



Teck

**CLIMATE CHANGE
AND NATURE**
2024 REPORT

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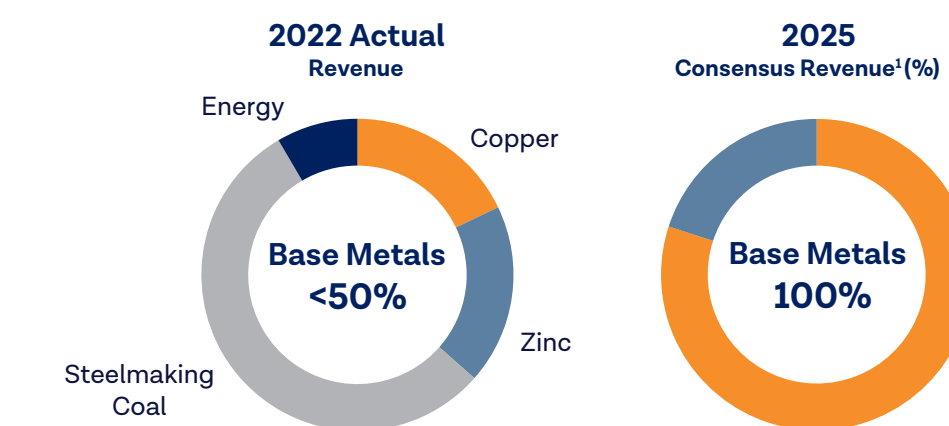
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About Teck

Our Purpose

To provide essential resources the world is counting on to make life better while caring for the people, communities and land that we love.

Our commodity mix is now 100% base metals



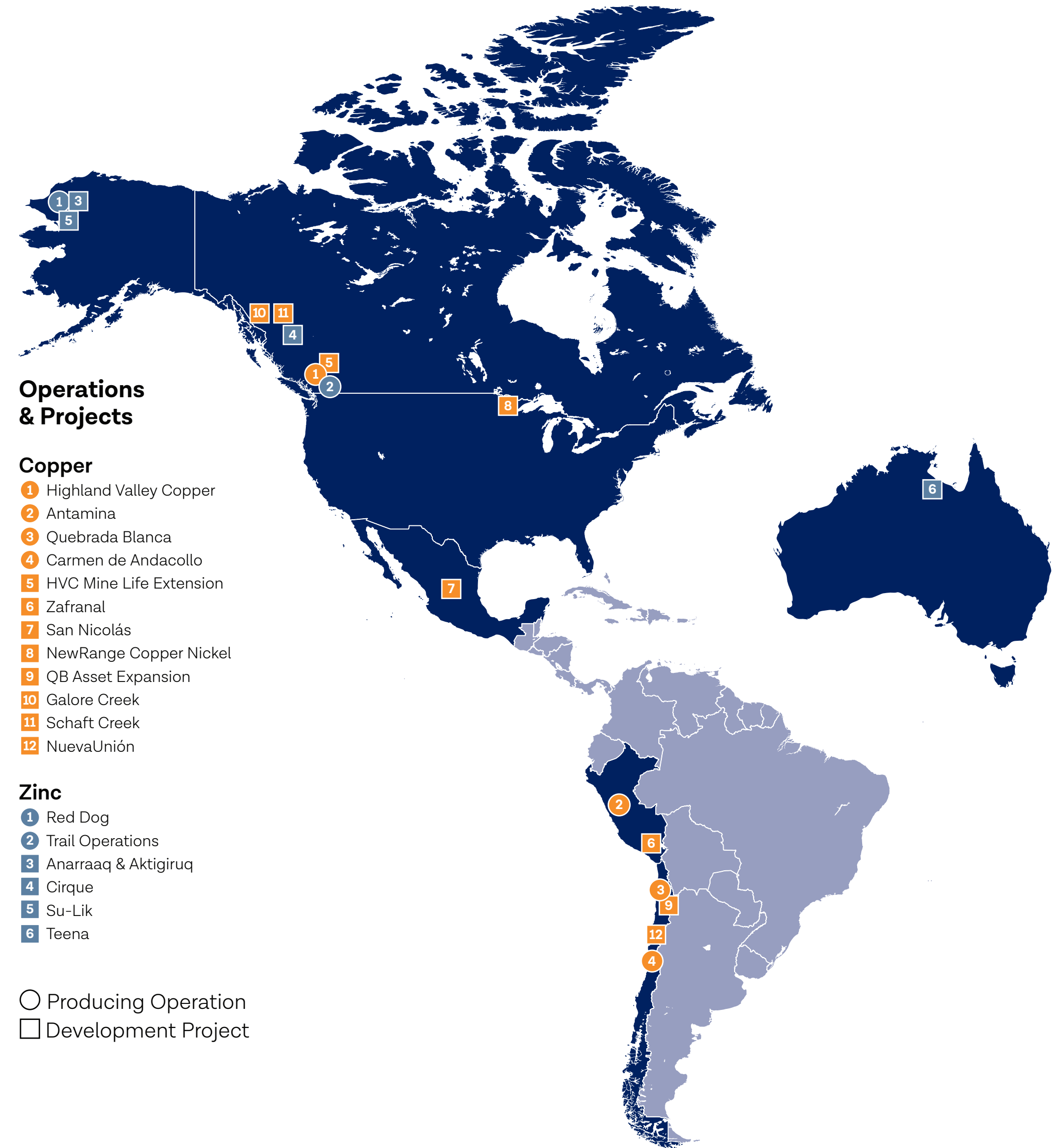
(1) Revenue for 2025 based on consensus estimates from 16 analyst models taken in May 2024.

Copper

A significant copper producer in the Americas, with four operating mines in Canada, Chile and Peru, and eight copper development projects in North and South America. With QB as our cornerstone, we have one of the best copper production growth profiles in the industry. The carbon performance (i.e., Scope 1 + 2 emissions per tonne of copper equivalent) of Teck's aggregated copper production ranks in the second quartile globally.¹

Zinc

One of the largest producers of mined zinc globally. We own one of the largest fully integrated zinc and lead smelting and refining facilities. The carbon performance (i.e., Scope 1 + 2 emissions per tonne of zinc equivalent) of Teck's aggregated zinc mining production ranks in the top quartile, while Teck's zinc smelting asset ranks in the top decile.²



Operations & Projects

Copper

- 1 Highland Valley Copper
- 2 Antamina
- 3 Quebrada Blanca
- 4 Carmen de Andacollo
- 5 HVC Mine Life Extension
- 6 Zafranal
- 7 San Nicolás
- 8 NewRange Copper Nickel
- 9 QB Asset Expansion
- 10 Galore Creek
- 11 Schaft Creek
- 12 NuevaUnión

Zinc

- 1 Red Dog
- 2 Trail Operations
- 3 Anarraaq & Aktigiruaq
- 4 Cirque
- 5 Su-Lik
- 6 Teena

- Producing Operation
- Development Project

¹ When compared on a company-by-company basis using analysis from Skarn Associates for the carbon performance of the market in 2022, Teck's aggregated copper mining operations rank in the 36th percentile for Scope 1 and 2 carbon intensity when compared to other producers of concentrate.

² When compared on a company-by-company basis using analysis from Skarn Associates for the carbon performance of the market in 2022, Teck's aggregated zinc mining operations rank in the 20th percentile for Scope 1 and 2 carbon intensity, and Teck's zinc smelting assets ranks in the top decile for Scope 1 and 2 emissions identified.

Letter from the President and CEO



Jonathan H. Price
President and Chief
Executive Officer

Our world faces two interconnected challenges: climate change and biodiversity loss. The mining industry has a crucial role in the clean energy transition, which relies heavily on critical minerals like copper. While our role in advancing decarbonization is vital, we must also recognize and address the intricate connection between climate change and biodiversity loss.

These dual threats pose significant challenges, but addressing both also creates valuable opportunities to give back more than we take, accelerate the global energy transition, and enhance the social and economic well-being of the communities in which we operate. Our commitment to tackling biodiversity loss and climate change is essential to our continued growth and long-term success as a company.

This year, for the first time, we have incorporated the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), delivering a single, integrated report covering both climate and nature-related aspects of our business.

In this report, you will find how we are integrating nature and climate considerations into our strategy as we work to build Teck into one of the world's leading providers of responsibly produced energy transition metals. We are aligning our activities with global efforts such as the Paris Agreement and the Kunming-Montreal Global Biodiversity Framework (GBF), while investing in both climate and nature preservation, enabling our operations to be resilient to the impacts of climate change.

Taking Action on Climate

2024 marks a transformative year for Teck, with the sale of our steelmaking coal operations allowing us to focus entirely on producing the metals that are essential for global development and the energy transition, particularly copper and zinc.

Because of its unique role in generating and conducting electricity, copper is one of the most important metals for the clean energy transition, an essential component in everything from wind turbines to electric vehicles to charging stations. Teck is in an excellent position to help bridge the expected copper supply gap as we work towards doubling our consolidated copper production this year with the ramp-up of our Quebrada Blanca (QB) mine in Chile, positioning us as one of the world's top 10 copper producers. Beyond QB, we have a strong pipeline of near-term copper projects across the Americas to further drive our copper-focused growth.

While increasing copper supply is critical, we know that how we mine is just as important as how much and what we mine. To help achieve our goal of net-zero emissions across our operations by 2050, we have established the milestone goals of achieving net-zero Scope 2 emissions (primarily related to procured electricity) by 2025; and reducing the carbon intensity of our operations by 33% by 2030.

We're already making significant progress: 82% of all electricity used across our operations comes from renewable energy sources. At our Carmen de Andacollo copper operation in Chile, 100% of our electricity is now sourced from renewable power, and at our Quebrada Blanca operation, we will achieve 100% renewable power by 2025. Innovation is also driving our climate efforts. For example, at our Trail Operations in British Columbia, we successfully launched a Carbon Capture Utilization and Storage pilot.

We are also focused on building a more sustainable Scope 3 global supply chain. The North Pacific Green Corridor, an initiative led by Teck, is designed to facilitate the movement of net-zero critical minerals and low-carbon energy products between Canada and Asia. This closed-loop system unites partners across the value chain — including rail, ports, ocean freight, and customers — to deliver critical minerals with minimal environmental impact. This initiative reflects our commitment to creating climate-resilient supply chains that support the global low-carbon transition.

Contributing to a Nature Positive Future

Teck was one of the first major mining companies to set a nature positive goal, committing to contribute to a nature positive future by 2030. Our approach has three focal areas: creating a culture of nature positive decision-making guided by science and Indigenous knowledge; mitigating our residual negative impacts on nature to achieve a net positive impact on biodiversity at our sites; and seeking to catalyze nature positive transformation across our value chains and the global systems of which we are part. Actions within these areas include quantifying the biodiversity impacts of our actions and our dependencies on nature, and conserving and rehabilitating at least three hectares for every one hectare we disturb through mining. We are accelerating the pace of rehabilitation at our sites, reducing our footprint on nature, and working closely with local communities and Indigenous Peoples to protect biodiversity in line with their priorities.

Although valuing nature in financial terms is complex, we are pioneering ways to integrate nature into our capital allocation framework. By adopting non-traditional measures, such as the perspectives of Indigenous communities, we are rethinking how to incorporate nature into our business decisions, making nature positive investments a core part of our strategy.

Progressive rehabilitation during operations, rather than leaving it for the end of mine life, not only makes economic sense but also fosters trust with local communities and strengthens relationships with Indigenous Peoples where we operate. This responsible approach provides us with a social license to operate, positioning Teck as a trusted partner for developing the metals critical for the energy transition.

Since 2020, we have conserved or restored nearly 52,000 hectares in North and South America, working with partners such as the Nature Conservancy of Canada and the Chilean Nature Fund. In Chile, we committed \$10 million to the Chilean Nature Fund to support Chile's protected marine areas program and protect the Juan

Letter from the President and CEO (continued)

Fernández Archipelago, a UNESCO Biosphere Reserve and one of the most threatened ecosystems in the world. In Canada, we committed \$12 million to support high priority conservation projects in British Columbia, including the conservation and protection of a globally rare inland temperate rainforest in the Incomappleux Valley in southeastern British Columbia. Our partnerships help Teck contribute to nature positive outcomes while aligning with global conservation efforts. This collaborative approach unlocks new opportunities for large-scale positive change in nature conservation.

We're also committed to transparency, becoming a Taskforce on Nature-Related Disclosures (TNFD) early adopter in January 2024, responding to the call in the Global Biodiversity Framework Target 15 for businesses to assess, disclose and mitigate biodiversity-related risks and impacts.

Building Climate-Resilient Operations

Climate change is driving more frequent and extreme weather events, which can create serious threats to both lives and infrastructure and severely impact operations if not properly mitigated. To manage this risk, we incorporate climate scenario planning into project designs. A prime example is our use of desalinated sea water at our QB Operations in Chile's Atacama Desert. Already one of the driest places on Earth, climate projections suggest the local water supply will only decrease further over time. By securing access to desalinated water, our QB operations are less exposed to drought conditions – and preserve valuable freshwater resources for the communities. Building climate-resilient operations and supply chains is critical for ensuring we remain a reliable supplier of metals needed for the low-carbon future.

Investing in nature also strengthens our operational resilience. For example, our efforts to conserve old-growth forests create natural barriers that reduce risks like flooding and wildfires, protecting both the environment and our operations. These investments not only safeguard nature but also enhance our long-term business stability.

The social and environmental expectations on our industry have never been higher – from governments, the communities we operate in, Indigenous groups, and investors. These expectations will only increase, and rightly so.

Increasingly, mining companies who don't take action on nature and climate will find it difficult to obtain permits, harder to negotiate Indigenous partnerships, have a harder time recruiting and retaining top talent, accessing capital and attracting investment. So not only is integrating nature and climate considerations simply the right thing to do – it's a competitive advantage.

Better Mining for a Better World

As outlined in this report, Teck is taking significant steps to address biodiversity loss and climate change. We recognize that to halt and reverse biodiversity loss and mitigate the impacts of climate change, we must collectively take decisive action.

Our ambition to cut emissions, tackle climate risks, contribute to nature positive outcomes, and drive the global energy transition is consistent with our values, and central to our purpose. We will continue to adapt and stay focused on the challenges and opportunities in the years ahead, building on a foundation of trust and aligning our business with the demands of a low-carbon and nature positive future.

Our goals are ambitious, but with a shared vision and commitment, we are confident in our ability to achieve them.



Jonathan H. Price

President and Chief Executive Officer
Vancouver, B.C., Canada
November 2024

STRATEGY



Our Strategy

Transformed into a pure-play energy transition metals company, Teck's strategy is focused around four pillars. Our approach to climate and nature is integrated with our strategy and set out under these strategic pillars.

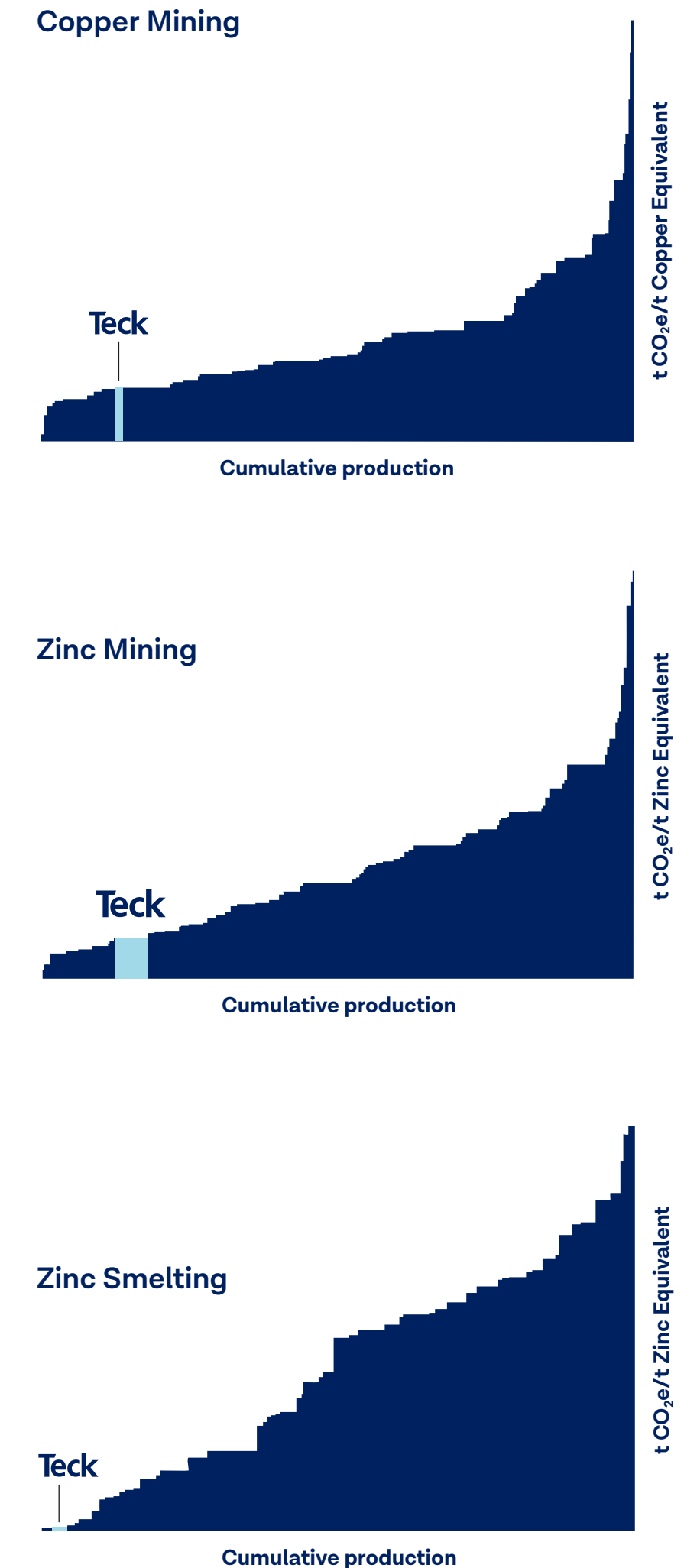
Pillars of Teck's Strategy

CORE EXCELLENCE	METALS FOR THE ENERGY TRANSITION	VALUE-DRIVEN GROWTH	RESILIENCE
<p>Industry-leading capabilities, processes and talent to drive us forward</p> <ul style="list-style-type: none"> • Climate and nature incorporated throughout Board and executive governance processes and Teck's Risk Management Framework • Record of achieving carbon, water and biodiversity sustainability goals³ • Experience measuring biodiversity impacts, risks and opportunities for >10 years • Expert-level capabilities on climate and nature topics corporately and on the ground at Teck assets 	<p>Focusing on the metals essential to meet growing demand driven by the energy transition</p> <ul style="list-style-type: none"> • Portfolio transformed to a pure-play energy transition metals company • Delivering low-carbon⁴ zinc products to the market 	<p>A rigorous approach to growth focused on value creation, balanced with returns to shareholders</p> <ul style="list-style-type: none"> • Potential 30% growth in copper production from near-term projects that can support increased demand from the energy transition • Maintaining our globally significant zinc position • Our experience managing sustainability-related risks in mine permitting processes supports our growth efforts in increasingly complex and demanding permitting processes 	<p>Ensuring we stay resilient and able to create value throughout market cycles</p> <ul style="list-style-type: none"> • Carbon-competitive operations⁵ • Managing our assets to be resilient in the face of climate change, including by working towards a net positive impact on biodiversity and deploying nature-based solutions⁶ • Managing our assets through closure and post-closure stages

Climate and Nature Components

³ See pages 107-111 of Teck's 2020 Sustainability Report summarizing progress against Teck's 2015-2020 Sustainability Vision.
⁴ Based on third-party data, when compared to the carbon footprints of different global suppliers of Special High Grade (SHG) and Continuous Galvanizing Grade (CGG) zinc, Teck's carbon footprint is significantly lower. Based on our relative performance, our assertion is that Teck's SHG and CGG are low-carbon products. Detailed analysis of this assertion can be found in [this report](#).
⁵ When compared on a company-by-company basis using analysis from Skarn Associates for the carbon performance of the market in 2022, Teck's aggregated copper mining operations rank in the 36th percentile for Scope 1 and 2 carbon intensity when compared to other producers of concentrate, Teck's aggregated zinc mining operations rank in the 20th percentile for Scope 1 and 2 carbon intensity, and Teck's zinc smelting assets ranks in the top decile for Scope 1 and 2 emissions identified.
⁶ See the C5.0 State of Nature section on pages 38 for more details on the metrics used to measure our progress towards a net positive impact on biodiversity.

