diversity and Our People	Details on how we have adjusted our operations and provided enhanced supports for our employees during the pandemic
Human Rights	Maintaining our commitments to human rights policies and procedures during the COVID-19 pandemic
Business Ethics	Our engagement and collaboration with governments during the pandemic

2020 Materiality Assessment

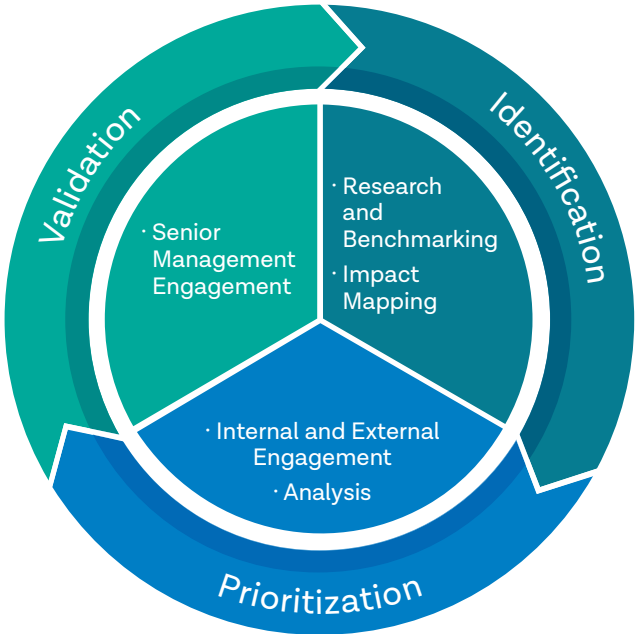
In this report, a material sustainability topic is one that reflects our company’s most significant economic, environmental and social impacts, or one that could substantively influence the assessments and decisions of our stakeholders, in accordance with guidance from the Global Reporting Initiative (GRI).

The content of our annual sustainability reporting is determined through a detailed materiality assessment, which identifies and evaluates the most material sustainability topics for our business, and our stakeholders and Indigenous Peoples during the previous year and for the near-term future.

Our annual process for determining material sustainability topics follows a three-year cycle and involves three phases: identification, prioritization and validation. The first year involves intensive consultation and research to identify a full list of topics that is analyzed by internal experts and external stakeholders and validated by our senior management team. Sustainability topics in the mining industry are relatively consistent year over year, given the long-term nature of operations. As such, the second and third years build on the results from the first year, and the assessment is updated to reflect emerging issues.

In 2020, we conducted a comprehensive materiality assessment and began a new three-year cycle. During the identification phase, we conducted research on trends in our industry and evaluated internal strategy documents, including the five-year plans for each of our business units and information compiled as part of the update of our sustainability strategy and goals. We also mapped our impacts and the boundary of our material topics across the value chain. In this phase, we identified 24 potentially material topics for review and prioritization.

Figure 1: Materiality Assessment Process



For the prioritization phase, we remotely engaged with over 50 internal and external stakeholders and Indigenous Peoples through a survey to gather feedback on material topics. We also used more than 24 inputs such as industry publications, research and internal reports as further context around the current state of sustainability within Teck and the broader mining sector. In this phase, 24 sustainability topics were organized into 13 thematic areas prioritized as potentially meeting our threshold for reporting.

During the validation phase, the results of the materiality assessment are reviewed by members of Teck’s senior management team and the Safety & Sustainability Committee of the Board of Directors.

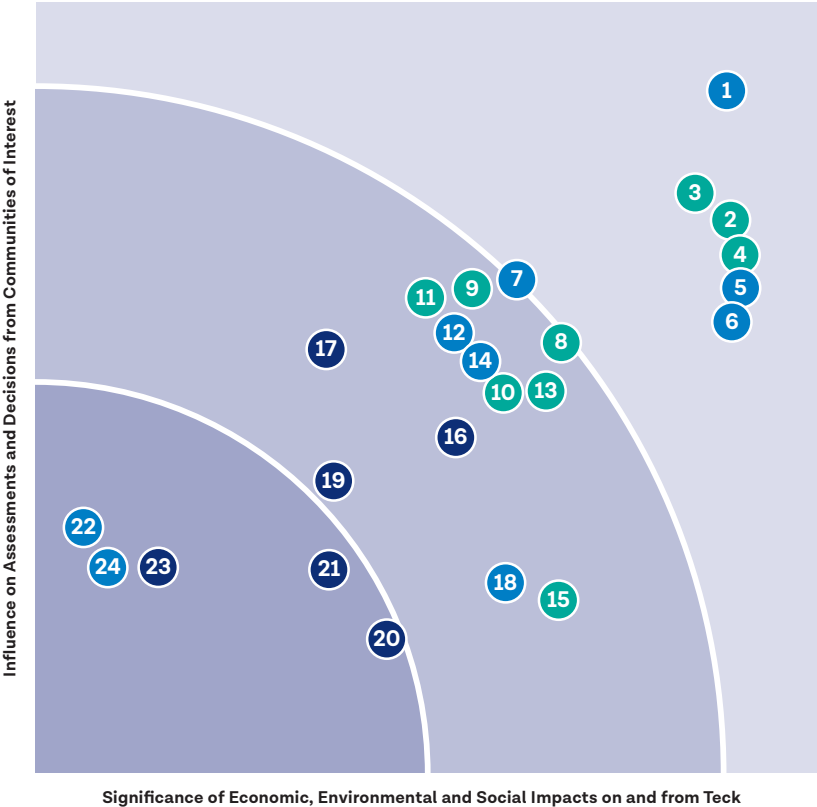
The 24 sustainability topics that were identified are outlined in the Materiality Matrix in Figure 2.

- | | |
|---|--|
| 1. Health and safety | 15. Product stewardship, material recycling and end-to-end materials |
| 2. Tailings and mine waste | 16. Power of governments |
| 3. Low-carbon operations | 17. Readiness to innovate and adopt technology |
| 4. Water quality | 18. Workforce of the future |
| 5. Indigenous relationships | 19. Traceability of raw materials |
| 6. Relationships with communities | 20. Business ethics |
| 7. Inclusion and diversity | 21. Geopolitical uncertainty |
| 8. Water scarcity | 22. Data privacy and cybersecurity |
| 9. Reclamation and remediation | 23. Supply base responsibility |
| 10. Low-carbon products | 24. Power of information/ social media/consumer relations |
| 11. Impact on flora and fauna | |
| 12. Human rights | |
| 13. Air quality | |
| 14. Labour rights and collective bargaining | |

Of these 24 topics, those that were prioritized as meeting our threshold for reporting were organized into 13 thematic areas, listed below:

- Health and Safety
- Water Stewardship
- Relationships with Indigenous Peoples
- Relationships with Communities
- Climate Change
- Inclusion, Diversity and Our People
- Tailings Management
- Human Rights
- Air Quality
- Biodiversity and Reclamation
- Responsible Production
- Supply Chain Management
- Business Ethics

Figure 2: 2020 Materiality Matrix



Information about how we manage our material topics is available in the management approach information section on our website at teck.com/responsibility. While our annual performance related to material topics is stated in this report, the order of report chapters does not indicate the materiality ranking.

- Governance/Economic
- Environment
- Social

Water Stewardship



Pictured above: Employee at Greenhills Operations, Canada.

Water Stewardship

Water is an essential resource for people, communities and the environment. Water scarcity affects one-quarter of the world's population¹ and natural resource crises, including water, are among the top 10 global risks identified by the World Economic Forum's 2021 Global Risks Report.² Recognizing the importance of water, governments and companies are working to improve the management, protection and restoration of the world's fresh water ecosystems.

Water is also a critical input to the mining process, used in several activities including mineral processing, dust suppression, transport, and employee use. Mining can affect both the availability and the quality of water in surrounding environments, requiring careful planning and mitigation procedures to minimize these impacts.

Teck recognizes that water is essential to communities in the watersheds where we operate, that access to water is a fundamental human right and that responsible water management is essential to maintaining trust. We work to protect water quality downstream of our operations, improve water use efficiency, and engage with stakeholders and Indigenous Peoples on watershed management wherever we operate. We also operate in water-scarce regions such as Chile, and we work to minimize fresh water use in these regions. To address this, we have developed a strategic priority to transition to seawater or low-quality water

sources for all operations in water-scarce regions by 2040. In 2020, we advanced construction of a desalination plant at our Quebrada Blanca Phase 2 (QB2) project, which will allow us to avoid using fresh water in this water-scarce region.

On water quality, we met our target of zero significant water-related incidents in 2020. We also continued to implement the Elk Valley Water Quality Plan at our steelmaking coal operations in southeast British Columbia. Major activities included the completion of the Elkview SRF water treatment facility expansion and the ongoing construction of the Fording River South water treatment facility. Teck has made significant progress towards achieving the objectives of the Elk Valley Water Quality Plan, a long-term approach to address the management of selenium and other constituents in the Elk Valley. For more information, see the Managing Water Quality in the Elk Valley section on page 14.

GRI Indicators and Topic Boundary

102-34, 303-103, 303-1, 303-2, 303-3, 303-4, 303-5, 306-3, 307-1

This topic is considered one of the most material by our shareholders, employees, local communities, regulators and society in the context of Teck's operations.

How Does Teck Manage This Topic?

Information about how we steward water, including relevant policies, our alignment to the ICMM water framework, management practices and systems, is available for [download on our website](#).

¹Updated Global Water Risk Atlas Reveals Top Water-Stressed Countries and States. World Resources Institute. 2019. ²Global Risk Report 2021. World Economic Forum. 2021.

2020 Highlights

3.3

the number of times water is reused and recycled at mining operations

Up to
13%

reduction in fresh water use at our Chilean operations

Initiated commissioning of the **20-million-litres-per-day Elkview saturated rock fill (SRF) water treatment facility**.

Completion of **five operational water reviews** in accordance with our Water Governance Framework.

Our Performance in Water Stewardship in 2020

Our Targets and Commitments Teck is committed to responsible management of water resources, and to protecting water quality and water access where we operate. The following table summarizes our performance against our new sustainability strategy and goals for water stewardship.