Figure 1 - CO₂ intensity curves: Comparing Teck to other producers¹



(1) Skarn Associated Limited. Data reflects carbon performance of the market in 2022.

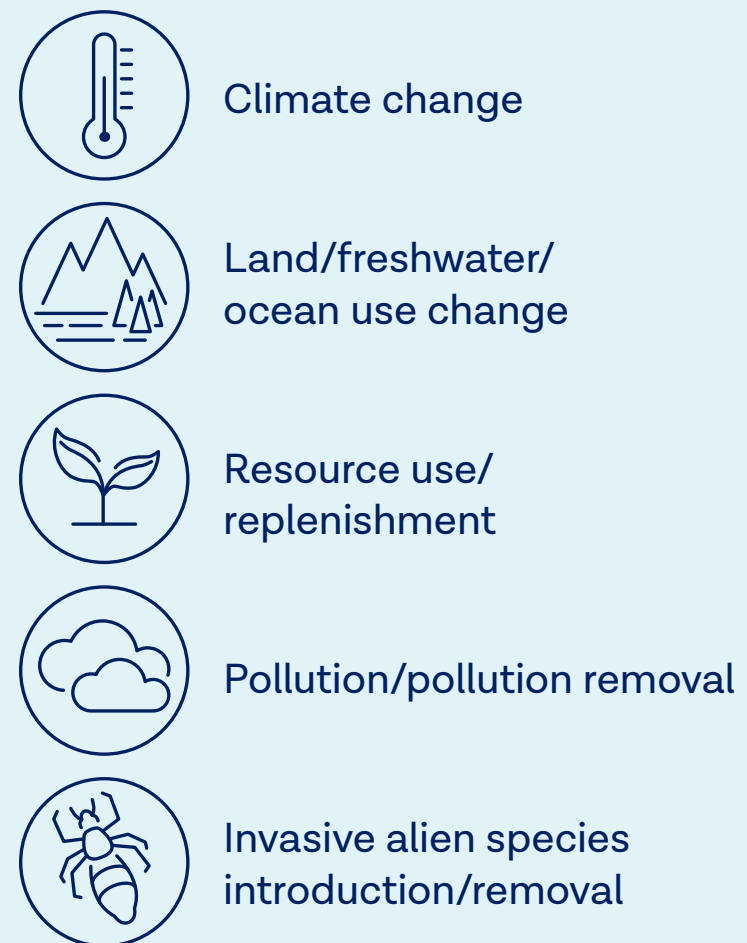
Dependencies, Impacts and Climate Trends

Our dependencies and impacts on nature and the impacts of climate change present our business with risks and opportunities. Teck's strategy is informed by and integrated with our management of climate- and nature-related risks and opportunities.

As discussed further in this report, we identify and evaluate nature- and climate-related risks and establish management actions to minimize risks and maximize opportunities. Nature-related dependencies and impacts have been identified in our direct operations. Work is underway to do the same for our upstream and downstream value chains; these results will be included in a future report.

Following the 2023 recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), we have identified dependencies, impacts and climate trends for operations actively managed by Teck, and summarized them on pages 8 and 9. In the tables on pages 8 and 9, dependencies reflect those ecosystem services and inputs from nature that our operations depend on. For example, our operations are dependent on water as a key input to ore processing. In the tables on pages 8 and 9 — and as our first disclosure — we present a wide range of site-specific dependencies and impacts to aid the reader in understanding Teck's exposure, regardless of their materiality.

Figure 2 - The five drivers of nature change



As defined in the TNFD:

A **dependency pathway** describes how a particular business activity depends upon ecosystem services and specific features of natural capital (stocks of environmental assets); it identifies how observed or potential changes in natural capital (caused by specific business activities and external factors) affect the costs and/or benefits of doing business

An **impact pathway** describes how, as a result of a specific business activity, a particular impact driver can lead to changes in natural capital and flows of ecosystem services, and how these changes affect different stakeholders

Impact drivers are measurable quantities of a natural resource that are used as an input to production along with measurable non-product outputs of a business activity that affects nature, categorized into the five drivers of nature change

External factors include both natural forces and human activities outside the organization that affect the state of nature; these could include a natural disaster, or the pollution released by another organization

Ecosystem services affected: how the availability of any ecosystem service is materially impacted

Potential climate-related hazards in 2050: characterizes climate hazard metric projections for the SSP5-8.5 scenario⁷ in the year 2050:

- Changes in precipitation regime
- Changes in temperature
- Drought
- Extreme heat
- Wildfires

⁷ Known as SSPs for short, Shared Socio-economic Pathways are scenarios used to characterize future development pathways for human societies. SSPs were developed for use with complex Integrated Assessment Models and were used in the most recent set of international climate models, providing a foundation for the assessments used in the Intergovernmental Panel on Climate Change Sixth Assessment Report.

1 Red Dog Operations

Nature-related dependencies and impacts (direct operations)

Dependency Pathway

Ecosystem services

- Provision of fresh water
- Permafrost integrity for geotechnical stability and water quality

Impact Pathways

Impact drivers

- Climate change contribution via greenhouse gas emissions
- Change in use of land, freshwater and ocean, reducing and impairing habitat and restricting connectivity
- Discharges to air and water impairing habitat

External factors

- Climate change leading to permafrost degradation, reduction and impairment of habitat and reduction of connectivity

Ecosystem services affected

- Indigenous hunting and gathering (quantity and quality)
- Provision of fresh water (quality)

Potential changes in climate-related hazards in 2050

- Changes in temperature
- Extreme heat
- Changes in precipitation regimes

Legend:

Potential climate-related hazards in 2050:

- 5%–10% change from baseline conditions
- 10%–15% change from baseline conditions
- >15% change from baseline conditions

2 Highland Valley Copper Operations

Nature-related dependencies and impacts (direct operations)

Dependency Pathway

Ecosystem services

- Provision of fresh water
- Natural wildfire regime to reduce extreme events
- Pollination services for rehabilitation

Impact Pathways

Impact drivers

- Climate change contribution via greenhouse gas emissions
- Change in use of land, reducing habitat and restricting connectivity
- Change in freshwater use, reducing availability in water-restricted and wildfire-prone region
- Discharges to air, land and water impairing habitat
- Invasive alien species reducing and impairing habitat

External factors

- Climate change leading to increased risk of drought and wildfire, reduction, impairment and alteration of habitat and reduction of connectivity

Ecosystem services affected

- Indigenous and community hunting and gathering (quantity and quality)
- Provision of fresh water (quantity and quality)

Potential changes in climate-related hazards in 2050

- Changes in temperature
- Extreme heat
- Changes in precipitation regimes
- Drought
- Wildfires

3 Trail Operations

Nature-related dependencies and impacts (direct operations)

Dependency Pathway

Ecosystem services

- Provision of fresh water
- Natural wildfire regime to reduce extreme events
- Pollination services for reclamation

Impact Pathways

Impact drivers

- Climate change contribution via greenhouse gas emissions
- Change in use of land and fresh water, reducing and impairing habitat and restricting connectivity
- Discharges to air, land and water impairing habitat
- Invasive alien species reducing and impairing habitat

External factors

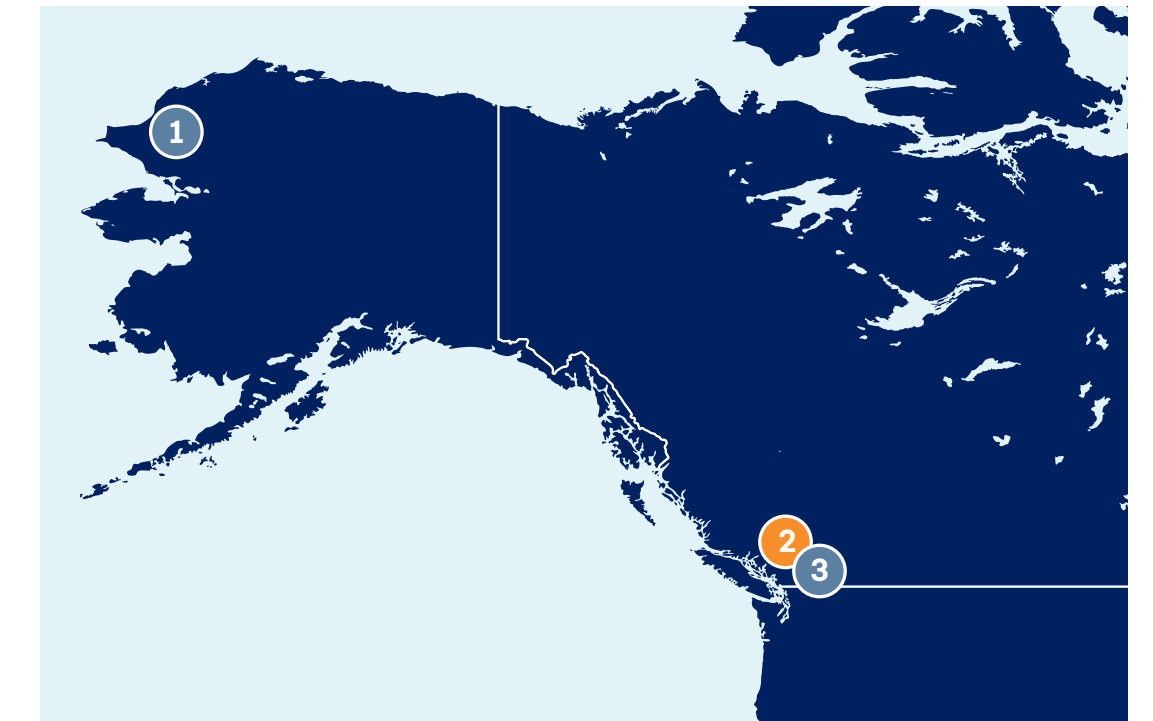
- Climate change leading to increased risk of drought and wildfire, reduction, impairment and alteration of habitat and reduction of connectivity

Ecosystem services affected

- Indigenous and community hunting and gathering (quantity and quality)
- Provision of fresh water (quality)

Potential changes in climate-related hazards in 2050

- Changes in temperature
- Extreme heat
- Changes in precipitation regimes
- Drought
- Wildfires





4 Quebrada Blanca Operations

Nature-related dependencies and impacts (direct operations)

Dependency Pathway

Ecosystem services

- Provision of seawater for desalination
- Provision of natural inputs for non-carbon energy generation

Impact Pathways

Impact drivers

- Change in use of land and ocean, reducing habitat and restricting connectivity
- Discharges to air and water impairing habitat

External factors

- Climate change leading to increased risk of drought, reduction and impairment of habitat, and reduction of connectivity

Ecosystem services affected

- Indigenous cultural services

Potential changes in climate-related hazards in 2050

- Changes in temperature
- Extreme heat
- Changes in precipitation regimes
- Drought

5 Carmen de Andacollo Operations

Nature-related dependencies and impacts (direct operations)

Dependency Pathway

Ecosystem services

- Provision of fresh water

Impact Pathways

Impact drivers

- Climate change contribution via greenhouse gas emissions
- Change in use of land, reducing habitat
- Changing use of freshwater, reducing availability in water-restricted region
- Discharges to air and water impairing habitat

External factors

- Climate change leading to increased risk of drought, reduction and impairment of habitat

Ecosystem services affected

- Provision of fresh water (quality)

Potential changes in climate-related hazards in 2050

- Changes in precipitation regimes
- Extreme heat
- Changes in temperature
- Drought



Legend:

Potential climate-related hazards in 2050:

- 5%–10% change from baseline conditions
- 10%–15% change from baseline conditions
- >15% change from baseline conditions

Climate and Nature Risks and Opportunities

Teck identifies, assesses and manages risks and opportunities to our business through our Enterprise Risk Management Standard and processes, described in more detail in the Risk and Impact Management section.

Supplementing these processes, scenario analysis can aid organizations in identifying the potential range of future risks and opportunities to inform corporate strategy and risk management, and the use of publicly available scenarios can assist investors in comparing the climate change plans of different issuers. Table 1 outlines significant climate- and nature-related risks present in our business over the short, medium and long term across three scenarios.

Summary of Scenarios

In 2024, we undertook a process to update our approach to the use of scenarios to aid in our decision-making processes. The outcome of this process was the creation of three scenarios that are deliberately divergent across a range of considerations, such as the pace at which the world decarbonizes and the magnitude of climate change. These scenarios were developed by Teck and informed by other global scenarios, such as those developed by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). The use of these scenarios enables a more fulsome assessment of risks and opportunities to business and supports the identification of mitigating actions and signposts, which represent indicators that we can monitor to determine the likelihood of a risk or opportunity materializing.

Cooperation and Climate

A global focus on economic and climate progress enables sustained growth and an on-target energy transition.

The goal to reach net zero emissions by 2050 reflects a strong global commitment to tackling climate change. With initiatives like the global carbon dioxide (CO₂) trading system and a faster adoption of green technologies, the world is on track to keep global warming to +1.5°C. The world is aligned with the IEA Net Zero Emissions (NZE) by 2050 and IPCC SSP1-1.9 scenarios.

Distrust and Dissent

The gap in social and economic equality is widening. Feelings of inequality and low economic participation lead to public frustration, greater activism and political populism. Incohesive actions between governments result in the stagnation of global initiatives and growth.

NIMBYism, diverging sentiments and a lack of cohesive action are hindering climate policy and the transition from fossil fuels. Though some areas are able to align and create climate action, conflicting views are prominent and manage to hinder action for transition. The world is on track for dangerous global warming levels up to 3.6°C, which aligns with the IPCC SSP5-8.5 scenario, and is witnessed through common occurrences of extreme weather events and increasingly devastated ecosystems and loss of ecosystem services.

Informed by our use of scenario analysis, Table 1 includes the significant climate- and nature-related risks and opportunities for our business that have been identified, along with the strategic actions we are taking to mitigate these risks and the signposts we are monitoring to inform the likelihood of these risks and opportunities materializing.

Rivals and Restrictions

Proxy conflicts have escalated and caused the formation of factional blocs. Security is the top imperative. The world is divided. Conflicts have boiled over in some areas and tensions have been rising. The perception of mining is slightly less favourable, making permitting more difficult, constraining metal supply.

The climate transition is occurring in a manner that is most comparable to the IEA Stated Policies and IPCC SSP2-4.5 scenarios, as green technology adoption is spurred by heightened energy security needs. Different countries are setting varied CO₂ prices, with each area following its own action plan. Global warming projections remain under 2.5°C, but extreme weather is demanding more adaptive strategies and actions.

Cautionary statement regarding scenario analysis

According to the Task Force on Climate-related Financial Disclosures (TCFD):

“A scenario describes a path of development leading to a particular outcome. Scenarios are not intended to represent a full description of the future, but rather to highlight central elements of a possible future and to draw attention to the key factors that will drive future developments. It is important to remember that scenarios are hypothetical constructs; they are not forecasts or predictions, nor are they sensitivity analyses.”

There are significant challenges in predicting how the path to a low-carbon future may unfold. The use of scenarios can help highlight the breadth of risks and opportunities that climate change and nature will pose. However, our risk and opportunity assessment work is ongoing, and the details and assessments are subject to change over time.

Please refer to the cautionary statement on forward-looking statements found at the conclusion of this report. As with all scenarios, the projections of each scenario should be treated with caution. We expect that actual outcomes will differ substantially from those implied by the scenarios.
















Use of a 1.5°C Scenario

While the world has identified the goal of constraining global temperature increases to 1.5°C, in late 2023, the United Nations Environment Programme estimates the chances of achieving this goal at just 14%⁸. Given the low likelihood, we understand that some may question why we are using assumptions in our scenario that have a low likelihood. Our view is that establishing stretch dimensions to our scenarios allows for greater divergence in outcomes and supports the more robust identification and management of risks and opportunities.



⁸ The United Nations Environment Programme “Emissions Gap Report 2023: Broken Record: Temperatures hit new highs, yet world fails to cut emissions (again).”