Sustainability Strategy Goals	Status	Summary of Progress in 2020
Strategic Priority: Transition to seawater or low-quality water sources for all operations in water-scarce regions by 2040		
Goal: By 2025, design all development projects in water-scarce regions with a seawater or low-quality water source.	On track	Identified development projects located in water-scarce regions and assessed opportunities for transitioning to seawater or low-quality water sources.
Strategic Priority: Implement innovative water management and water treatment solutions to protect water quality downstream of our operations		
Goal: By 2025, implement new source control or mine design strategies and water treatment systems to further advance efforts to manage water quality at our operations.	On track	Advanced research and development of source control options and design of a full-scale source control project at Elkview. Implementation of new water treatment systems are underway or completed at Elkview, Fording River and Red Dog operations in 2020.

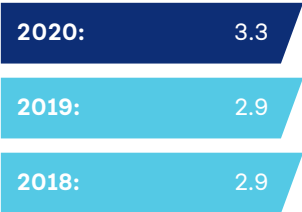
Key Performance Indicators

Indicator

Number of times water was reused and recycled at mining operations

Target

No target

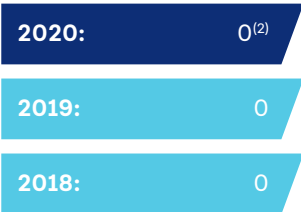


Indicator

Significant⁽¹⁾ water-related incidents

Target

Achieve zero significant water-related incidents each year



(1) Teck uses a risk management consequence matrix to determine incident severity, which includes environmental, safety, community, reputational, legal and financial aspects. "Significant incidents" includes incidents assessed as Level 4 or Level 5 based on our risk matrix and guidance.
(2) The fish decline in the Upper Fording River is not classified as a significant water-related incident in accordance with our incident reporting system as it has not been connected to a specific incident under our control. However, the decline is a significant event that Teck is taking very seriously and we are fully committed to a thorough and extensive evaluation of cause and implementation of the comprehensive recovery plan.

Managing Water Quality in the Elk Valley

In 2020, we continued to advance the Elk Valley Water Quality Plan ("the Plan"), a long-term approach to address the management of selenium and other substances released by mining activities throughout the Elk Valley watershed. The Plan was approved in 2014 by the B.C. Minister of Environment and developed in cooperation with governments in Canada and the U.S. as well as with Indigenous groups, communities, independent scientific experts and others. The goal of the Plan is to stabilize and reverse the trend of mine-related substances and to maintain the health of the watershed while allowing for continued sustainable mining in the region where our steelmaking coal operations are located. The Plan is among the largest water quality management programs in the world, and Teck is making significant progress in advancing the Plan and ultimately protecting the Elk Valley watershed.

The Plan establishes short-, medium- and long-term water quality targets, which are protective of the environment and human health, for selenium, nitrate, sulphate and cadmium, as well as a plan to manage calcite formation. In 2020, we continued to implement a range of practices and mitigation projects as part of the Plan, including expanding our use of liners for explosives to reduce nitrate generated from blasting, doubling the capacity of SRF treatment facilities and advancing construction of the Fording River South Water Treatment Facility into the commissioning phase.

For information on our management of water quality in the Elk Valley, see [our website](#).

Monitoring Aquatic Health

Teck conducts ongoing aquatic health studies and monitoring in the Elk Valley. Making this information broadly available helps advance community knowledge and understanding, and can accelerate the pace of scientific progress and innovation. This includes regular water quality sampling at approximately 100 stations in the Elk Valley. Monitoring shows that selenium concentrations have been reduced downstream of our water treatment facility at Line Creek. We expect further significant reductions as the Fording River South and Elkview SRF treatment facilities come online.

Fish census data obtained in late 2019 showed unexpected and substantial reductions in populations of westslope cutthroat trout in the upper Fording River, which is located in the area of our Fording River and Greenhills operations in the Elk Valley. In early 2020, Teck immediately established an Evaluation of Cause Team of external experts who are investigating to determine whether the reductions are associated with water quality issues, flow conditions, habitat availability, predation, other natural causes or a combination of these factors. The external team is expected to deliver a report in mid-2021. Teck has been committed to a transparent process and has been meeting on a biweekly basis with the Ktunaxa Nation Council (KNC) and government regulators to discuss the work in this area.

During 2020, we also developed and implemented short-term recovery actions to improve fish habitat and support recovery. We took precautionary measures to limit handling and sampling of fish, and to limit water use at our operations during low-flow periods. A comprehensive recovery plan is in development.

This fish decline is not classified as a significant water-related incident in accordance with our incident reporting system, as it has not been connected to a specific incident under our control. However, the decline is a significant event that Teck is taking very seriously and we are fully committed to a thorough and extensive evaluation of cause and implementation of the comprehensive recovery plan.

Annual reports about our ongoing monitoring programs, which are prepared by professional scientists, reflect data generated since the Elk Valley Water Quality Plan was approved. The reports have been reviewed by the Environmental Monitoring Committee (EMC), a group that provides science-based and Ktunaxa traditional knowledge advice and input to Teck and the B.C. Ministry of Environment and the Climate Change Strategy regarding monitoring designs and reports in the Elk Valley. The EMC includes representatives from the Ministry of Environment and Climate Change Strategy; Ministry of Energy, Mines, and Low Carbon Innovation; KNC; Interior Health Authority; and Teck, as well as an independent scientist. Read the 2020 EMC Report available at teck.com/media/2020-EMC.pdf

Water Treatment Facilities

In 2020, we continued to advance construction of several water treatment facilities to expand our ability to treat and protect water quality. The West Line Creek water treatment facility is operating and successfully treating up to 7.5 million litres of water a day, and our first SRF facility has been successfully treating up to 10 million litres of mine-affected water per day at Elkview Operations. At the end of 2020, we were commissioning an expansion that will double treatment capacity at the Elkview SRF facility to 20 million litres per day, and we are building a new tank-based treatment plant at our Fording River Operations, which will have the capacity to treat 20 million litres of water per day operating at full capacity. A fourth water treatment facility has also begun construction at Fording River Operations. In 2021, we expect to have capacity to treat up to 47.5 million litres per day; we expect further significant reductions of selenium and nitrate as the Fording River and Elkview facilities come online.

The pace of construction of water treatment facilities has been hindered by challenges related to the treatment technology and, more recently, as a result of COVID-19. While we have recorded non-compliances relative to the permit limits established by the Elk Valley Water Quality Plan as a result of the pace of construction, we are seeing positive results from our efforts: the SRF technology is achieving

near-complete removal of selenium and nitrate, and we are now seeing reductions in selenium concentrations downstream of the Line Creek treatment facility.

Capital spending in 2020 on water treatment was \$266 million. Capital spending in 2021 on water treatment and water management is estimated to be approximately \$255 million. From 2022 to 2024, we plan to invest an additional \$300 to \$400 million of capital on water management and water treatment. In addition, the aggregate cost of the incremental measures required under the October 2020 Direction issued by Environment and Climate Change Canada, outlined below, are preliminarily estimated at \$350 to \$400 million between 2021 and 2030.

Reducing Nitrate in Blasting

Our comprehensive research and development program has led to the creation of a new nitrate reduction technique that uses liners to prevent nitrate-containing explosives from coming into contact with water, which significantly reduces the amount of nitrate lost to the environment. This technique was successfully piloted in 2019, and further implemented throughout our operations in the Elk Valley in 2020. We continue to work towards a target of having 95% of all explosives being placed into lined holes.

Research and Development

Teck is focused on continued research and development to improve water performance in the short and long term. Examples of this work include:

- **Source control:** Aggressively pursuing the use of source control alternatives in our mined rock facilities including the addition of suboxic layers and constructing mined rock facilities to limit air entry and the corresponding natural reactions that generate constituents of interest
- **Alternative water treatment technologies:** Exploring the use of smaller water treatment facilities that can be built much closer to points of discharge and evaluating emerging treatment technologies that target mine water constituents of interest
- **Mined rock covers:** Evaluation of different forms of covers, ranging from vegetative to geomembrane covers, for mined rock piles
- **Diversions:** Assessing the contribution of diversions to water quality performance through the construction and monitoring of the Kilmarnock Creek Diversion at the Fording River Operations

Community Engagement on Water

Access to clean and sufficient water by users in our areas of influence is important to us and to our stakeholders. When implementing our water management practices, we consider and engage with other water users in the watersheds where

we operate. In 2020, we engaged with local communities and Indigenous Peoples in the Elk Valley to share updates on our work on water quality in the watershed, as well as new technologies being implemented to improve water quality.

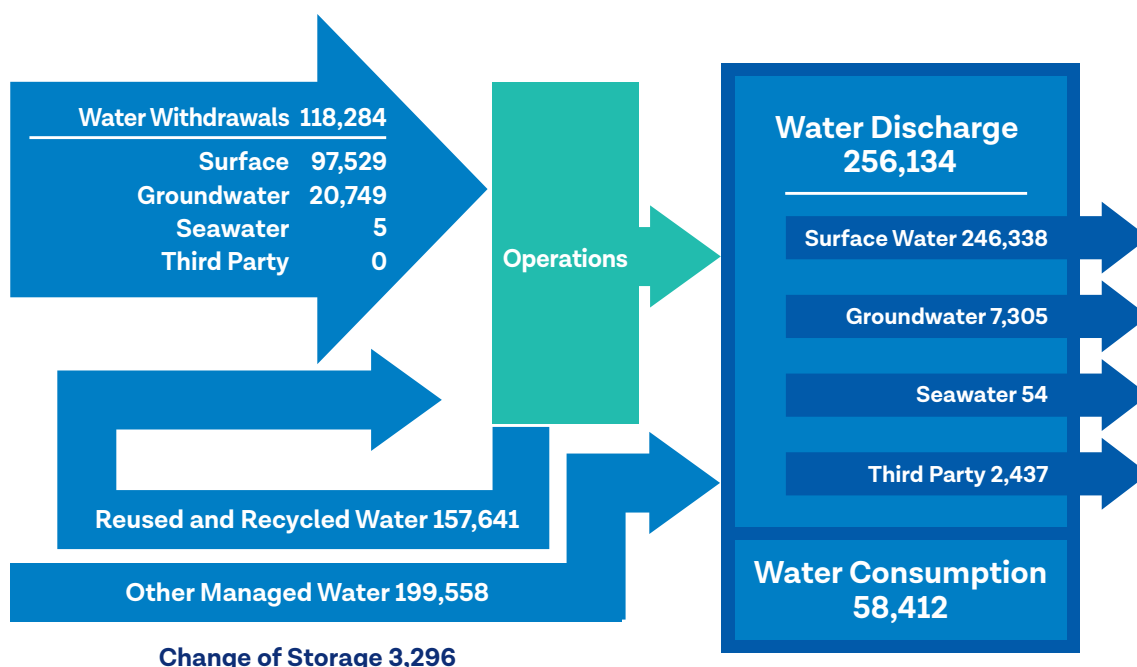
Improving Water Efficiency

We monitor water data at all of our operations and incorporate the data into scenario planning using site-wide water balances.³ The company-wide water balance is the aggregation of all of the site-wide water balances; it is complex, due to the variability of natural factors such as rainfall, snowmelt, and the diversity of the climates and geological conditions where our operations are located. Understanding our site-wide and company-wide water balances is key to improving water management practices and to enabling better decision-making.