Table 1 - Risks and Opportunities, Strategic Actions, and Signposts Across Three Scenarios

Cooperation and Climate			
Short Term (less than 2 years)	Medium Term (2-10 years)		Long Term (10+ years)
<p>Opportunity (Transition – Policy and Legal): Limited impact from carbon pricing, given low-carbon operations; Teck has a competitive advantage, as competitors in competing jurisdictions incur greater carbon costs</p> <p>Strategic Actions:  </p> <p>Signpost: International carbon pricing policies</p>	<p>Opportunity (Transition – Policy and Legal): Reduced permitting timelines for critical metals</p> <p>Strategic Actions: </p> <p>Signpost: Government policies, permitting requirements, and the experiences of other new projects</p> <hr/> <p>Risk (Transition – Policy and Legal): Delays, increased costs, or the inability to permit projects due to impacts on the environment</p> <p>Strategic Actions:  </p> <p>Signpost: Government policies, permitting requirements, and the experiences of other new projects</p> <hr/> <p>Risk (Transition – Policy): Striving to meet international requirements on an ambitious timeline (e.g. the Global Biodiversity Framework), governments expedite policies and regulations that are poorly designed</p> <p>Strategic Actions: </p> <p>Signpost: International, national, and sub-national policies</p>	<p>Opportunity (Transition – Market): Market preference and/or pricing premium for low-carbon products or products with a net positive impact on nature</p> <p>Strategic Actions:   </p> <p>Signpost: Commodity markets and environmental, social and governance (ESG) considerations</p> <hr/> <p>Risk (Transition – Policy and Legal): Cost impacts of carbon pricing policies on existing and growth projects</p> <p>Strategic Actions: </p> <p>Signpost: Government policies, permitting requirements, and the experiences of other new projects</p> <hr/> <p>Risk (Transition – Policy): Costs for ecosystem services (e.g. water) increase</p> <p>Strategic Actions:  </p> <p>Signpost: Water cost market data, government policies and regulations, and climate data</p> <hr/> <p>Risk (Transition – Market): Increased competition for (and costs of) high-quality biodiversity offsets as market is increasingly regulated; competition for talent and external expert support drives up costs and causes delays</p> <p>Strategic Actions: </p> <p>Signpost: Government policies and regulations, and biodiversity offset markets</p>	<p>Opportunity (Transition – Market): High demand for copper is balanced by increased supply and recycling, maintaining a favourable price environment</p> <p>Strategic Actions: </p> <p>Signpost: Copper market supply and demand</p> <hr/> <p>Opportunity (Physical – Chronic): Investments in resilient infrastructure take place and are capable of limiting the impacts of climate change</p> <p>Strategic Actions: </p> <p>Signpost: Climate data and climate change projections</p> <hr/> <p>Opportunity (Transition – Policy and Legal): Demonstrated expertise in managing climate and nature risks enables expedited receipt of permits and reduced conflict</p> <p>Strategic Actions:  </p> <p>Signpost: Government policies, permitting requirements, and the experiences of other new projects</p>

Legend

Strategic Actions: Actions Teck is taking to minimize risks and position to benefit from opportunities.

-  Metals for the Energy Transition: Our Focus on Copper Growth
-  Responsibly Produced Products
-  Reducing the Footprint of our Operations: Carbon
-  Reducing the Footprint of our Operations: Nature
-  Building Resilient Operations and Supply Chains Can Position Teck as a Reliable Supplier
-  Engaging with Governments

Signposts: Signposts are relevant factors or indicators that have a wide range and that can have a significant impact on business outcomes.

Distrust and Dissent

Short Term (less than 2 years)

Risk (Transition – Policy and Legal):

Inaction by competing jurisdictions with respect to climate policies and carbon pricing places Teck at a competitive disadvantage, given the presence of carbon pricing in jurisdictions in which we operate





Strategic Actions:  

Signpost: International carbon pricing policies

Medium Term (2–10 years)

Risk (Transition – Policy and Legal):

Increasing public opposition and legal challenges to mining projects over concerns about impacts to nature extends permitting timelines

Strategic Actions:    

Signpost: Government policies, permitting requirements, and the experiences of other new projects

Risk (Physical):

Chronic and acute climate change, resulting in supply chain disruptions and operational production impacts

Strategic Action: 

Signpost: Climate Data

Risk (Transition – Market):

Restrictions imposed on marine shipping to protect ecosystem health cause supply chain disruptions

Strategic Action: 

Signpost: Government policies, marine health metrics

Risk (Transition – Reputational):

Prevalence of invasive species makes required restoration more costly and uncertain, leading to heightened distrust by communities

Strategic Actions:  

Signpost: Biodiversity metrics and community input

Opportunity (Transition – Policy and Legal):

Reduced permitting timelines for critical metals

Strategic Action: 

Signpost: Government policies, permitting requirements, and the experiences of other new projects

Risk (Transition – Policy):

Delays, increased costs, or inability to sanction or permit projects due to costs associated with securing access to water

Strategic Actions:  

Signpost: Water cost market data, government policies and regulations, and climate data

Risk (Transition – Market):

Increased competition for (and costs of) high-quality biodiversity offsets as market is increasingly regulated; competition for talent and consultants drives up costs and causes delays.

Strategic Action: 

Signpost: Climate data

Risk (Physical):

Chronic and acute climate change, resulting in supply chain disruptions and operational production impacts

Strategic Action: 

Signpost: Climate Data

Long Term (10+ years)

Risk (Physical):

Chronic and acute climate change resulting in supply chain disruptions and operational production impacts

Strategic Action: 

Signpost: Climate data

Risk (Physical):

Increasing closure costs required to manage for climate change and biodiversity impacts.

Strategic Action: 

Signpost: Climate data and biodiversity metrics

Opportunity: (Transition – Market):

Sustained demand outpaces supply due to limitations from project permitting results in a strong price environment

Strategic Action: 

Signpost: Copper market supply and demand

Legend

Strategic Actions: Actions Teck is taking to minimize risks and position to benefit from opportunities.



Metals for the Energy Transition: Our Focus on Copper Growth



Responsibly Produced Products



Reducing the Footprint of our Operations: Carbon



Reducing the Footprint of our Operations: Nature



Building Resilient Operations and Supply Chains Can Position Teck as a Reliable Supplier



Engaging with Governments

Signposts: Signposts are relevant factors or indicators that have a wide range and that can have a significant impact on business outcomes.

Rivals and Restrictions

Short Term (less than 2 years)

Risk (Transition – Policy and Legal):

Inaction by competing jurisdictions with respect to climate policies and carbon pricing places Teck at a competitive disadvantage

Strategic Actions:  

Signpost: International carbon pricing policies

Medium Term (2–10 years)

Opportunity (Transition – Policy and Legal):

Reduced permitting timelines for critical metals

Strategic Action: 

Signpost: Government policies, permitting requirements, and the experiences of other new projects

Risk (Transition – Policy):

Delays, increased costs, or inability to sanction or permit projects due to costs associated with securing access to water

Strategic Action:  

Signpost: Climate data

Risk (Physical):

Chronic and acute climate change, resulting in supply chain disruptions and operational production impacts

Strategic Action: 

Signpost: Climate Data

Long Term (10+ years)

Opportunity (Transition – Market):

Copper demand grows and outpaces supply and provides favourable pricing environments

Strategic Action: 

Signpost: Copper market supply and demand

Risk (Physical):

Chronic and acute climate change resulting in supply chain disruptions and operational production impacts

Strategic Action: 

Signpost: Climate data

Risk (Physical – Chronic):

Severe limitations on access to water in light of limited supply and increased competition

Strategic Action: 

Signpost: Climate data

Legend

Strategic Actions: Actions Teck is taking to minimize risks and position to benefit from opportunities.

-  Metals for the Energy Transition: Our Focus on Copper Growth
-  Responsibly Produced Products
-  Reducing the Footprint of our Operations: Carbon
-  Reducing the Footprint of our Operations: Nature
-  Building Resilient Operations and Supply Chains Can Position Teck as a Reliable Supplier
-  Engaging with Governments

Signposts: Signposts are relevant factors or indicators that have a wide range and that can have a significant impact on business outcomes.

Time horizons:

For the purpose of this report, risks and opportunities have been categorized as:

Short-term

when they may potentially occur within the next two years

Medium-term

when they may occur in a two to 10-year time horizon

Long-term

when they may occur 10+ years

These time horizons have been selected based on considerations such as:

1. Some risks are already beginning to emerge today, and the shorter the timeline, the greater the certainty we may have. For this reason, focusing on short-term risks in the next two years is appropriate.
2. As a growth-oriented organization, we are focused on developing and permitting mining projects. Project permitting processes, along with sanctioning decisions, commonly take 2-10 years. Mitigating actions for risks on this time horizon can be initiated in the short term.
3. Climate-related issues often manifest themselves over the medium and longer terms. The modelling of climate change impacts suggests an increase in likelihood and severity the further in time; the divergence between scenarios also increases over longer time horizons. For this reason, a time horizon of 10+ years is appropriate.
4. Mining assets can be, by nature, long-life assets. Mining companies also manage the closure and ongoing maintenance of legacy properties well into the future, making a time horizon of 10+ years appropriate.

Potential Financial Effects of Climate and Nature

In 2024, we undertook an analysis using the three scenarios outlined to understand the effects of climate-related risks and opportunities on our potential future financial position, financial performance and cash flows over the short and medium term.

This analysis also allowed us to test the climate resilience of our strategy and business model to climate-related changes, developments and uncertainties.

A variety of inputs to the model vary across the scenarios, including, though not limited to assumptions around:

- Commodity pricing, which is in part influenced by future demand for commodities in climate-related applications (e.g. copper in electric vehicles)
- Carbon costs
- Climate adaptation costs
- Decarbonization costs

Across the three scenarios, the analysis found that the potential benefits of climate and nature impacts on our annual EBITDA from 2025-2033 in the upside scenario were generally greater than the potential downside risks in the low case scenario.

Positioning Teck for the Energy Transition

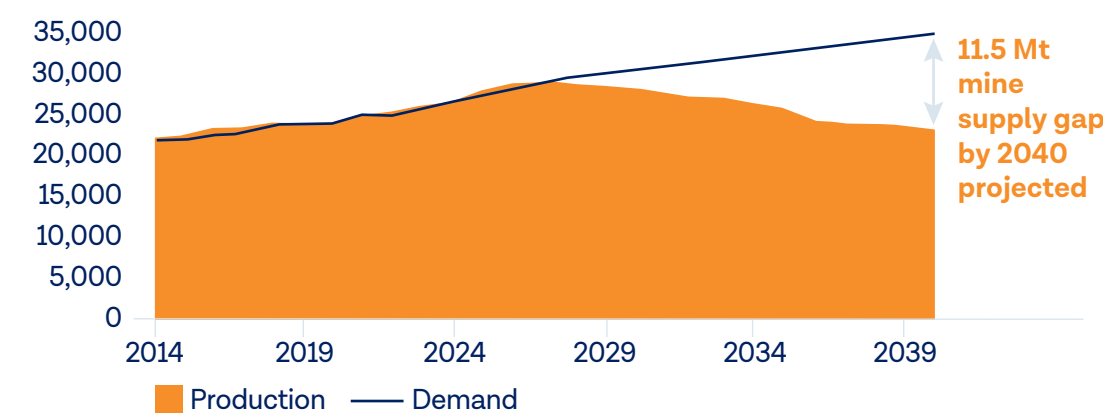
Metals for the Energy Transition: Our Focus on Energy Transition Metals

Our focus is on producing the metals needed for global development and the energy transition, with a primary focus on copper growth. Our scenario analysis, along with our review of other leading market assessments, suggests significant increased demand for copper—an essential material for low-carbon technologies and electrification—across all climate scenarios. Our strategy seeks to capitalize on this strong demand outlook by increasing our market share in copper, while maintaining our globally significant position in zinc.

With a strategy centred on copper growth, we are in a unique position to deliver significant value. We are

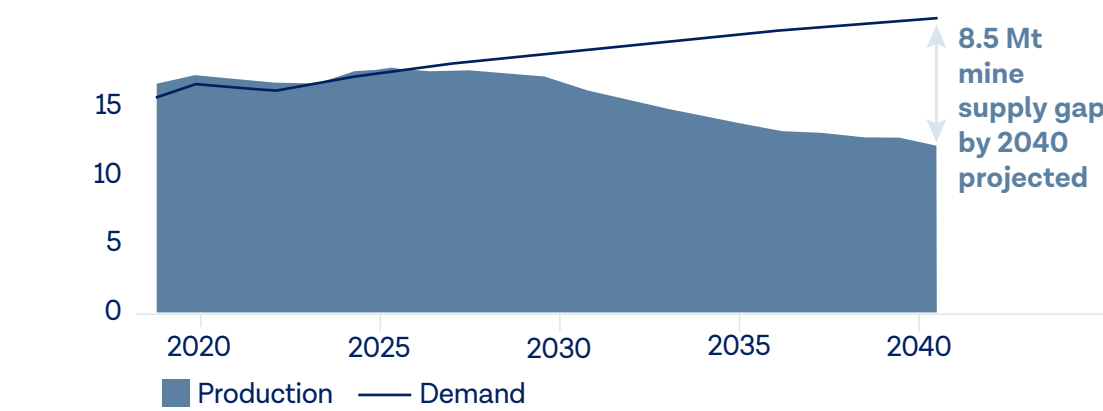
currently a top 10 copper producer operating in the Americas and the largest net zinc miner globally, with production from a premium portfolio of long-life, high-quality assets in stable, well-understood jurisdictions. In the near term, we are doubling our copper production through our Quebrada Blanca Operations in Chile. Longer term, we seek to unlock the significant value upside potential from our industry-leading copper growth pipeline, with a pathway to increase copper production by a further 30% starting as early as 2028. As such, Teck is very well positioned to capitalize on the growing demand for copper as the world transitions to a low carbon economy.

Figure 3 — Copper Mine Production and Demand⁽¹⁾ (kt)



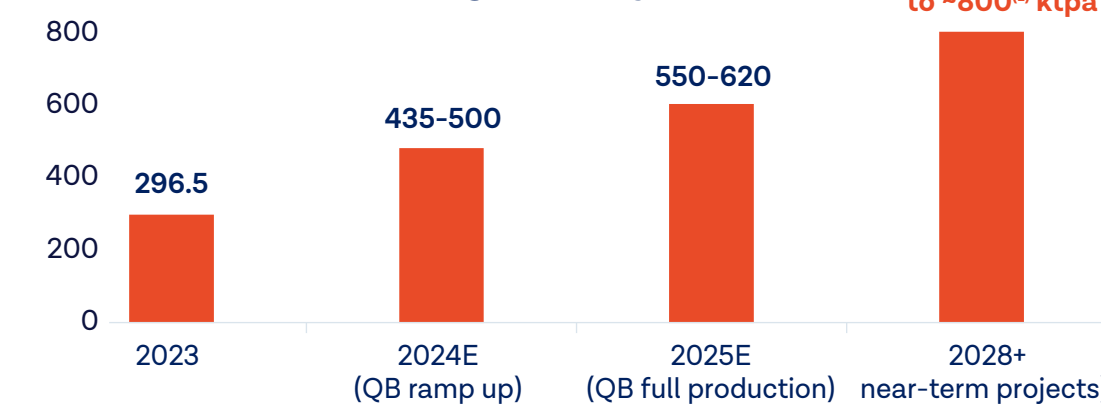
(1) Source: Wood Mackenzie, CRU, BGRIMM, SMM, Teck.

Figure 4 — Zinc Mine Production and Demand⁽¹⁾ (kt)



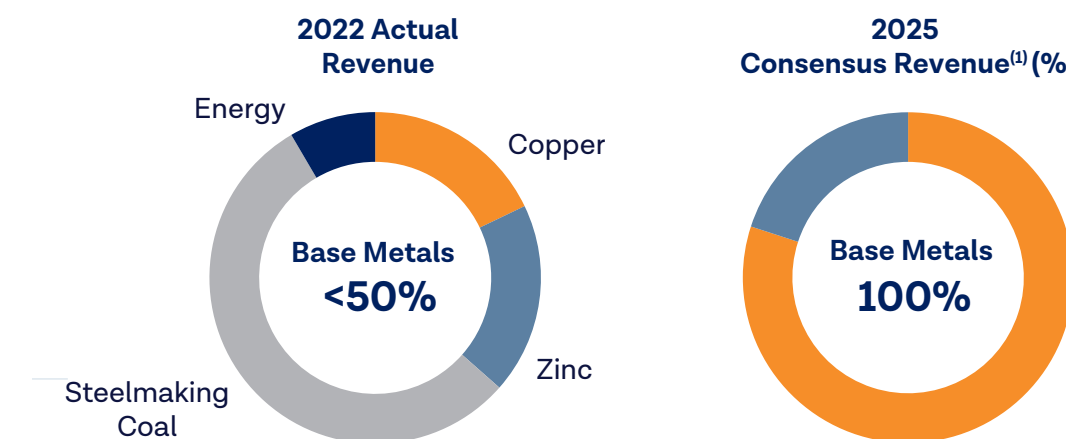
(1) Source: Wood Mackenzie, CRU, BGRIMM, SMM, Teck.

Figure 5 — Industry-leading Copper Growth: Pathway to increase copper production by a further 30% starting as early as 2028



(1) Based on a 30% increase to the mid-point of 2025E production guidance for copper in concentrate.

Figure 6 — Our commodity mix is now 100% base metals



(1) Revenue for 2025 based on consensus estimates from 16 analyst models taken in May 2024.

Responsible Production Certifications

As global expectations around responsible metal and mineral production continue to grow, we recognize that our customers and their customers further downstream are increasingly interested in how Teck is producing our products. In some cases, customers are setting base expectations. In other cases, our sustainability performance has the potential to positively differentiate our products.

One example of how we are demonstrating responsible production is through our achievement of the Copper Mark. The Copper Mark is a voluntary assurance framework that promotes responsible production practices across the copper, molybdenum, nickel and zinc value chains. Under the Copper Mark, operations must achieve and maintain performance requirements related to topics such as biodiversity, climate action, greenhouse gas emissions reductions, water stewardship, Indigenous Peoples' rights, and elimination of forced and child labour.

We have received the Copper Mark, Molybdenum Mark, or Zinc Mark at all Teck-operated base metals operations, an achievement verified through third-party assurance that highlights our commitment to sustainability and transparency.