In 2018, we updated our water data collection and reporting to align with the ICMM's [A practical guide to consistent water reporting](#). Our detailed water data is provided in our [2020 Sustainability Performance Data](#) spreadsheet.

At Teck, we use water primarily for material processing and transport, cooling and dust control. A portion of the water we use is consumed through entrainment in our products and tailings or through evaporative processes. The water we use is typically obtained from where our operations interface with surface water and groundwater systems, and we are transitioning to seawater sources in water-scarce regions such as northern Chile. We manage and discharge a significant amount of water without use and we discharge this water as close as practical to the source location. The water we discharge is monitored and treated where necessary.

Figure 3: Company-Wide Operational Water Balance – Megalitres (ML)



Water withdrawal: All water that enters the operational water system and is used to supply the operational water demands.

Other managed water: Water that is actively managed without intent to supply the operational water demands.

Water discharge: Water that is released back to the water environment or to a third party.

Water consumption: Water that is permanently removed, by evaporation, entrainment (in product or waste) or other losses and not returned to the water environment or a third party.

Reused and recycled water: Water that has been used in an operational task and is recovered and used again in an operational task, either without treatment (reuse) or with treatment (recycle).

Change in water storage: The net change (positive or negative) in the volume of water stored over the accounting

period; a positive number indicates water accumulation and a negative number indicates water reduction.

Types of Water

Surface water: Water from precipitation and runoff that is not diverted around the operations; includes water inputs from surface waterbodies that may be located within the boundaries of our operations.

Groundwater: Water from beneath the earth's surface that collects or flows in the porous spaces in soil and rock that is not diverted around the operations.

Third-party sources: Water supplied by an entity external to the operation, such as from a municipality; we do not use wastewater from other organizations.

Seawater: Water obtained from a sea or ocean.

³Site-wide water balances provide an understanding of water withdrawals, consumption, reuse/recycle and discharge volumes at each operation. Water balances are developed using a mix of measurements and modelling computation.

In 2020, the number of times water was reused and recycled, expressed as the ratio of water reused and recycled to water withdrawals, was 3.3 at our mining operations. This means that we reused the same water approximately 3.3 times on average before treating and returning it to the environment.

Trail Operations accounts for 60% of our water withdrawals. Almost all the water used at Trail Operations is 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 within regulatory-approved conditions. In 2020, our water withdrawals were lower than in 2019. At our mining operations, we processed less ore and raw coal in 2020, resulting in a proportional reduction of water withdrawals.

Actions taken to achieve our target of reducing fresh water use in Chile by 15% resulted in the reduction of our fresh water use by up to 13% in 2020. Our total water consumption in areas with water stress⁴ was 11,528 ML in 2020. Additional water data is provided in our [2020 Sustainability Performance Data](#) spreadsheet.

Table 2: Water Withdrawals and Water Reused and Recycled – Megalitres (ML)

All operations	2020	2019	2018	2017
Water withdrawals (ML)	118,284	127,018	128,146	115,368
Water reused/recycled (ML)	157,641	148,914	174,688	176,563
Mining operations				
Water withdrawals (ML)	47,739	51,954	60,003	44,225
Water reused/recycled (ML)	157,641	148,914	174,688	176,563
Number of times water is reused and recycled (ratio of reused/recycled and withdrawals)	3.3	2.9	2.9	4.0

Case Study: Improving Water Quality in the Elk Valley with New Treatment Facilities

Since 2014, Teck has been implementing the Elk Valley Water Quality Plan to ensure the ongoing health of the watershed while allowing continued responsible mining in the region. In 2020, we met significant milestones on several key water treatment projects. Our first water treatment facility at Line Creek is successfully treating up to 7.5 million litres of water per day. We are applying what we have learned in building the Active Water Treatment facility at our Fording River Operations, which is currently under construction and scheduled to be

completed in 2021. We are also building on the initial successes of our Saturated Rock Fill (SRF) technology, a nature-inspired water treatment solution that effectively removes compounds such as selenium and nitrate from water. In 2020, we completed a project to double the treatment capacity of the Elkview SRF facility, and by 2021, we expect to have capacity to treat up to 47.5 million litres of water per day, nearly two and a half times our 2020 treatment capacity. Read the full case study at teck.com/news/stories.

⁴Water-stressed areas lack the ability to meet human and ecological demands for fresh water. Water stress components include water availability, quality and accessibility. The proportion of sites in water-stressed areas is 20%.