Table 2 – Metal Mark Certifications

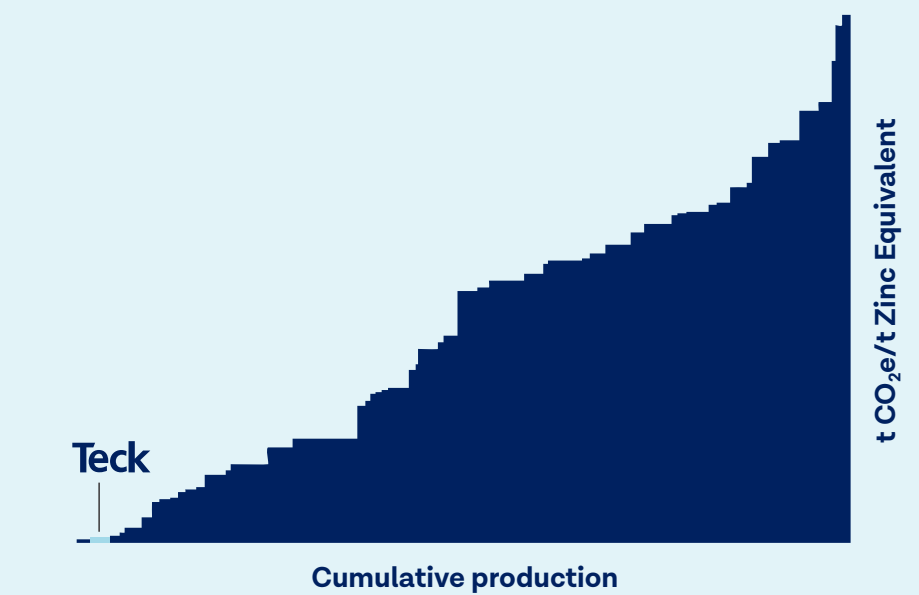
Certification	Operation	Year of Certification
Copper Mark	Highland Valley Copper	2022
	Quebrada Blanca	2023
	Carmen de Andacollo	2023
Molybdenum Mark	Highland Valley Copper	2022
	Quebrada Blanca	2023
Zinc Mark	Trail	2023
	Red Dog	2024

We also have third-party certification from the Mining Association of Canada (MAC) Towards Sustainable Mining program, which includes climate and biodiversity, as well as the ICMM Performance Expectations, which include climate and nature. We support the harmonization efforts being led by Copper Mark, MAC, ICMM and the World Gold Council to create a consolidated standard on responsible mining and metals production.

Teck is also increasingly delivering information on the carbon footprint of our products to our customers. For example, in 2022, each tonne of Special High Grade (SHG) zinc produced at Trail Operations produces 0.94 tonnes of carbon dioxide equivalent (CO₂e), while each tonne of Continuous Galvanizing Grade (CGG) zinc produced by Trail Operations generates between 0.99 and 1.11 tonnes of CO₂e, depending on the amount of aluminum alloyed with SHG in each CGG grade. Details on the carbon footprint of Teck's SHG and CGG zinc can be found in our report *Carbon Footprints of Teck Special High Grade Zinc and Continuous Galvanizing Grade Zinc*, which was independently assured by PricewaterhouseCoppers LLP. See pages 8-9 of the report for further details on this topic.

Based on third-party data, when compared to the carbon footprints of different global suppliers of SHG and CGG zinc, Teck's carbon footprint is significantly lower. Our analysis concluded that Teck's SHG zinc is one-third the global average, based on 2021 data from the International Zinc Association and Skarn Associates, and in the quartile for carbon intensity from 2019-2022, based on data from Skarn Associates. Based on our relative performance, our assertion is that Teck's SHG and CGG are low-carbon products. Detailed analysis on this assertion can be found in our report *Defining Teck's Low-Carbon Zinc Products*.

Figure 7 - Zinc Smelters CO₂ Intensity Curve: Teck compared to other producers (2022)⁽¹⁾



Moving forward, we plan to evaluate the potential to footprint our copper products in accordance with evolving carbon footprinting standards and guidance.

(1) Source: Skarn Associates.

Reducing our Carbon Footprint

Our Goals

Our Scope 1 and 2 commitments:

- Achieve net-zero greenhouse gas (GHG) emissions across our operations by 2050
- Reduce the carbon intensity of our operations by 33% by 2030, compared to a 2020 baseline
- Achieve net-zero Scope 2 emissions by 2025

Our Scope 3 commitments:

- Ambition to achieve net-zero emissions by 2050
- Partner with customers and transportation providers to establish low-emission supply chain corridors for the transportation of our products and support a 40% reduction in shipping emission intensity by 2030 for shipping we contract

Our Approach to Setting and Reviewing Targets

Teck reports — in this report and in our Sustainability Report — on an operational control basis for our Scope 1, 2, and 3 emissions. Our goals have been set on an operational control basis as well. Teck reviews our goals on an ongoing basis, with formal reviews having been completed on a five-year review cycle between 2010 and 2020. Our goal setting and review processes include

input from internal and external experts, as well as discussion with and approval by our executive leadership team and the Board of Directors. When setting and reviewing targets, Teck considers a wide range of factors, including the magnitude of emissions reductions required globally to limit the impacts of climate change; expectations and requirements from stakeholders such as investors and regulators; the risks and opportunities associated with the adoption of novel fuels, technologies or processes; and the costs and commercial readiness of alternative solutions.

Rebaselining Our Goals

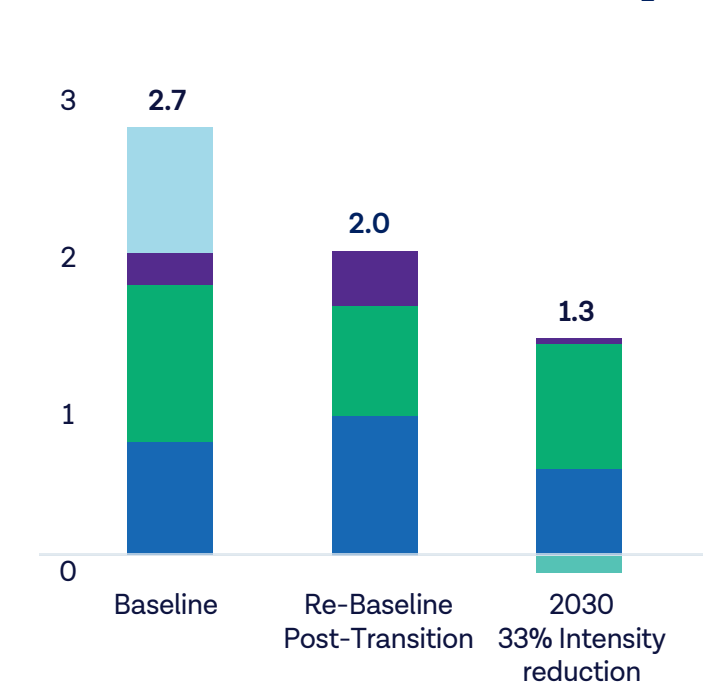
Following the sale of our steelmaking coal assets, we have maintained the same goals we held presale, with the exception of the Scope 3 goal focused on steelmaking. We have subsequently restated our emissions baseline to reflect the appropriate scope of operations and emissions within our portfolio, and to maintain the credibility of our goals. This approach to rebaselining is in line with the GHG Protocol's A Corporate Accounting and Reporting Standard.

Emissions Reductions at Our Operations

We are evaluating and monitoring a wide range of technologies and implementing emissions reductions solutions to reduce our future cost exposure to increasing carbon taxes and other climate-related risks. Our evaluations include technical and financial considerations and are ranked based on their marginal abatement costs. This approach facilitates the prioritization of options that are the most cost-effective, while balancing cost efficiency with commercial, technological, and execution risk.

Figure 8 — Potential Pathway to our 2030 Operations Goal

Carbon Intensity Profile (t CO₂e/t CuEq)



Greenhouse Gas Emissions Profile (Mt of CO₂e)

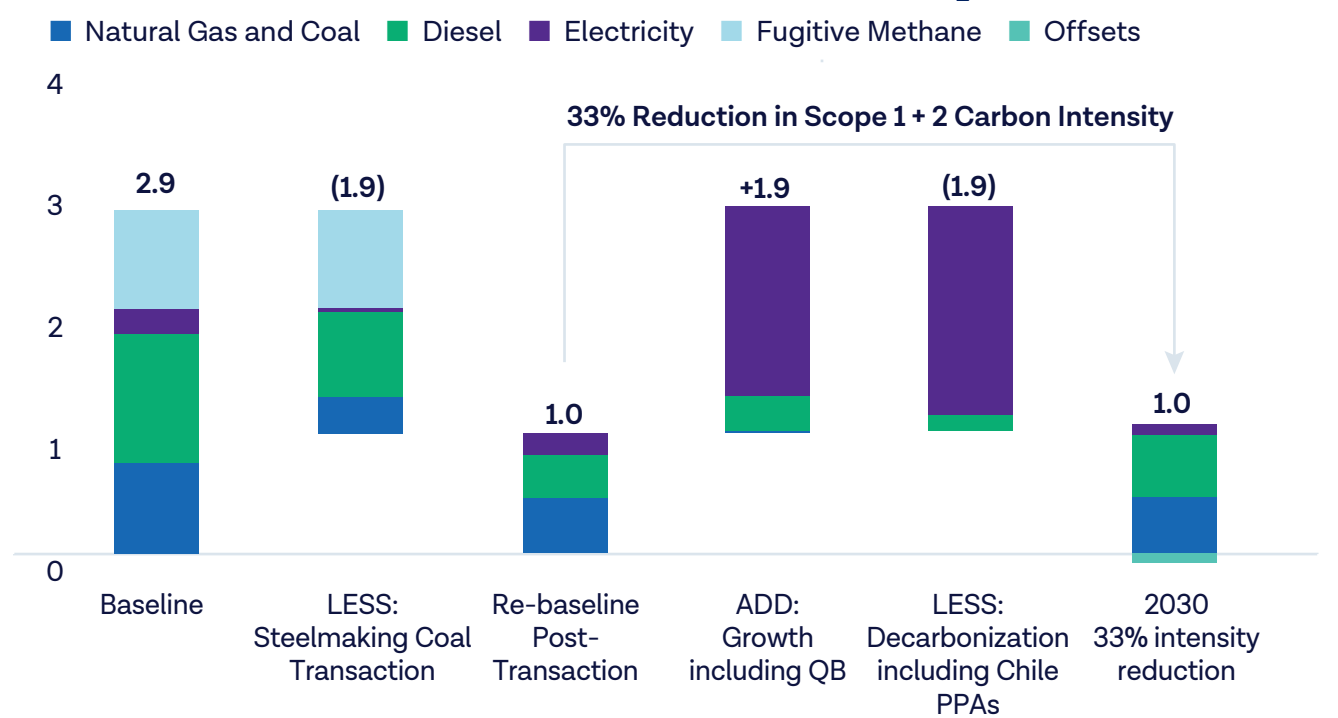
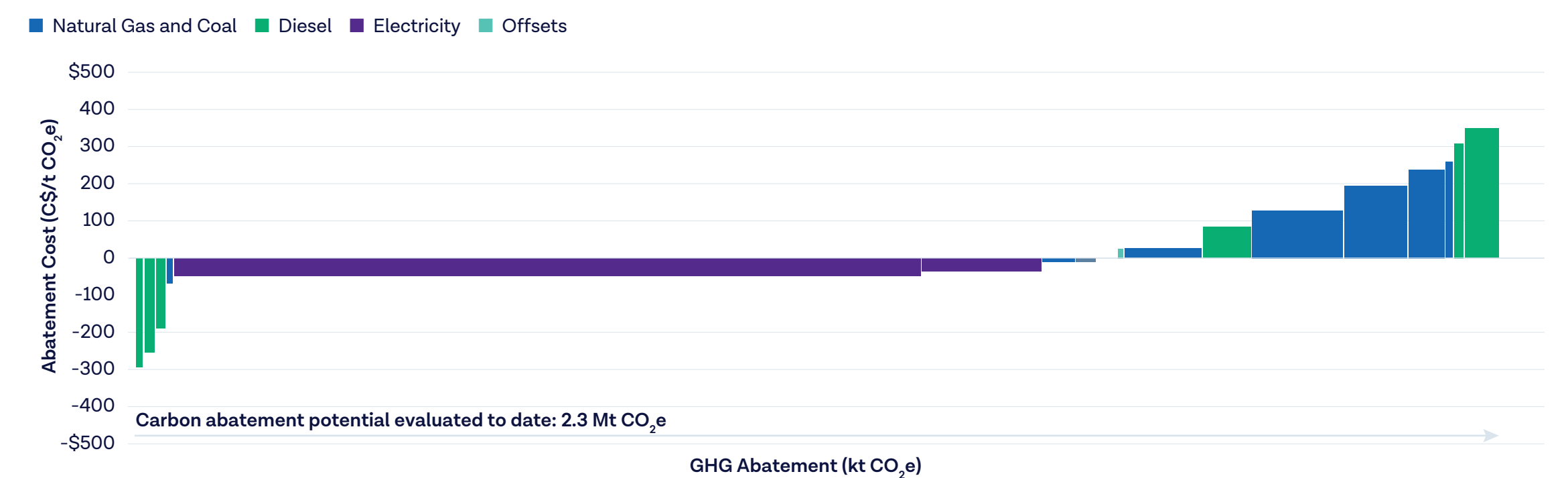


Figure 9 — Marginal Abatement Cost Curve of Decarbonization Options for 2030



Decarbonizing our Electricity Supply: Our Pathway to Net Zero Scope 2 Emissions by 2025

One of Teck’s strengths is operating in jurisdictions like British Columbia, Canada, and Chile, where we have significant access to renewable, cost-competitive electricity. In 2023, our operations in B.C. were powered by a 98% clean electricity grid. Access to clean electricity generation is a significant carbon footprint advantage for Teck and contributes to positioning Trail as one of the lowest carbon-intensity suppliers of zinc.

Historically, the majority of Teck’s Scope 2 emissions were from our operations in Chile. We have taken significant action to avoid emissions associated with the supply of electricity to our operations. In 2020, we entered into a long-term power purchase agreement (PPA) to provide 100% renewable power for our Carmen de Andacollo Operations in Chile. The Carmen de Andacollo renewable power arrangement, which took effect in September 2020, will avoid approximately 200,000 tonnes of CO₂e per year. This action resulted in significant emissions reductions at Carmen de Andacollo: nearly 80% of its operating (i.e., Scope 1 and Scope 2) emissions. Compared to the 2019 carbon intensity performance of the copper sector, production at Carmen de Andacollo moved from the third quartile to the first decile in carbon intensity in 2022.

In 2020, we also entered into a PPA for our QB Operations, enabling the transition to renewable energy for approximately half the power required for operation of QB. Building on this initial PPA at QB, we finalized an agreement in 2022 to source 100% clean, renewable energy for QB Operations, starting in 2025. Once implemented, the use of 100% renewable energy instead of energy from coal-fired generation will avoid a total of approximately 1.6 million tonnes CO₂e per year. The result of our decarbonization actions is anticipated to place QB in the first quartile of carbon intensity.⁹

Combining our access to low-carbon grid power in B.C. with procurement of renewable electricity in Chile is positioning Teck to achieve our goal of net-zero Scope 2 emissions by the end of 2025.

⁹ Based on Teck analysis of data from Skarn Associates.

Reducing Emissions from Mobile Equipment

Mobile equipment emissions from the combustion of diesel is the largest source of emissions at Teck. Our approach to emissions reductions in this space is broad, including consideration of mature technologies and low-carbon fuels such as renewable diesel that have been developed in industries beyond mining – with consideration given to piloting equipment where use in mining extends the proven capabilities of the technology. In parallel, some solutions that we require are applicable only to mining and may require support from Teck to accelerate development. To accelerate these solutions in a cost-effective manner, we are evaluating and, in some cases, participating in, opportunities to collaborate with other mining companies or equipment manufacturers.

Reducing Emissions from Stationary Sources and Metallurgical Processes

The majority of Teck’s process and stationary emissions originate from our Trail Operations, where the use of carbon is essential for the lead smelting process. Carbon plays a key metallurgical role in metals production and, today, there are limited alternatives.

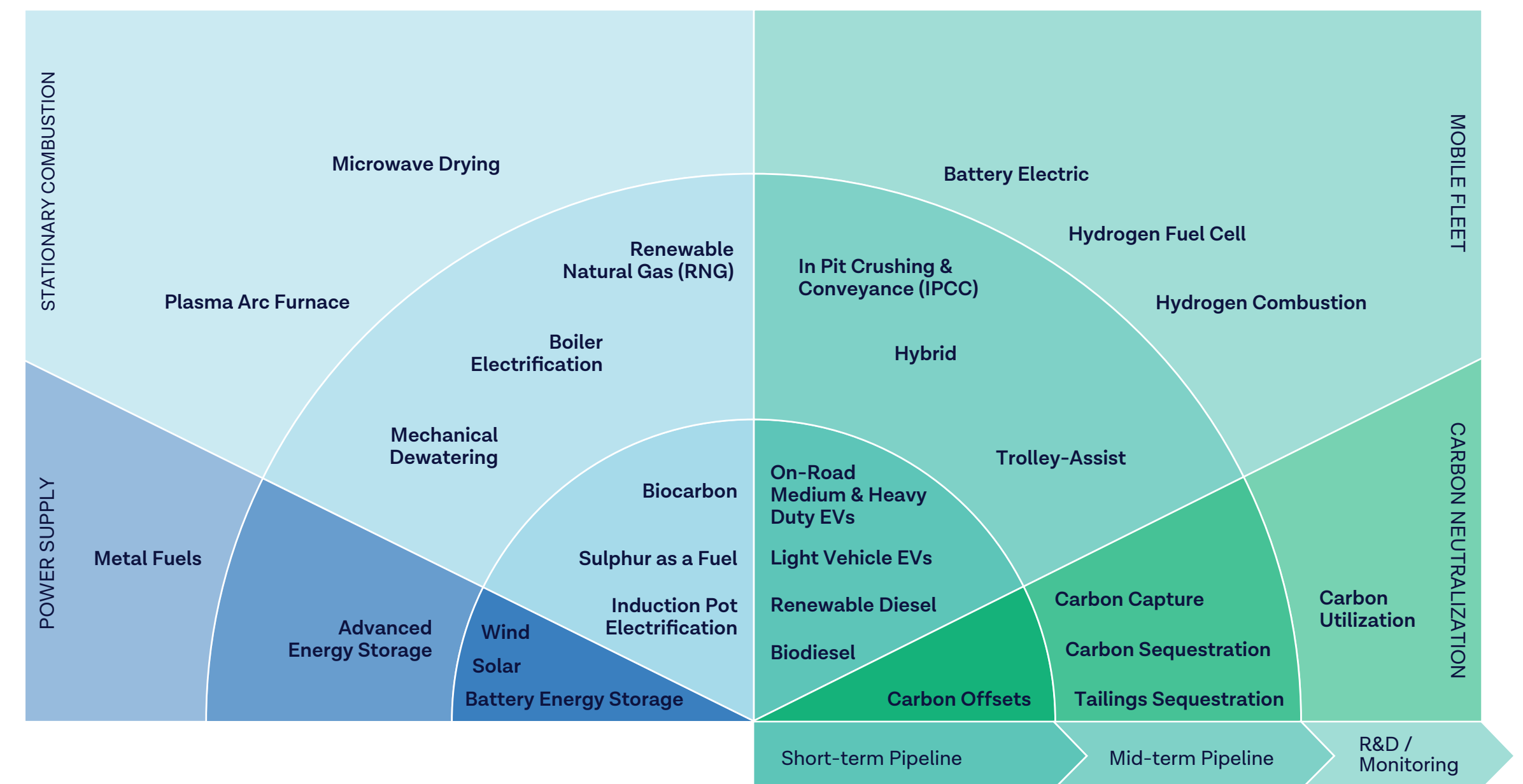
One option Teck is evaluating is the use of carbon capture at our Trail Operations to test the viability of capturing GHG emissions that could eventually be used or stored. The carbon capture pilot project at our Trail Operations’ metallurgical complex began operation in December 2023 and is slated to continue testing through 2024. The pilot plant separates CO₂ from flue gas at Trail Operations at a rate of one tonne per day. Teck is also evaluating options for local geological storage of the captured CO₂ in the Trail area. Adopting carbon capture and storage at scale will depend on the technical success of the piloting work for capture and storage as well as the overall financial viability of the project. In parallel, Teck is advancing preliminary front-end engineering design (pre-FEED) studies on electrification and low-carbon fuels as alternatives to, or complements to, carbon capture and storage.