Water-Related Compliance

Non-Compliances and Significant Water-Related Incidents

We continue to implement the water quality improvement measures identified in the Elk Valley Water Quality Plan. The pace of construction of some of the water treatment facilities has been hindered by challenges related to the treatment technology and, more recently, as a result of COVID-19. As a result of the slower-than-anticipated pace of construction, we have recorded non-compliances relative to certain of the permit limits in the Elk Valley. To address these non-compliances, we are aggressively advancing construction of several water treatment facilities and we are implementing other water quality improvement measures in parallel, such as reducing nitrate from blasting, and accelerating research and development projects in the areas of source control, diversions and mined rock cover systems.

We assess the severity of environmental incidents based on the potential environmental, safety, community, reputational and financial impacts. Based on our incident severity criteria, there were no significant water-related incidents in 2020.

Litigation

Teck continues studies under the 2006 settlement agreement with the U.S. Environmental Protection Agency (EPA) to conduct a remedial investigation on the Upper Columbia River in Washington state. The Lake Roosevelt litigation involving Teck in the Federal District Court for the Eastern District of Washington continues. In December 2012, on the basis of stipulated facts agreed between Teck and the plaintiffs, the Court found in favour of the plaintiffs in phase one of the case, issuing a declaratory judgment that Teck is liable under the *Comprehensive Environmental Response, Compensation, and Liability Act* for response costs, the amount of which will be determined in later phases of the case. A hearing with respect to natural resource damages and assessment costs is expected to follow completion of the remedial investigation and feasibility study being undertaken by Teck. For more information, see pages 113–115 of our [2020 Annual Information Form](#).

Charges, Fines and Penalties

During the third quarter of 2018, Teck received notice from Canadian federal prosecutors of potential charges under the *Fisheries Act* in connection with discharges of selenium and calcite from steelmaking coal mines in the Elk Valley. Since 2014, compliance limits and site performance objectives for selenium and other constituents as well as requirements to address calcite in surface water throughout the Elk Valley and in the Koocanusa Reservoir have been established under a regional permit issued by the provincial government, which references the Elk Valley Water Quality Plan. If federal charges are laid, potential penalties may include fines as well as orders with respect to operational matters. Discussions with respect to the draft charges continue. In October 2020, Environment and Climate Change Canada issued a Direction under the *Fisheries Act* to Teck Coal Limited, setting out measures to be taken to improve water quality and prevent calcite deposition in the Elk Valley that are complementary to measures already included in the Elk Valley Water Quality Plan being implemented by Teck.

Summary of Progress

2015 – 2020 Sustainability Vision

We established our first sustainability strategy in 2010, setting out long-term goals to drive improved sustainability performance across our activities. As priorities for stakeholders and Indigenous Peoples continue to evolve, we re-evaluate and update our sustainability goals and strategy. In 2020, we updated our strategy to reflect changing global expectations and to position Teck for the future.

Dedication, collaboration and transparency have helped us get to where we are now, but we know there is more to do. Below are some of the highlights of the progress we have made in achieving our goals.

Energy and Climate Change

2015–2020 Goals	Progress	Highlights
1. Implement projects that reduce energy consumption by 2,500 TJ.	Achieved	Reduced energy consumption by 2,757 TJ from 2011 to 2020.
2. Implement projects that reduce GHG emissions by 275 kilotonnes (kt) of CO ₂ -equivalent.	Achieved	Reduced annual greenhouse gas emissions by 414 kt of CO ₂ e at our operations since 2011.
3. Assess opportunities and identify potential project partners toward achieving our 2030 alternative energy goal.	Achieved	Sourced 100% renewable energy at Teck's Carmen de Andacollo (CdA) Operations starting in 2020, which will eliminate approximately 200,000 tonnes of GHG emissions annually. Entered into a power purchase agreement to procure over 50% of operational energy at the Quebrada Blanca Phase 2 Project (QB2) from renewable sources starting in 2022, avoiding approximately 800,000 tonnes of GHG emissions annually.
4. Engage with governments to advocate for effective and efficient carbon pricing.	Achieved	Continued advocacy efforts on carbon pricing through engagements with the British Columbia, Alberta and Canadian governments from 2016 to 2020.

Water

2015-2020 Goals	Progress	Highlights
1. Contribute to watershed management in water stressed regions through water use efficiency projects, use of alternative water sources, water quality improvement measures, and capacity building.	Achieved	Advanced the Elk Valley Water Quality Plan from 2015 to 2020 with the implementation of water quality improvement measures and ongoing engagement with Communities of Interest. Operations in water-stressed regions contributed to watershed management, including engagement with Communities of Interest and advancing water quality improvement measures and water efficiency projects.
1a. Zero significant water-related incidents company-wide each year.	Achieved	Met the target of zero significant water-related incidents from 2018 to 2020.
1b. Reduce fresh water use by 15% by 2020 at our operations in Chile.	Partially achieved	Chilean operations implemented a range of water projects that achieved a peak reduction of 13% in fresh water use. A significant increase in water recovery from the tailings thickener was achieved at Carmen de Andacollo. Some of the other projects implemented did not provide the expected water savings, due to successive years of drought conditions.
2. Increase our understanding of groundwater and proactively assess groundwater risks.	Achieved	All operations either completed development or updated their groundwater models and are utilizing them in the identification and mitigation of groundwater risks.
3. Collaborate in developing innovative water technology and practice.	Achieved	Constructed and operated the first Saturated Rock Fill (SRF) facility at Elkview Operations, and an expansion of the SRF to double the treatment capacity was in commissioning as of the end of 2020. Additional SRFs are in planning at other operations to replace tank-based plants.

Biodiversity

2015-2020 Goals	Progress	Highlights
1. Implement Biodiversity Management Plans for each of our operations.	Achieved	Developed and implemented aspects of Biodiversity Management Plans at all sites, including an ongoing prescribed burn trial at Highland Valley Copper and high elevation grasslands reclamation trials in the coal business unit.
2. Integrate the consideration of biodiversity into the exploration, construction and closure stages of the mining life cycle.	Achieved	Integrated biodiversity into exploration, construction and closure through development and implementation of guidance specific to each of these stages. The employees and contractors who specialize in these areas have been actively implementing the guidance in their respective areas of work.

Methodology and Restatements

This report discloses sustainability data for the fiscal year ending December 31, 2020. The scope of this report covers all operations managed by Teck and also, where appropriate, key issues at exploration and development projects and at joint venture operations. Data for closed/legacy properties and joint ventures not operated by Teck is not presented unless otherwise stated.

Operations included in this report are those actively managed by Teck, which include:

1. Carmen de Andacollo
2. Cardinal River²⁹
3. Elkview
4. Fording River
5. Greenhills
6. Highland Valley Copper
7. Line Creek
8. Quebrada Blanca
9. Red Dog
10. Trail Operations

Joint venture operations not managed by Teck but covered in some areas of this report are:

1. Antamina
2. Fort Hills

Development projects, including those managed by Teck and those not managed by Teck, that are covered in some areas of this report are:

1. Quebrada Blanca Phase 2 (QB2)
2. NuevaUnión
3. San Nicolás
4. Galore Creek
5. Mesaba
6. Schaft Creek
7. Zafranal

Countries where we sell our products are as follows:

- Brazil
- Canada
- Chile
- China
- Colombia
- Finland
- Germany
- India
- Indonesia
- Italy

- Japan
- Malaysia
- Mexico
- Netherlands
- Pakistan
- Philippines
- South Korea
- Spain
- Sweden
- Taiwan
- Thailand
- Turkey
- Ukraine
- United Kingdom
- United States
- Vietnam

Unless otherwise stated, we report data for our operations on a 100% ownership basis (e.g., for a 97.5%-owned operation, we report 100% of the data). Data is reported using the metric system and Canadian dollars, unless otherwise stated. Unless otherwise stated, all workforce data is limited to permanent and temporary employees.

Where available, we include comparative historical data to demonstrate trends. Historical data is reported based on the scope of the report for the respective year. The scope of the report can change year to year, depending on acquisitions or sales of assets. In our efforts to continually improve and standardize our annual reporting process, the interpretation of data from year to year can often change. Certain comparative amounts for prior years have been reclassified or restated to conform to the presentation adopted for this reporting period.

²⁹ As of June 2020, Cardinal River Operations has transitioned to closure.

Independent Assurance Report

Independent practitioner's limited assurance report on selected sustainability subject matter areas presented within Teck Resources Limited 2020 Sustainability Report

To the Board of Directors and management of Teck Resources Limited

We have undertaken a limited assurance engagement on the following selected sustainability subject matter areas (the subject matter) presented within Teck Resources Limited (Teck)'s 2020 Sustainability Report during the year ended December 31, 2020.

Selected subject matter

- Teck's assertion on page 1 that it has aligned their policies to the International Council on Mining and Metals (ICMM)'s 10 Sustainable Development Principles and mandatory requirements set out in ICMM's Position Statements (ICMM Subject matter 1).
- Teck's assertions on page 9 regarding the approach it has adopted to identify and prioritize its material sustainable development risks and opportunities based on its own review of the business and the views and expectations of its stakeholders (ICMM Subject matter 2).
- The existence and status of implementation of systems and approaches used by Teck to manage the following

material sustainable development risk areas (ICMM Subject matter 3):

1. Health and Safety
2. Water Stewardship
3. Relationships with Indigenous Peoples
4. Relationships with Communities
5. Tailings Management
6. Climate Change
7. Inclusion, Diversity and Our People
8. Air Quality
9. Responsible Production
10. Supply Chain Management
11. Biodiversity and Reclamation
12. Human Rights
13. Business Ethics

- Teck's company reported performance data for the year ended December 31, 2020, presented in the Data Table below (ICMM Subject matter 4); and
- Teck's assertion on page 1 of reporting in accordance with Global Reporting Standards (GRI Standards) (ICMM Subject matter 5).