Carbon Offsets

Teck’s priority is to pursue emissions reductions at our operations. Where there are limitations in our ability to avoid, eliminate or reduce our Scope 1 and 2 emissions, we will consider the use of offsets to support our GHG reduction targets. Our ambition is to meet our GHG reduction goal by having carbon offsets represent less than 10% of our actions, or less than 100,000 tonnes of CO₂e. Only offsets that can demonstrate additionality, rigorous quantification and third-party verification will be considered by Teck. Our evaluations will also consider offset attributes, such as permanence, the risk of leakage, and interactions with environmental and social dimensions of any offset project. Teck will transparently disclose any use of carbon offsets against our GHG reduction commitments.

In 2024, the Government of British Columbia in Canada introduced a new industrial carbon pricing policy – the Output-Based Pricing System – under which regulated facilities will have the ability to use high-quality offsets to reduce their compliance obligation. The implementation of this policy will enable Teck to purchase compliance quality offsets that are anticipated to be approved under the Forest Conservation Offset Protocol to meet our compliance needs and to support our net-zero commitments.

Figure 10 – GHG Emissions Reduction Portfolio



Supporting Emissions Reductions in the Value Chain

Teck's Scope 3 Emissions

Under the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Scope 3 emissions are quantified and reported against 15 Scope 3 categories. In 2023, Teck published our Scope 1, 2 and 3 Emissions Calculation Methodology Report, which outlines the boundaries, calculation rationale, methodology and assumptions of Teck's Scope 1, 2 and 3 GHG emissions inventory.

Teck's most material Scope 3 emissions result from the smelting and refining of the metal concentrates we sell, categorized under Scope 3 Category 10—Processing of Sold Products. Category 10 emissions comprise approximately 30% of Teck's total Scope 1, 2 and 3 emissions.

To achieve global GHG reductions that limit climate change to 1.5°C, action will be required not only by Teck, but within our value chain as well. These expectations also present risks to our value chain partners, including increasing costs to their business from carbon taxes, which they may pass onto companies like Teck, as we experience today through some of our transportation partners. While Teck cannot unilaterally drive reductions within the value chain, as Scope 3 emissions are under the management control of our value chain partners, we recognize that we can help contribute to solutions, and we are committed to working with our customers and transportation providers to reduce emissions downstream of our business.

Table 3 – Summary of 2022 and 2023 Scope 3 Inventory (kt CO₂e)^{(1),(2)}

Scope 3 Category	2023	2022	kt CO ₂ e
1 Purchased goods and services	498	320	498
2 Capital goods	666	160	666
3 Fuel- and energy-related activities (FERA)	323	224	323
4 Upstream transportation and distribution	174	155	174
5 Waste generated in operations	8	2	8
6 Business travel	16	22	16
7 Employee commuting	8	8	8
8 Upstream leased assets	-	-	-
9 Downstream transportation and distribution	0	0	0
10 Processing of sold products	1,007	975	1,007
11 Use of sold products	-	-	-
12 End-of-life treatment of sold products	16	15	16
13 Downstream leased assets	-	-	-
14 Franchises	-	-	-
15 Investments	684	608	684
Total Scope 3 Emissions (kt CO₂e)	3,400	2,490	

(1) 2022 and 2023 values are all stated for Teck Metals operations only and excludes previously stated emissions associated with Teck's Steelmaking Coal operations.

(2) The organizational boundary for Scope 3 has been defined on an operational control basis, which is aligned with Teck's accounting and reporting of Scope 1 and 2 emissions. The emissions inventory boundary is defined to include assets for which Teck has operational control, of which 100% of emissions have been included in the quantification. For more detail, please see our report Scope 1, 2 and 3 Emissions Calculation Methodology Report: 2023.

Case Study

The North Pacific Green Corridor Consortium

In 2024, Teck led the formation of the North Pacific Green Corridor Consortium (NPGCC), whose members and partners intend to work together to decarbonize the value chain for commodities between North America and Asia.

The NPGCC will apply its collective expertise to develop a corridor for the decarbonized transportation of multiple commodities including metal concentrates. The members of the NPGCC are committed to establishing the consortium as a catalyst for decarbonization efforts, exploring new markets for low-carbon fuels in North America and Asia, exploring propulsion options, and showcasing how carbon reduction initiatives can strengthen commercial partnerships.

The NPGCC brings together diverse sections of the value chain, including bulk commodity producers, railway and intermodal transportation providers, marine vessel owners and operators, port facilities and port authorities, and clean technology providers.

The nine founding members are CN Rail, Mitsubishi Canada Ltd., Mitsubishi Heavy Industries, NYK Bulk & Projects Carriers, Oldendorff Carriers, Prince Rupert Port Authority, Teck, Trigon Pacific Terminals, and Vancouver Fraser Port Authority. The NPGCC is open to additional members and partners, in particular end-use customers, to contribute to the development and implementation of the green trade corridor.

The NPGCC's activities will focus on pathways to optimize energy efficiency, with the specific goal of advancing projects and infrastructure required to achieve meaningful emissions reductions in the near term. Consideration will be given to the potential production, storage and bunkering of lower-carbon fuels and propulsion options for use by NPGCC members and other parties. The NPGCC will also engage in research, knowledge-sharing, advocacy, member coordination and recruitment to accelerate members' progress towards their decarbonization objectives.

Case Study

Electrifying the Value Chain: Highland Valley Copper's Pilot Project with an Electric Concentrate Truck

As we work to decarbonize our operations, an aspect of our strategy is watching for opportunities to get new and innovative electric vehicles into real-world applications. In some cases, emerging options are more appropriately suited for our value chain partners, but these may also serve as a stepping stone to applications at our operations.

One such opportunity arose in trucking concentrate from our Highland Valley Copper Operations to Ashcroft, B.C., where the concentrate is loaded on railcars for further transportation. Working together

with our partner, MEDATech, an electric concentrate truck was purchased to pilot the suitability of this technology for this application. Our initial analysis suggests that this will be a promising application for a battery electric vehicle of this class.

Not only will this pilot help to reduce GHG emissions in our value chain — if successful, this technology may also be applied to equipment at our operations. The pilot began in 2023 and continues into 2024. We are continuing to work with our partner to refine this use case, and will evaluate future steps in the coming year.

Nature



Our Nature Goals

By Completion of Site Closure

- Work towards achieving a net positive impact on biodiversity (NPI) as described in this section, compared to baselines at the time development commenced for our operations and sites in active closure

By 2030

- Work to achieve NPI compared to a 2020 baseline for all sites
- Accelerate our pace of rehabilitation to ensure it is in progress for all eligible land impacted by mining at our operations

How We Make and Implement Decisions

Our first focus related to nature at our direct operations is to create a culture of nature positive decision-making that is guided by science and Indigenous knowledge (contribution to GBF Target 14: Integrate Biodiversity in Decision-Making at Every Level). This includes evaluating the impacts of our actions and our dependencies on nature and assessing material risks and opportunities from scientific and Indigenous perspectives, and avoiding and reducing our direct negative impacts on nature where possible as part of our planning and execution (contribution to GBF Target 15: Businesses Assess, Disclose and Reduce Biodiversity-Related Risks and Negative Impacts).

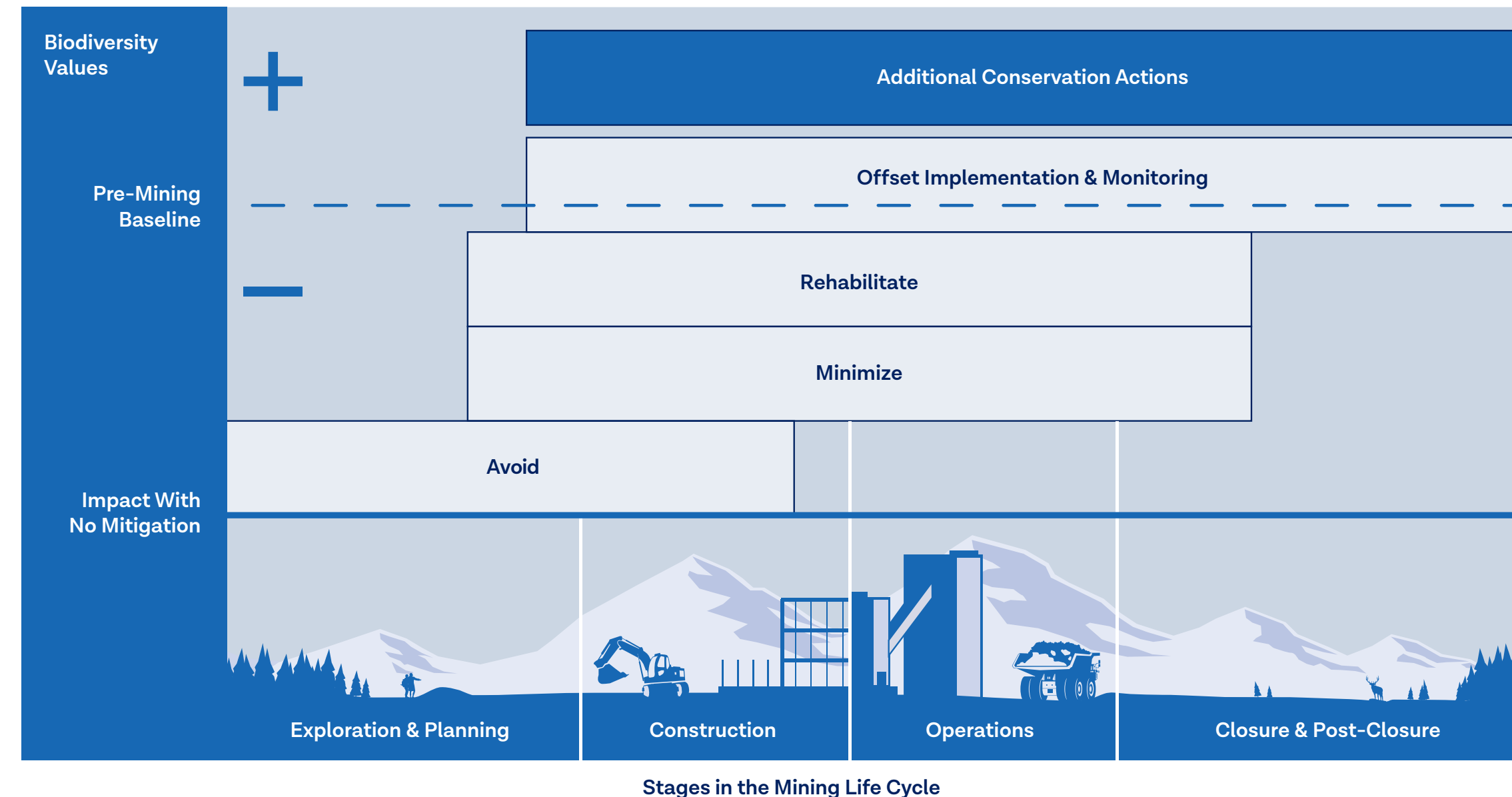
We also look for opportunities to increase our positive impacts on nature throughout our work, such as employing nature-based solutions where possible (contribution to GBF Target 11: Restore, Maintain and Enhance Nature’s Contributions to People). This process occurs at all phases of the mining life cycle. Ongoing employee education and engagement at all levels of the organization is led by a central team of subject matter experts.

As a member of the ICMM, we are committed to:

- Respect legally designated protected areas and ensure that any new operations or changes to existing operations are not incompatible with the objectives for which the protected areas were established

- Not explore or mine in UNESCO World Heritage sites; all reasonable steps are taken to ensure that existing operations in World Heritage sites as well as existing and future operations adjacent to World Heritage sites are not incompatible with the outstanding universal value for which these sites are listed and do not put the integrity of these sites at risk
- Assess and address material risks and impacts on biodiversity and ecosystem services by implementing the [mitigation hierarchy](#) actions to achieve NPI on biodiversity; this includes through applying the mitigation hierarchy with an avoidance-first focus from the earliest feasible stage of exploration and continuing throughout project life cycles, pursuing progressive restoration, rehabilitation and/or reclamation where feasible and commencing with offsets for residual adverse impacts as early as possible
- Meet the [ICMM Nature Position Statement](#) commitments for direct operations, value chain, landscapes, and systems transformation, supported by transparent disclosures.

Figure 11 – Biodiversity Mitigation Hierarchy



We currently have biodiversity management plans (BMPs) at each of our operations that set out how our goal to achieve NPI can be met for each ecosystem and biodiversity element (EBE) by following the biodiversity mitigation hierarchy, measured using the metrics outlined in the C5.0 State of Nature section on page 38. We define EBEs as natural terrestrial, freshwater and marine habitats and ecosystems, critical landscape functions, and biodiversity elements prioritized by communities of interest, including highly irreplaceable or threatened populations and species of plants and animals. Our BMPs are developed in consultation with local communities of interest and are updated every five years, or on a more frequent basis if required.

We implement rehabilitation practices aimed at enabling a self-sustaining trajectory to restore, to the extent practicable, the ecological structure, composition and function that existed at the time development commenced for the site, incorporating consideration of resilience to climate change where possible.

Where offsets are required, we design and implement them by drawing on international and national best

practices, including demonstrating quantifiable additionality, being located as close to the impacted site as possible, and benefiting the EBEs for which we are working to secure NPI. Offsets that would achieve significantly greater gains for biodiversity at a location distant from the site, or for a higher priority EBE, may be considered if higher conservation value is demonstrated by a scientifically credible framework for determining the conservation status of an EBE and supported by communities of interest. We seek to obtain legal protection of biodiversity offsets or equivalent permanence, and commit to or secure adequate and permanent funding for the management of offsets. We develop and implement offset monitoring programs that support verification and adaptive management, including milestones and corrective actions.

In 2023, we engaged a third party to provide an independent review of our NPI commitment and its application at our direct operations and sites in active closure. This review is still ongoing, and we expect to receive the results in 2025.

Investments in New Technologies and Research and Development

We invest in strategic technologies and research and development to enable better understanding of our impacts on nature and improved outcomes for our ecosystem restoration efforts. In 2023, this included environmental DNA (eDNA) trials at our Highland Valley Copper Operations and closed Duck Pond mine, and a research project to study how seaweed can be used to enhance forest health and accelerate the growth of rehabilitation target species.

Interactions with Customers

We are exploring opportunities to deepen nature-related interactions with our upstream and downstream value chains, building from our collaborative work on climate change and human rights. One example is a pilot product passport that would allow secure documentation of our responsible mining practices from the mine site all the way to end customers and manufacturers. Additionally, this approach would support our work to ensure that third-party suppliers to our Trail metallurgical facility are likewise sourcing raw materials from responsible sources.

Case Study

Using Blockchain Technology to Support Supply Chain Transparency

In 2020, Teck partnered with DLT Labs to develop a blockchain-enabled solution to digitally attach product and sustainability information to each shipment of germanium, which is a by-product of the zinc refining process. Germanium is an internationally recognized critical mineral that is used in creating fibre optic cables; optical instruments such as microscopes, cameras and night vision goggles; high-speed electronic circuits; and high-efficiency LEDs. It is also seen as an essential resource for telecommunications and the transition to a low-carbon economy.

The importance of this mineral, along with its relatively streamlined supply chain and Teck's large share to the global germanium market, led to this product being selected for a pilot product passport system. The project created a digital dataset of product and location information related to the shipments of our zinc concentrate from Teck's Red Dog Operations in Alaska, through ship and rail transportation to our Trail Operations in B.C., and finally out to customers. Examples of data traced in the project included:

- The mineral composition of concentrates throughout the supply chain as mined material is refined into germanium
- Mine site origin information
- Greenhouse gas emissions
- ISO and health and safety certifications
- Sustainability performance

We engaged with multiple Teck site and corporate departments, as well as our direct customers to ensure we built a thorough and complete system. As the pilot system is finalized, Teck will further engage with our customers to demonstrate the system and confirm that the information meets downstream expectations.

Figure 12 – Teck's Approach to Biodiversity Management Plans



Multi-Stakeholder Planning Processes

We have a long history of engagement through multi-stakeholder planning processes, including instigation and participation in cumulative effects management planning. Some of this engagement is driven by regulatory requirements or in furtherance of data collection to enable permitting. Increasingly, we participate voluntarily in landscape, watershed, and marine and coastal planning in order to design our restoration and conservation work in the most effective ways possible, and to contribute to the GBF Target 1: Plan and Manage all Areas to Reduce Biodiversity Loss.

Other Actions

We are undertaking several other efforts to mitigate nature-related risks, manage nature-related issues and contribute towards the goals and targets in the GBF, including the actions on climate change described elsewhere in this report (contribution towards GBF Target 8: Minimize the Impacts of Climate Change on Biodiversity and Build Resilience). We are committed to working with local partners, communities and Indigenous Peoples to conserve and restore ecologically and culturally significant lands and waters. In 2023, we made several contributions to help achieve this goal:

- Capacity-building: Inaugural grants totalling \$520,000, under our \$10 million Indigenous Stewardship Fund, to organizations in the areas near our sites; these grants support Indigenous communities and partners in the development of Indigenous-focused environmental stewardship initiatives as well as engagement, education, capacity-building, and participation in support of conservation objectives in regions where Teck operates (contribution towards GBF Target 20: Strengthen Capacity-Building)
- A \$10 million donation to the Chilean Nature Fund to support Chile's Protected Marine Areas program and conservation measures in the Juan Fernández

Archipelago, including the protection of rare birds and flora not found anywhere else in the world (contribution towards GBF Target 2: Restore 30% of all Degraded Ecosystems; Target 4: Halt Species Extinction; and Target 6: Minimize the Impact of Invasive Alien Species)

- Allocation of a previously announced \$2 million donation to the Nature Conservancy of Canada (NCC) towards the conservation and protection of 75,000 hectares of globally rare inland temperate rainforest in the Incomappleux Valley in southeastern British Columbia (contribution towards GBF Target 3: Conserve 30% of Land, Waters and Seas)

Priority Locations

We have identified all of our operating assets as priority locations, as shown on pages 8 and 9. To identify priority locations for disclosure, we confirm annually which of our sites have material impacts or dependencies on nature, and whether any of our sites have overlap with sensitive locations. Teck has defined sensitive locations to include areas that are important for biodiversity, of high ecosystem integrity, or that are experiencing rapid decline in ecosystem integrity. We use the Integrated Biodiversity Assessment Tool (IBAT) to identify International Union for Conservation of Nature (IUCN) Red List species and national conservation list species and protected areas. This process is conducted at the level of each individual asset location, except for exploration tenures, which are aggregated on a regional basis since impacts and dependencies at that stage of mine life are generally non-material. Results of the process inform our risk assessment and site-level biodiversity management plans in the evaluation of potential avoidance, minimization, rehabilitation and offsetting opportunities.





Enhancing Resiliency

Adapting to the Physical Impacts of Climate Change

In addition to the actions we are taking to reduce the effects of climate change, we are working to manage the potential physical risks and opportunities that may result from the ongoing changes to our climate.

Over the past decade, we have been monitoring the development of climate change risk management practices, during which we have seen continued improvement in the quality and accessibility of climate change data and modelling, in understanding the interaction between climate change and our assets, and in best management practices to increase the resilience of the mining sector.

We are taking into account the increased frequency of extreme weather events and changing local conditions, and working to incorporate climate change scenarios and vulnerability assessments into operating and closure project design and evaluation, as well as at our existing operations, closed sites and logistics chain. For example:

- At our operations, we regularly incorporate potential impacts from climate variability and climate change into our water modelling and closure planning, and we assess potential vulnerabilities and future risks to inform water management and rehabilitation practices.
- Our rehabilitation prescriptions rely on planting a wide diversity of native species to increase the long-term resilience of our work to achieve a net positive impact on biodiversity.
- As part of the environmental assessment of our development and expansion projects, we include the potential physical impacts of climate change in our water assessment and modelling to evaluate risks and opportunities, and to inform our mitigation planning.

As the field of climate analysis evolves, this work is becoming increasingly complex.

In 2023, to support the identification and assessment of risks related to the physical impacts of climate change, we procured relevant climate change projection data from the most current global climate model data available – CMIP6 – for our operations, portions of our logistics corridors, and for select projects and legacy properties. CMIP6 is the latest phase of collaboration under the Coupled Model Intercomparison Project (CMIP). The data, which is scientifically robust, provides the foundation for the IPCC’s Sixth Assessment Reports.

The data sets include time horizons for the near-future (2030s), mid-century (2050s) and end of century (2080s) for two of the future climate scenarios proposed by the IPCC’s Sixth Assessment Report, scenarios SSP2–4.5 and SSP5–8.5, which correspond with a moderate emissions scenario and the highest concentration of CO₂ emissions scenario, respectively.

One dimension of our business that is particularly exposed to climate hazards is our logistics chains. In 2023, we undertook a climate change vulnerability assessment with a qualified third party to better understand the potential future impacts of climate change on a key segment of the logistics route in British Columbia. The vulnerability and impact assessment will be used to inform risk management actions moving forward.

Access to Water

We cannot mine without the use of water, with the primary use being for ore beneficiation, which is the process by which valuable constituents of an ore are concentrated by means of a physical separation process. Some of our operations and projects are located in areas where water is scarce, whereas other operations are located in environments where water is abundant and surplus conditions need to be managed. If water supplies become scarce or are negatively affected by environmental events, water use at our operations could be reduced or stopped in order to maintain supply to the local communities and environments in which we operate.

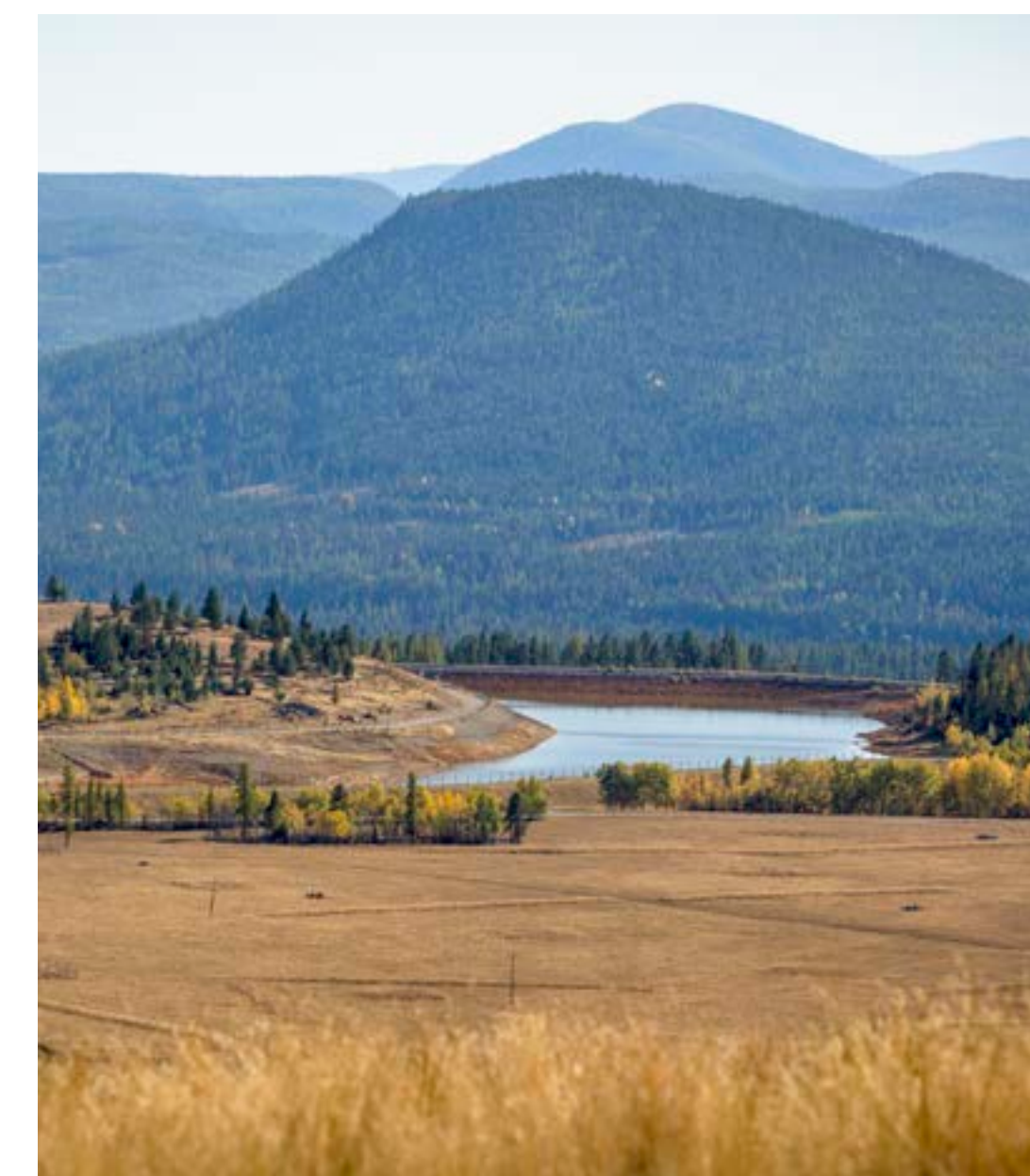
As the availability of fresh water becomes more restricted in certain areas, the complexity and cost of infrastructure for mining projects is increasing (see Chile example below). Water rights are an area of significant focus for our Chilean operations, and community relations are significantly impacted by access to and sourcing of water. Failure to secure water rights, restrictions on water rights or the loss of existing water rights could have negative effects on our operations and financial condition. With the impacts of climate change, we are also anticipating and experiencing increasing scarcity. With this recognition, we have increased the degree to which we are planning for water scarcity, including in regions where this was previously not a frequent or significant issue.

At our operations in Chile, with current and predicted future water scarcity, we are taking actions to maintain production through accessing reliable non-fresh water sources and limiting our impact on existing sources of fresh water.

- At our QB Operations, our primary source of water is desalinated seawater. By tying our supply to the ocean, we have reduced our impact on local sources of fresh water and the potential for production curtailment due to restrictions on the use of fresh water. This approach to water supply also enabled us to return some of the water rights to the state of Chile, which enables traditional water use by local Indigenous communities. However, this supply is not without additional complexity and operational risk as the desalinated water must be pumped over 165 kilometres to the site and up an elevation of over 4,000 metres.
- Carmen de Andacollo (CdA) has experienced production limitations related to water. The long-term availability of water for CdA will continue to be a priority for the operation, as a new environmental permit will be required to extend mine life beyond 2031. CdA is actively investigating water-efficiency opportunities and utilizing lower-quality sources of water (e.g., water treatment brine, sewage water) to

allow it to maintain production with less impact on increasingly scarce continental sources of water.

Surplus water conditions are also presenting challenges to our business. For example, at our Red Dog Operations located in the Arctic, climate change impacts from higher temperatures and increased precipitation is occurring. This has increased the volume of water to manage at the site and has altered the water quality in the receiving environment as the surrounding permafrost melts. As a result, Teck has had to increase its water treatment capacity to enable discharge of water to the environment.



GOVERNANCE



Board and Executive Leadership in Climate and Nature

At Teck, climate- and nature-related risks and issues receive Board and management attention. We consider climate- and nature-related issues and risks in strategic planning across our business.

Roles and Responsibilities of the Board of Directors

Teck's Board of Directors is responsible for the stewardship of our company and for ensuring that appropriate corporate governance structures and systems are in place. The Board provides ultimate oversight on all strategic matters, including the impacts, risks, and opportunities related to climate and nature affecting our business. Teck's Board meets at least quarterly, and Directors hold an annual strategy meeting to assess Teck's possible growth paths and other strategic matters, and to consider climate and nature in these matters, as appropriate. The Board is also engaged in the review of principal risks to the organization (discussed further in the Risk and Impact Management section).

When reviewing and guiding strategy and major plans of action — including capital expenditures, acquisitions and divestitures, risk management policies, annual budgets and business plans including organizational performance objectives — the Board considers climate- and nature-related issues. Examples include:

- Support for Teck's Copper Growth Strategy that is influenced by projected growth in copper demand associated with global decarbonization and the aspiration for that growth to have a net positive impact on biodiversity
- The decision to separate Teck's steelmaking coal business from the base metals business included consideration of climate change-related issues related to long-term commodity demand risks and opportunities
- Approval of Teck's climate change goals, which include a short-term goal to achieve net-zero Scope 2

(purchased electricity) GHG emissions by 2025, a long-term goal to achieve net-zero emissions across operations by 2050 and an ambition to achieve net-zero Scope 3 (value chain) emissions by 2050

- Approval of Teck's goal to contribute to a nature positive future by 2030, which includes commitments that our conservation, protection and restoration of land and biodiversity will exceed the disturbance caused by our mining activities from a 2020 baseline and that rehabilitation will be in progress for all eligible land impacted by mining at our operations
- Approval of Teck's budgets, including decarbonization- and nature-related spend

Teck's Board delegates oversight responsibilities for certain topics to board-level committees. The Board has a Safety and Sustainability Committee (S&SC) that has climate change, biodiversity, and human rights — among other topics — explicitly identified as part of the committee's key responsibilities in its charter. The S&SC meets and reports to the Board quarterly and has responsibility for reviewing significant climate- and nature-related policies, strategy and other information, including, where appropriate, making recommendations for approval to the Board. The S&SC annually assesses the adequacy of its charter for appropriateness and recommends any changes to the Board for approval, considering any applicable legislative and regulatory requirements and best practice guidelines. The S&SC also serves as the forum for the ongoing monitoring of Teck's progress against our climate change and nature goals and targets, including reviewing Teck's decarbonization implementation plans and the risks associated with failing to achieve our goals and targets.

Items reviewed and recommended to the Board for approval by the S&SC since 2022 have included:

- Expanded climate change goals
- Updated policies related to Climate Change, Political Contributions, Indigenous Peoples, Human Rights, Water, Tailings Management and an updated Code of Sustainable Conduct
- The 2023 sustainability double materiality assessment
- The 2023 sustainability bonus and health and safety modifier framework
- The 2022 achievement rankings for the sustainability metrics under the annual incentive plan and implementation of the sustainability progress index used for the performance-linked components of the executive long-term incentive plan

For committee meetings, written and presentation materials are prepared by management (and, where appropriate, third parties) and include routine monitoring of emerging risks and opportunities.

The S&SC also received updates and Special Reports on:

- Teck's sustainability performance, goal implementation and integration of sustainability into various aspects of the business
- Climate change and decarbonization, including Teck's climate and net-zero strategies, action plan, material risks and opportunities, scenarios, key projects, and carbon pricing considerations
- Nature and biodiversity, including Teck's nature positive commitment, strategy, and risk mitigation
- Water management, including strategy and updates on critical risks
- Tailings management and Teck's progress toward conformance with the Global Industry Standard on Tailings Management (GISTM)
- Human rights, Indigenous Peoples and Agreements, and Modern Slavery
- ESG trends in mining and disclosure regimes

Board members bring experience from a diverse range of sectors and subject matter, including mining, environment, sustainability, strategic planning, risk management, finance, legal and technology. This collective knowledge equips them to assess the potential impacts, risks and opportunities of climate change and nature related to Teck's business.

Annually, the Governance and Nominating Committee of the Board assesses the competencies, skills and independence status of each director to ensure the Board composition meets regulatory requirements and expectations for best practices in governance and is aligned to the company's strategic direction. The Board has identified key areas of expertise essential for our business, including environment and climate change; eight of 10 Directors possess expertise in these areas.

To ensure the Board remains informed on current issues, Teck's ongoing Director education programs include presentations by external experts and consultants, briefings from our staff and management, and reports on relevant issues relating to Teck, including climate change and nature. These efforts keep the Board informed of new developments, risks and opportunities that are relevant to Teck and its business.

Table 4 – 2021–2023 Climate- and Nature-Related Director Continuing Education Sessions

Topic	Presented by	Attendees
The Board's Role in the Climate Challenge: COP29	Deloitte's Global Boardroom Program	S. Murray
Sustainability Standards and Sustainability Reporting Landscape	PricewaterhouseCooper LLP	Full Board
Sustainability Investing Trends	Millani	Full Board
Is nature accounted for in your company's strategy?	Climate Governance Initiative	S. Murray
Climate Change Disclosure Litigation Trends	Paul, Weiss, Rifkind, Wharton & Garrison LLP	Full Board
Greenwashing Risks and Regulatory Trends	Herbert, Smith Freehills LLP	Full Board
Climate Governance Initiative, Various	World Economic Forum	S. Murray, J. Price
Decarbonization Targets and Priorities	Boston Consulting Group	Full Board
Climate Change Disclosure Trends	McKinsey & Co.	Full Board
Climate Adaptation	Willis Towers Watson	Full Board
EU Climate Risk Conference	World Economic Forum	E. Dowling (speaker)
Climate Governance Initiative Advisory Board	World Economic Forum	S. Murray (Board member)
Climate Change, External Context, and Adapting to the Physical Impacts of Climate Change	Management/Eurasia Group/Intact Centre on Climate Adaptation University of Waterloo	Full Board
Climate Change Risk in Mining Symposium	World Economic Forum	E. Dowling (presenter)

More detail on Teck's Board of Directors, including their skills, training and expertise, and Teck's ongoing board education program can be found in Teck's [2024 Management Proxy Circular](#).



Roles and Responsibilities of Management

Teck's senior management team is responsible for the management of our company, which includes managing the risks and opportunities that climate change and nature present to the company.

Given the multi-faceted ways in which climate and nature impact our business, from the demand for commodities to our operating costs, as well as the physical impacts on our operations and host communities, we included climate change and nature considerations in various aspects of our business strategy. Our management team regularly evaluates the risks and opportunities associated with climate change and nature, with quarterly materials or discussions dedicated to these topics. Notable forums through which climate change and nature receive significant attention include:

- Teck's Risk Management framework is an enterprise-wide practice focused on risk management, with climate- and nature-related risks incorporated into the framework and its associated practices; the Risk and Impact Management section of this report on pages 31 and 32 provides a more detailed description of these processes
- Teck provides climate change-specific updates three- to four times per year to the President and CEO, their direct reports, and other relevant. This may occur by distribution of materials or in-person. These sessions, which are devoted solely to climate change, discuss climate-related risks and opportunities as well as progress against our corporate climate change commitments.
- A set of key performance indicators, which include metrics on climate and nature performance, are reported on monthly to Teck's executive leadership team.

Compensation

Sustainability performance is integrated into both short- and long-term executive compensation.

Short-term incentive compensation of the CEO and executives is performance-based. Starting in 2024, this includes two components: company and individual performance. The company component considers a number of factors, including ESG performance; individual performance objectives may include climate-change-related objectives for executives in key roles. Across the two components, objectives related to sustainability performance, including climate change, water, and nature issues, affect approximately 15% of the target bonus as a whole.

A new sustainability progress index was developed in 2022 for use in the performance-linked share unit component of our long-term incentive program for the CEO and all members of the executive leadership team. Each of the sustainability objectives, including goals related to climate change and biodiversity performance, aligns strongly with Teck's overall corporate strategy and will be measured against specific targets. From 2022-2024, the sustainability progress index measures Teck's progress against specific goals in five key areas: climate change; biodiversity; tailings facilities management; equity, diversity and inclusion (EDI); and performance on third-party environmental, social and governance (ESG) ratings and rankings.