Performance Measure		2020	Reference ⁽¹⁾
1	Number of fatalities	0.4	Table 12
2	Lost-Time injuries	85	Table 12
3	Lost-Time injury frequency (LTIF)	0.29	Table 12
4	Total Occupational Disease Rate (per 200,000 hours)	0.31	Table 17
5	Process-Related HPIs	5	Table 14
6	Process-Related HPIs Frequency (per 1,000,000 hours)	0.10	Table 14
7	Total emissions – Direct (Scope 1) (kt CO ₂ e)	2,582	Table 3
8	Total emissions – Indirect (Scope 2) (kt CO ₂ e)	213	Table 3
9	Total emissions – Scope 3 (use of coal product sold) (kt CO ₂ e)	64,000	Table 3
10	Total Energy Consumption (TJ)	40,766	Figure 5
11	All operations - Water withdrawals (ML)	118,284	Table 2
12	Total area of land reclaimed (ha)	5,930	Table 11
13	Area of land yet to be reclaimed (ha)	27,648	Table 11
14	Total number of significant disputes relating to land use and the customary rights of local communities and Indigenous Peoples at Teck sites	1	Table 20
15	Total SO ₂ emissions from stacks, stationary and mobile fossil fuel combustion (tonnes)	3,812.2	Table 7
16	Percentage of selected community-based air quality stations (three stations) with annual mean concentrations of ambient PM _{2.5} within the World Health Organization guideline value of 10 µg/m ³ (%)	100	Table 8
17	Hazardous waste sent off-site but not recycled (tonnes)	11,721	Figure 12
18	Non-hazardous waste sent off-site but not recycled (tonnes)	9,958	Figure 12

(1) Teck have disclosed the basis of preparation for each of their selected Performance Measures within the body of the Sustainability Report. The table or figure references refer the reader to where definitions can be found.

Management's responsibility

Management is responsible for preparation of the subject matter in accordance with the following criteria:

- The 10 ICMM Principles and mandatory requirements set out in ICMM Position Statements and the Global Reporting Initiative Standards (GRI); and
- Management's internally developed criteria referenced in above table for the selected performance data.

Management is also responsible for such internal control as management determines necessary to enable the preparation of the selected subject matter presented in the Report that is free from material misstatement.

Our responsibility

Our responsibility is to express limited assurance conclusion on the selected subject matter based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standards on Assurance Engagements (ISAE) 3000, *Attestation Engagements Other Than Audits or Reviews of Historical Financial Information*. This standard requires us to conclude whether anything has come to our attention that causes us to believe that the selected subject matter is not fairly stated, in all material respects.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement in preparing the selected subject matter in accordance with the criteria are likely to arise.

Our limited assurance procedures included, but were not limited to the following:

- Making enquiries of management and senior executives to obtain an understanding of the overall governance and internal control environment, risk management, materiality assessment and stakeholder engagement processes relevant to the identification, management and reporting of Teck's material sustainability topics, and associated selected key performance measures;
- Evaluation of the design of controls and implementation of Teck's sustainability information management systems at a corporate level;
- Analytical reviews and trend analysis of reported data for selected key performance measures;
- Conducting virtual site interviews on a sample of assets. This work was performed to corroborate consistency in understanding and implementation of Teck's Reporting Criteria and to identify systemic challenges to sustainability management and data measurement, collection, reporting and control processes for the selected subject matter; and

- Agreeing and testing the underlying data referenced in the Data Table.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed

Our independence and quality control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Teck Resources Limited's selected subject matter prepared in accordance with the criteria during the year ended December 31, 2020, is not fairly stated, in all material respects.

Purpose of statement and restriction of use of our report

The selected subject matter has been prepared to assist Teck to comply with the ICMM requirements. As a result, the selected subject matter may not be suitable for another purpose. Our report is intended solely for the use of Teck. We neither assume nor accept any responsibility or liability to any third party in respect of this report.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
March 8, 2021

Cautionary Note on Forward-Looking Statements

This report contains certain forward-looking information and forward-looking statements as defined in applicable securities laws (collectively referred to as “forward-looking statements”). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words “expect”, “anticipate”, “plan”, “estimate”, “potential”, “may”, “will”, “work to”, “should”, “believe”, “focus”, “targets”, “goals,” “believe” and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this report.

Forward-looking statements in this report include, but are not limited to: statements relating to our sustainability strategy; short-term and long-term sustainability goals; strategic priorities and our goals, targets, commitments and plans and our expectations regarding those goals, targets, commitments and plans, including but not limited to our water policy goals and carbon intensity and carbon neutrality goals; expected Elk Valley Water Quality Plan benefits and outcomes; timing of progress of water treatment facilities; estimated timing and spending to achieve our goals; and expectations regarding the conduct of our suppliers and contractors.

The forward-looking statements in this report are based on a number of estimates, projections, beliefs and assumptions the management team believed to be reasonable as of the date of this report, though inherently uncertain and difficult to predict, including but not limited to expectations and assumptions concerning: the development and performance of technology; our ability to attract and retain skilled employees; costs of closure; environmental compliance costs generally; and assumptions regarding the development of our business generally.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance, experience or achievements of Teck to be materially different from those expressed or implied by the forward-looking statements. Risks and uncertainties that could influence actual results include, but are not limited to: risks associated with the consequence of climate-change; risks associated with permitting and development of our properties; operational problems; regulatory action; environmental compliance challenges; changes in laws and governmental regulations; costs of compliance with environmental and other laws and regulation; risks relating to the development and use of new technology or lack of appropriate technologies needed to advance our goals; natural disasters and adverse weather conditions, changes in commodity prices; operations in foreign countries; general business and economic conditions and the future operation and financial performance of the company generally.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. You should also carefully consider the matters discussed under “Risk Factors” in Teck’s Annual Information Form and its management’s discussion and analysis and other documents available at www.sedar.com and in public filings with the United States Securities and Exchange Commission at www.sec.gov. The forward-looking statements speak only as of the date of this report. Teck does not assume the obligation to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.



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