Our Position and Policies in Relation to Climate and Nature

At Teck, our Code of Sustainable Conduct outlines our commitment to sustainable development. It describes how we integrate biodiversity considerations through all stages of business and production activities.

It also outlines our commitment to continually improve our environmental practices and ensure they are fully integrated into each of our activities. Teck's Sustainability Standards outline the framework for the identification and effective management of sustainability risks and opportunities, including those related to biodiversity and closure, and define a process for continual improvement.

Teck Sustainability-Related Policies

Teck has adopted the following Board-approved policies, which are reviewed on a regular basis:

- Code of Sustainable Conduct
- Health and Safety Policy
- Human Rights Policy
- Indigenous Peoples Policy
- Equity, Diversity and Inclusion Policy
- Climate Change Policy
- Water Policy
- Tailings Management Policy
- Political Donations Policy



Our Approach to Lobbying

With respect to climate change and nature-related government policies and regulations, we engage directly with governments and indirectly through industry associations. Members of Teck's Communications and Government Affairs lead our direct engagements with policymakers on the issues of climate change and nature. We regularly review our engagements to ensure that we take a position consistent with our climate change and environment policies, and with our commitments to the objectives of the Paris Agreement and the Kunming-Montreal Global Biodiversity Framework (GBF).

Teck is committed to respecting and observing all human rights, as articulated in the:

- Universal Declaration of Human Rights
- United Nations (UN) Guiding Principles on Business and Human Rights
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises

We engage policymakers in all jurisdictions in which we operate and/or have major projects, as well as other jurisdictions through our membership in various industry associations, such as the International Council on Mining and Metals (ICMM) and the Mining Association of Canada (MAC). We believe it is important to engage with industry associations to advance research, share best practices and exert a positive influence across the extractive sector and beyond.

We recognize that stakeholders expect strong governance and transparency as they pertain to the climate and nature lobbying positions of the membership organizations of which Teck is a member (disclosed on [our website](#)). We review industry association positions on climate change and nature, and advocate for their alignment with the Paris Agreement and the GBF. The ICMM, MAC and the Mining Association of British Columbia are the trade associations that have the most engagement on climate action, with the ICMM and MAC having the most engagement on nature. Teck has been directly involved with all three associations in establishing positions on climate policy, and with ICMM and MAC in establishing positions on nature policy. All three associations have Paris-aligned positions; the ICMM and MAC have explicit statements on the matter on their respective websites. Our climate advocacy and industry collaborations were published in our [Industry Associations Review](#), which reviews our industry's climate change positions and actions. In January 2024, the ICMM released a [nature position statement](#), to which Teck as a member is committed.

There can be a wide range of views within the membership of each association and, as members, we may not always agree with every position or approach. This is especially the case when the association's membership is large and the mandate is broad, covering a wide range of issues. This diversity of perspectives creates a rich and full debate. When disagreement arises, Teck may provide greater clarity on our own positions and activities with policymakers, work with the association to understand alternative points of view and to seek common ground for progress, consider our ability to influence policies or perspectives of the organization or, ultimately, consider whether to continue participating in the association.

We are also active in the World Economic Forum's (WEF) Champions for Nature, a CEO- and Minister-level leadership group that includes public and private sectors, civil society, academia and activism. The Champions for Nature community supports the nature positive transition by raising ambition, influencing narrative and fostering partnerships. We are also a signatory to Business for Nature's (BfN) [Call to Action](#) calling on governments to adopt policies now to reverse nature loss in this decade, and have contributed our nature strategy to BfN's [It's Now for Nature](#) campaign.

Our Position on Carbon Pricing Policies

As a producer that exports virtually all of its output and competes internationally as a price-taker in commodity markets, Teck bears all carbon costs associated with the production and transportation of our products in jurisdictions where carbon pricing exists, with no ability to pass them on to our customers.

We believe that broad-based pricing of carbon is one of the most effective ways to incentivize real reductions in GHG emissions by ensuring that all emitters contribute to the solution. We advocate for carbon pricing policies that incentivize and enable emissions reductions while maintaining the global competitiveness of trade-exposed industries to prevent carbon leakage. Carbon leakage occurs when GHG emissions move from one jurisdiction to another as a result of differences in carbon prices. If a lower-carbon mine in one jurisdiction shuts down as a consequence of its higher carbon costs while a higher-carbon mine elsewhere continues to operate to meet global commodity demand, the result may be a net increase in global GHG emissions.

A specific solution we support is an output-based allocation system, where the amount of carbon tax paid is influenced by the risks of carbon leakage to a specific sector and the carbon performance of a facility relative to its peers. We believe that this approach helps to level the playing field with competitors in jurisdictions with no or lower carbon prices, and can act as an interim measure that can enable a coordinated global response to GHG reductions while reducing the potential for unintended consequences (i.e., carbon leakage).

As more jurisdictions adopt carbon pricing as part of a coordinated global response to climate change, the need for such tools will diminish. We continue to advocate for carbon pricing policies that maintain the global competitiveness of trade-exposed industries to prevent carbon leakage.

Carbon Costs Impacts and Management at Teck

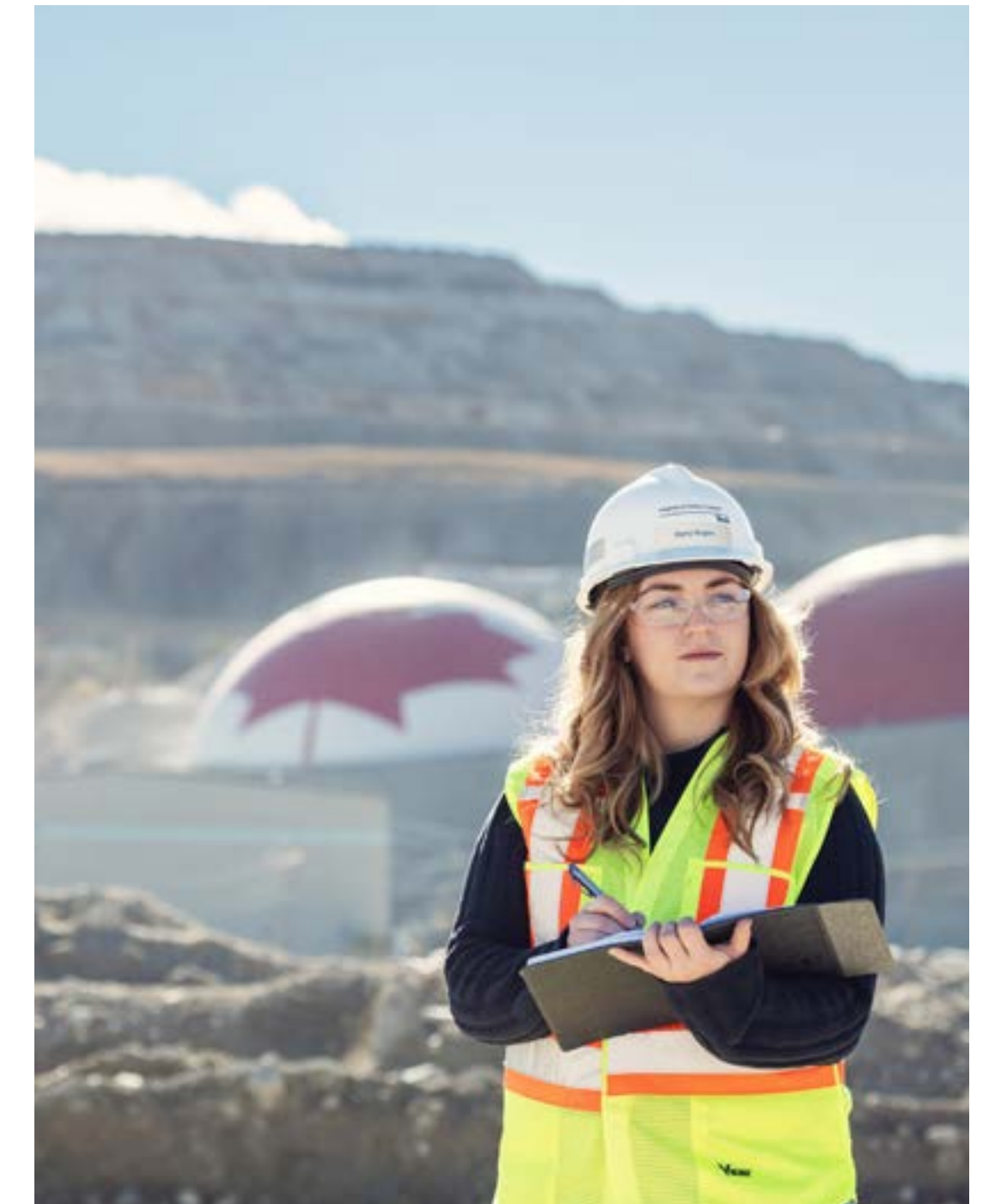
With over a decade of experience managing carbon pricing policies and strong carbon performance, we are better positioned to minimize future carbon cost increases than our peers.

In 2023, 38% of our Scope 1 and 2 emissions¹⁰ were covered by a carbon price. We continue to see a trend among governments to pursue climate change policies. Some of the most significant action has taken place in Canada, which has some of the highest carbon prices in the world and is where our Highland Valley Copper and Trail operations are located. Industrial carbon pricing has been in place since 2008 and currently sits a price of CDN \$80 per tonne of CO₂. For 2023, our Highland Valley Copper and Trail operations, including the transportation of our products by rail, incurred \$28.6 million in British Columbia provincial carbon tax. As a result of the CleanBC Program for Industry, we received back \$7.5 million of the \$21.2 million we paid under the provincial carbon tax in 2022, and we expect to receive a similar portion of our 2023 carbon tax payments back in 2024. On April 1, 2024, Province of British Columbia transitioned the regulation of industrial facility GHG emissions from the *Carbon Tax Act* to an Output-Based Pricing System (OBPS).

While there is uncertainty in forecasting potential future financial implications of carbon costs or potential changes to carbon pricing regimes, we assume that carbon prices will be increasingly adopted around the globe and will increase over time. Where a clear and certain carbon price is present, we incorporate that price and any legislated changes to the price in our assessment of investment opportunities. Where uncertainty exists, we may conduct sensitivity analyses to better understand what our exposures and risks are under different carbon pricing and regulatory scenarios such as those described in this document for the three climate scenarios. Over time, we expect that the more widespread adoption of carbon pricing (e.g., carbon taxes) will also contribute to a more level playing field for companies like Teck that already pay carbon costs, improving our competitive position.

Our Position on Nature Policies

As part of our goal to contribute to a nature positive future by 2030, we seek to catalyze nature positive transformation across the global systems of which we are part. Among other measures, this includes working with host governments on halting and reversing nature loss by sharing learning and advocating for private sector action.



¹⁰ The 38% is in reference to 2023 data for Teck Metals operations over which we have operational control (i.e. Red Dog, Trail, Quebrada Blanca, Carmen de Andacollo, and Highland Valley Copper).

Engaging with Indigenous Peoples and Local Communities in Relation to Climate and Nature

As part of our commitment to sustainable development and responsible environmental stewardship, we engage with Indigenous Peoples, local communities and other affected stakeholders in the assessment and management of climate- and nature-related dependencies, impacts, risks and opportunities.



Our Commitments and Policies

Teck is committed to respect human rights as defined in the International Bill of Human Rights and the ILO Core Conventions, and to upholding this commitment across the company. We have also adopted the UN Guiding Principles Reporting Framework to report on how we respect human rights, and will use this framework to disclose our performance annually through our Sustainability Report. We apply the OECD Guidelines to inform our research on international best practices.

At Teck, we have established a code and policies specific to our engagement practices with respect to human rights and Indigenous Peoples:

- Teck’s Code of Sustainable Conduct outlines our commitment to continually improve our environmental and social practices, including community and Indigenous engagement practices, and enable full integration into each of our activities
- Teck’s Human Rights Policy commits to respecting and observing all human rights, and outlines our commitment to respecting the rights of our employees, contractors and workers in our supply chain as well as the

rights of members of communities where we are active; and the rights of others affected by our activities

- Teck’s Indigenous Peoples Policy affirms our commitment to respect the rights, cultures, interests and aspirations of Indigenous Peoples; the policy was developed with input and guidance from Indigenous Peoples in our local communities, as well as with leading local and international groups with expertise in Indigenous and mining policy

These commitments extend to Teck’s broader supply chain through our Expectations for Suppliers and Contractors.

Further information related to our commitments and management approach towards our impact on people can be found in [Our Approach to Human Rights](#), [Our Approach to Health and Safety](#), [Our Approach to Relationships with Communities](#), [Our Approach to Relationships with Indigenous Peoples](#), [Our Approach to Value Chain Management](#), and [Our Approach to Our People and Culture](#).

Teck recognizes and respects the rights, cultures, knowledge, interests and aspirations of Indigenous Peoples, and we are committed to building strong and lasting relationships. Our approach is guided by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the International Labour Organization Convention No. 169 on Indigenous and Tribal Peoples, among other external commitments.

We engage with Indigenous Peoples and work to achieve their free, prior and informed consent (FPIC) throughout all stages of the mining life cycle, and we support self-defined community goals. To initiate respectful and trust-based relationships as early as possible, Indigenous rights holders are invited to participate in consensus-seeking activities that occur from exploration through to closure. We aim to foresee potential impacts on Indigenous Peoples, by proactively seeking, and then integrating, the perspectives and direction of Indigenous Peoples into company decision-making.

Under our Social Performance Standard and Human Rights Due Diligence Procedure, all corporate and Teck-controlled sites, inclusive of business functions and contractor activities under the management control of Teck, must:

- Provide human rights training for designated personnel, security providers and suppliers
- Maintain mechanisms to receive reports of human rights-related issues and incidents

- Document, monitor and report human rights risks, impacts and incidents associated with our activities to site management, to relevant site personnel, and to corporate functions such as Legal and Social Performance
- Report quarterly to the Safety & Sustainability Committee of the Board when there is a significant change to human rights risks or impacts; reports related to potential human rights issues are immediately recorded, classified to determine reporting and investigation requirements, and assigned to appropriate parties with responsibility for investigation

All operations, major projects and exploration sites have implemented site-based feedback mechanisms that allow for the collection of, and responses to, grievances or feedback from community members. To track feedback and complaints from community members, we use a system that allows specific complaints to be identified as human rights issues, or as breaches of a commitment, or related to environmental, health and safety issues. A key function of this system is a specific workflow that allows sites to record and monitor activities related to a complaint, including remedies offered in response to the complaints. This process also enables our teams to ensure that the remedy efforts reflect the severity of the complaint.

Human Rights Due Diligence

Teck is focused on ensuring that human rights perspectives are integrated into our broader business practices, procedures and management systems (e.g., risk management, grievance mechanisms, tailings management). We identify and prioritize the most significant human rights risks to individuals so we can better focus our policies and programs that have the biggest effect on people impacted by our business activities.

Our due diligence process begins by undertaking human rights risk assessments (HRRAs) across our sites to identify, assess and prioritize any actual or potential human rights impacts, following guidance from the UNGPs and the OECD Guidelines for Multinational Enterprises. Our Human Rights Due Diligence Procedure establishes internal guidance to implement a consistent and effective approach to human rights due diligence across Teck. Throughout our due diligence processes, we engage and consult with stakeholders in an effort to understand and address the perspectives of affected communities of interest, and to keep them informed of our management practices and human rights performance.

Teck undertakes HHRAs every five years in low-risk jurisdictions and every three years in high-risk jurisdictions. HRRAs are conducted by independent, third-party collaborators with deep human rights expertise who have ensured the engagement includes vulnerable and marginalized groups. The results of these assessments

are used to review and update salient human rights policies, procedures and impacts at Teck and to prioritize the most significant human rights risks to individuals and groups throughout our value chain so we can better focus our policies and programs that have the biggest impact on people affected by our business activities. Our HRRAs include the identification and assessment of cumulative impacts and those specifically related to climate change, water access, water quality, and air quality. The right to live in a clean, healthy and sustainable environment and the right to clean water and sanitation, have been identified as salient human rights risks.

When identified and assessed, recommendations on Teck's current management of human rights risks are incorporated into site risk management plans. Operations are also internally audited to ensure that they are assessing risks and implementing controls to mitigate risks and, if an impact occurs, that they are engaged in meaningful and timely remediation.

We conduct ongoing due diligence on actual or potential adverse human rights impacts that may be associated with Teck activities. Our reporting aligns with the UNGP Reporting Framework in providing information on how our activities may affect human rights, and how we identify and mitigate those risks.



RISK AND IMPACT MANAGEMENT



Identification and Management of Climate- and Nature-Related Risks and Opportunities

Our Risk Management (RM) framework provides a consistent approach to identify, assess and manage material risks and opportunities. Teck's Risk Management Policy acts as the overarching policy that sets out our commitment to maintaining a robust risk framework to support the effective and efficient management of risk. Teck's Risk Management Standard defines minimum mandatory requirements by which risks are identified, assessed, treated, monitored and communicated.

Climate- and Nature-Related Impact and Risk Identification

The risks and impacts associated with our business are multi-faceted and require effective collaboration among operations, projects, corporate functions and external stakeholders. Teck's RM framework combines top-down and bottom-up risk management practices. Within the bottom-up and top-down approaches, climate- and nature-related risks are identified, assessed, monitored and communicated.

With respect to top-down risk identification, in 2024, Teck identified a list of 14 principal risks to the organization, including two specific to climate- and nature-related risks. The principal risks were determined by Teck's executive leadership team and Board and facilitated by the corporate enterprise risk team. Annually, the head of enterprise risk holds a workshop with the Board to update the principal risks. As part of this process, emerging risks are also discussed to assess the potential impact on the organization. Our use of scenario analysis, as discussed in this report, is another top-down risk identification tool that is able to inform our corporate strategy and manage climate- and nature-related climate risks.

With respect to bottom-up risk identification, Teck uses a process where, at the most granular level, operational sites, projects, corporate functions, and exploration prepare risk registers that identify risks they are accountable for. These registers are updated biannually; as part of this process climate- and nature-related risks are identified by the relevant area.

Risks and opportunities are characterized using standardized terminology and classifications. This allows for the integration and comparability of risks and opportunities that are related to climate change and nature with those that are not. It also provides the ability to determine which risks and opportunities could have a material financial impact on the organization. Risks are prioritized and aggregated based on risk impact materiality as part of Teck's broader risk management process. The risks with the highest risk magnitude are communicated on a quarterly basis at the executive leadership team performance meetings. In these meetings, risks are reviewed for rankings, treatment plans, and changes.

Complementing the site risk register process, Teck also has a detailed and focused approach to the identification of nature-related impacts and risks used in the formulation and updating of biodiversity management plans (BMP).

Each site — or a regional aggregate of early stage exploration projects or legacy properties — develops a BMP that identifies the actual, expected and potential impacts of the site on all ecosystem and biodiversity elements (EBEs) in all relevant realms (terrestrial, fresh water, marine and atmospheric). The site then quantifies the magnitude of impacts on EBEs against the established site baseline(s) using standard metrics, models and tools that reflect viability or function as appropriate to the EBE for which they are designed. These metrics are outlined in the Metrics and Targets section. Next, the site performs a risk assessment on the identified impacts, including environmental, legal (e.g. existing and emerging policy changes and regulatory requirements), reputational, and community risks. Developing, implementing and updating BMPs involves engagement with communities of interest at each step. BMPs and consequently the detailed assessments are updated every five years, or more frequently if appropriate.





Climate- and Nature-Related Impact and Risk Management

The management of climate- and nature-related risks is integrated within Teck's RM framework. Once risks have been identified and assessed, accountability is assigned to the appropriate risk practitioners to facilitate and coordinate application of the risk management process within their function or operation, and to embed risk management into the public disclosure and reporting process and into business planning and capital allocation. For each identified risk, a risk owner is identified and provides oversight of the risk, including responsibility for ensuring that the risk process is applied, appropriate risk management, and identifying the control owners for each critical control along with the verification practices. Control owners ensure that controls have specific design, operating, monitoring and verification criteria. They also confirm that controls operate as designed by monitoring their effectiveness over time.

In this process, Teck draws on input from subject matter experts to identify, quantify, forecast and manage exposure to nature- and climate-related risks. At the operational, and project level, and sometimes at the functional level, the appropriate subject matter experts (i.e., biodiversity, water, tailings, environmental performance or climate change team) will be consulted to inform the risk management process.

To ensure that the organization has robust knowledge on climate change and nature, the management of climate- and nature-related issues at the corporate level is led and supported by the department managed by Teck's Executive Vice President and Chief Legal and Sustainability Officer, who reports directly to the CEO. This department is responsible for developing and either facilitating or executing both the assessment and management of climate-related risks and opportunities; individual and department compensation can be tied to these management practices. Accountabilities for these actions are embedded within the job descriptions and performance evaluations of responsible personnel, including the Chief Sustainability Officer, Vice President, Environment; the Head of Nature and Closure, the Director, Water; and the Director, Climate Change — all of whom have subject matter expertise on climate- and nature-related issues.

Spotlight on Risk Management Practices for Nature

Teck's process for managing nature-related dependencies, impacts, risks and opportunities follows the biodiversity mitigation hierarchy and is aimed at reducing risk and working towards achieving NPI within site-specific timeframes. Mitigations are designed to:

- Comply with applicable regulatory requirements
- Consider avoidance measures for EBEs, particularly those for which the site's actual and potential inherent impacts create high or extreme risks to their viability, with documentation of areas avoided and options considered where unavoidable
- Implement and document other types of best practice risk mitigation and management actions to minimize the negative impacts from site activities to reduce any high or extreme risks to the viability of EBEs to low or moderate levels
- Implement appropriate rehabilitation practices and monitoring programs that support adaptive management and include milestones and corrective actions
- Seek to implement biodiversity offsets for impacted EBEs for which NPI cannot be achieved solely through on-site rehabilitation on the timelines required and develop and implement offset monitoring programs that support verification and adaptive management, including milestones and corrective actions

METRICS AND TARGETS



Metrics to Assess and Manage Climate-Related Risks and Opportunities

Teck uses metrics to track performance against key risks and opportunities for the organization as they relate to climate and nature. For significant risks and opportunities, we may also use targets to guide our actions and to reduce risks or maximize opportunities.

Teck follows The Greenhouse Gas Protocol’s *A Corporate Accounting and Reporting Standard (revised edition)* when quantifying GHG emissions for our operations. Details pertaining to our quantification methodologies can be found in our *Scope 1, 2 and 3 Emissions Calculation Methodology Report*, posted on our website. GHG emissions reporting below has been completed using an operational control approach to reporting.

All historical GHG emissions values have been restated in the context of the sale of Teck’s steelmaking coal assets and reflect historical emissions from metals sites only.

Table 5 – GHG Emissions (kilotonnes CO₂e) ^{(1),(2),(3),(4),(5)}

	2023	2022	2021	2020
Scope 1	863	763	841	836
Scope 2 (Market-Based)	611	119	71	185
Scope 2 (Location-Based)	318	210	287	280
Total Scope 1 + Scope 2 (Market-Based)	1,474	881	912	1,021
Scope 3	3,400	2,490		

(1) Scope 1 (Direct) Greenhouse Gas Emissions: Emissions that occur from energy sources that are owned or controlled by the company.
 (2) Scope 2 (Indirect) Greenhouse Gas Emissions: Emissions that occur from the generation of purchased electricity consumed by the company. Scope 2 emissions physically occur at the facility where electricity is generated.
 (3) Scope 3 emissions are other emissions that arise from sources owned or controlled by other entities within our value chain.
 (4) Emissions are stated on a CO₂e basis, which is inclusive of CO₂, CH₄, N₂O, PFCs, SF₆, and NF₃ as appropriate.
 (5) Teck completed a more detailed Scope 3 inventory for the first time for 2022 data. While Teck had provided estimates prior to 2022, the methodology and inventories were not of a comparable quality and have been omitted here.



Table 6 – Scope 1 and 2 GHG Emissions by Commodity (kilotonnes CO₂e)^{(1),(2),(3),(4)}

Commodity		2023	2022	2021	2020
Copper	Scope 1	313	246	244	237
	Scope 2 (Market-Based)	609	110	55	184
	Total Scope 1 + Scope 2 (Market-Based)	922	355	299	421
Zinc	Scope 1	551	517	597	600
	Scope 2 (Market-Based)	2	9	16	1
	Total Scope 1 + Scope 2 (Market-Based)	552	526	613	601

(1) Scope 1 (Direct) Greenhouse Gas Emissions: Emissions that occur from energy sources that are owned or controlled by the company.
(2) Scope 2 (Indirect) Greenhouse Gas Emissions: Emissions that occur from the generation of purchased electricity consumed by the company. Scope 2 emissions physically occur at the facility where electricity is generated.
(3) Scope 3 emissions are other emissions that arise from sources owned or controlled by other entities within our value chain.
(4) Emissions are stated on a CO₂e basis, which is inclusive of CO₂, CH₄, N₂O, PFCs, SF₆ and NF₃ as appropriate.

Table 7 – Scope 1 and 2 GHG Emissions by Country (kilotonnes CO₂e)^{(1),(2),(3)}

Country		2023	2022	2021	2020
Canada	Scope 1	557	505	590	594
	Scope 2 (Market-Based)	15	22	30	13
	Total Scope 1 + Scope 2 (Market-Based)	572	527	619	607
USA	Scope 1	178	181	180	170
	Scope 2 (Market-Based)	0	0	0	0
	Total Scope 1 + Scope 2 (Market-Based)	178	181	180	170
Chile	Scope 1	129	78	71	72
	Scope 2 (Market-Based)	596	96	41	172
	Total Scope 1 + Scope 2 (Market-Based)	725	174	113	244

(1) Scope 1 (Direct) Greenhouse Gas Emissions: Emissions that occur from energy sources that are owned or controlled by the company.
(2) Scope 2 (Indirect) Greenhouse Gas Emissions: Emissions that occur from the generation of purchased electricity consumed by the company. Scope 2 emissions physically occur at the facility where electricity is generated.
(3) Emissions are stated on a CO₂e basis, which is inclusive of CO₂, CH₄, N₂O, PFCs, SF₆ and NF₃ as appropriate.

Table 8 – Scope 1 and 2 GHG Emissions by Fuel Type (kilotonnes CO₂e)

Fuel Type	2023	2022	2021	2020
Diesel	453	385	379	357
Gasoline	4	4	4	4
Coal	222	191	257	265
Natural Gas	105	98	94	92
Coke	27	30	43	47
Other	53	54	65	72
Electricity	611	119	71	185
Total	1,474	881	912	1,021

Table 9 – Scope 1 and 2 Emissions Intensity by Product (tonne CO₂e per tonne production)^{(1),(2),(3)}

Product	2023	2022	2021	2020
Carbon Intensity for Copper Production	4.59	2.11	1.6	2.21
Carbon Intensity for Zinc and Lead Production	0.57	0.56	0.64	0.62
Teck Carbon Intensity on a Copper Equivalent Production Basis: 3-year Trailing Average	3.1	1.9	1.9	2.0
Teck Carbon Intensity on a Copper Equivalent Production Basis: 2018–2020 Average Pricing	2.8	1.8	1.8	2.0

(1) Carbon intensity includes Scope 1 and Scope 2 emissions.
(2) Only the primary commodities we report on – i.e., copper and zinc – from Teck-operated mines are included within the equivalency calculation. Lead has been excluded. Carbon equivalency was calculated by using a 3-year commodity price average, using prices reported in our previous annual reports.
(3) Carbon intensity on a copper equivalent basis is presented in two manners. The 3-year trailing average reflects our historical reporting practice and includes different commodity prices to convert each year's performance. For example, the 2022 value in the 3-year trailing average would use 2022–2020 pricing.

Metrics to Assess and Manage Material Nature-Related Impacts, Dependencies, Risks and Opportunities

As this is our first year of reporting on the TNFD metrics, we are providing the information that is available at this time. We expect to expand the information that we are able to disclose in future reports.

Table 10 – C1.0 Total Spatial Footprint⁽¹⁾

Metric	2023
Total surface area controlled/managed by Teck (ha)	26,808
Total disturbed area (ha)	25,899
Total rehabilitated/restored area (ha)	1,511

⁽¹⁾ Note that this data applies to our active operations and sites in active closure, but does not include exploration, early stage projects or post-closure sites.

Table 11 – C1.1 Extent of Land/Freshwater-Use Change by Ecosystem

Site	Ecosystem	Extent of use change (total ha)
Carmen de Andacollo Operations	Zonal Scrub (Matorral)	1,254.7
	Ravine Scrub (Matorral de quebradas)	31.5
	Total	1,286.2
Duck Pond mine (site in active closure)	Balsam Fir/Black Spruce Forest (Early-Mid)	103.1
	Balsam Fir/Black Spruce Forest (Mature)	98.9
	Balsam Fir/Black Spruce Forest (Old)	43.4
	Balsam Fir/Black Spruce Forest (Very Old)	0.3
	White Birch Forest (Mature)	0.5
	White Birch Forest (Old)	3.1
	Scrub (Early-Mid)	40.9
	River (Early-Mid)	3.3
	Waterbody (Early-Mid)	44.5
	Wetland (Early-Mid)	29.9
	Total	393.8

Table 11 – continued

Site	Ecosystem	Extent of use change (total ha)
Highland Valley Copper Operations	Douglas fir dry forest	3,128
	Rock outcrop	181
	Lodgepole pine dry forest	2,281
	Douglas fir ponderosa pine very dry forest	147.2
	Spruce wet forest	202.2
	Grassland	293
	Water – lake	75
	Wetland	341
	Total	9,190.6
Pend Oreille mine (site in active closure)	Douglas-fir Middle Rocky Mountain Mesic-Wet Forest Alliance (Late Seral)	11
	Grand Fir – Douglas-fir Central Rocky Mountain Forest & Woodland Alliance (Late Seral)	22.8
	Western Hemlock – Western Red-cedar Cool-Mesic Forest Alliance (Late Seral)	138.8
	Western Hemlock – Western Red-cedar Warm-Mesic Forest & Woodland Alliance (Late Seral)	1.6
	Forested Riparian and Wetland Vegetation (Early-Mid Seral)	6.1
	Non-forested Riparian and Wetland vegetation	1.0
	Total	181.3
	Quebrada Blanca Operations	Azonal vegetation (associated with wetlands)
Azonal vegetation (not associated with wetlands)		3,582.5
Coastal desert/Tillandsia		489.9
Total		4,096.0

Table 11 – continued

Site	Ecosystem	Extent of use change (total ha)
Red Dog Operations	Alpine Acidic Barrens	221.0
	Alpine Dryas Dwarf Shrub	49.5
	Alpine Ericaceous Dwarf Shrub	51.8
	Coastal Barrens	0.2
	Coastal Dunegrass Meadow	0.3
	Coastal Water	0.3
	Lowland Lake	0.7
	Lowland Sedge Fen	97.4
	Riverine Alder or Willow Tall Shrub	2.9
	Riverine Barrens	2.4
	Riverine Water	0.3
	Riverine Willow Low Shrub	77.9
	Upland Alder-Willow Tall Shrub	3.6
	Upland Birch-Ericaceous-Willow Low Shrub	683.8
	Upland Dwarf Birch-Tussock Shrub	1,136.4
	Upland Sedge-Dryas Meadow	67.7
Upland Willow Low Shrub	323.8	
Total	2720.0	

Table 11 – continued

Site	Ecosystem	Extent of use change (total ha)
Trail Operations	Dry Forest Young	1,297.3
	Dry Forest Mature	380.5
	Dry Forest Old	1,608
	Exposed Soil	8.1
	Flood ecosystem	5.3
	Mesic Forest Young	1,290.7
	Mesic Forest Mature	332.2
	Mesic Forest Old	1,597.9
	Rock/Sparsely Vegetated	426.2
	Wet Forest Young	58.9
	Wet Forest Mature	18.8
	Wet Forest Old	66.1
	Wetland	5.6
	Floodbench – listed	8.4
	Grassland Brushland – listed	362.6
	Wetland Meadow – rare	11.6
	Very Dry Forest young – rare	214.6
	Very Dry Forest Mature – rare	48.7
	Very Dry Forest Old – rare	289.9
	Total	8,031.5

Table 12 – C2.1 Wastewater discharged: Site-Level Water Discharge by Quality and Destination in Megalitres (ML) ^{(1),(2)} – 2023

	Teck		Milling & Flotation				Heap Leach		Smelting			
	High Quality ⁽⁷⁾	Low Quality ⁽⁸⁾	HVC		RDO		Water Stressed ⁽⁹⁾		Trail			
			High Quality ⁽⁷⁾	Low Quality ⁽⁸⁾	High Quality ⁽⁷⁾	Low Quality ⁽⁸⁾	High Quality ⁽⁷⁾	Low Quality ⁽⁸⁾	High Quality ⁽⁷⁾	Low Quality ⁽⁸⁾		
Discharge to surface water ⁽³⁾	80,183	0	740	0	14,020	0	0	0	8	0	65,415	0
Discharge to groundwater ⁽⁴⁾	1,631	1,227	115	1,133	0	0	1,015	0	502	95	0	0
Discharge to seawater ⁽⁵⁾	106	15,221	0	0	106	31	0	0	0	15,191	0	0
Discharge to third-party ⁽⁶⁾	1,469	455	0	0	0	0	1,024	0	0	0	445	445

* Duck Pond is not included as the volume of water discharged.

(1) GRI 303-4: Water discharge.

(2) Water withdrawal is water that enters the operational water system and is used to supply the operational water demands. It was previously called 'water withdrawal for use' or 'new water use'.

(3) Surface water includes water from precipitation and runoff that is not diverted around the operation, and water inputs from surface waterbodies that may or may not be within the boundaries of our operations.

(4) Groundwater is 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.

(5) Seawater includes water obtained from a sea or ocean.

(6) Third-party water is water supplied by an entity external to the operation, such as from a municipality. We do not use wastewater from other organizations.

(7) High-Quality Water: Water that has a high socio-environmental value with multiple beneficial uses (e.g., potable, agricultural, recreational, amenity) and that may require minimal to moderate level of treatment to meet appropriate drinking water standards.

(8) Low-Quality Water: Water that has lower socio-environmental value with lower potential for multiple beneficial uses, excluding adapted ecosystems (e.g., industrial, wastewater and seawater), and that would require significant treatment to raise quality to appropriate drinking water standards.

(9) Water stress: Water-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 25%. Water Risk Atlas was used to assess water stress.

Table 13 – C3.0 Site-Level Water Withdrawal from Areas of Scarcity by Quality and Source in Megalitres (ML) ^{(1),(2)} – 2023

	Mining and Flotation		Heap Leach	
	High Quality ⁽⁷⁾	Low Quality ⁽⁸⁾	QB	
			High Quality ⁽⁷⁾	Low Quality ⁽⁸⁾
Withdrawal from surface water ⁽³⁾	113	0	355	0
Withdrawal from groundwater ⁽⁴⁾	8,367	0	1,150	76
Withdrawal from seawater ⁽⁵⁾	0	0	0	26,596
Withdrawal from third-party ⁽⁶⁾	0	0	0	0

(1) GRI 303-3: Water withdrawal.

(2) Water withdrawal is water that enters the operational water system and is used to supply the operational water demands. It was previously called 'water withdrawal for use' or 'new water use'.

(3) Surface water includes water from precipitation and runoff that is not diverted around the operation, and water inputs from surface waterbodies that may or may not be within the boundaries of our operations.

(4) Groundwater is 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.

(5) Seawater includes water obtained from a sea or ocean.

(6) Third-party water is water supplied by an entity external to the operation, such as from a municipality. We do not use wastewater from other organizations.

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(8) Low-Quality Water: Water that has lower socio-environmental value with lower potential for multiple beneficial uses, excluding adapted ecosystems (e.g., industrial, wastewater and seawater), and that would require significant treatment to raise quality to appropriate drinking water standards.

(9) Water stress: Water-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 25%. Water Risk Atlas was used to assess water stress.

C5.0 State of Nature

Teck sites account for their past and anticipated impacts to EBEs using metrics that are appropriate to each element. Ecosystem mapping is the first step used to identify ecological conditions at a site and is obtained from jurisdictional-level datasets if these exist. For natural habitats, impacts are then measured with metrics that account for both the area and the quality of habitat, with quality being assessed against reference or benchmark samples of the intact habitat type. Frameworks to assess quality can be simple, relying on expert opinion to assign habitat polygons to broad categories of quality, or preferably, are more objective measures that account for variables such as composition, structure, function, and landscape importance. We use a sampling-based loss-gain quantitative framework to measure vegetation quality for native, disturbed and reclaimed vegetation (VQA). This is an accounting framework for tracking losses and gains across entire landscapes and estimating when a net positive impact (NPI) has been achieved. VQA has been developed over a decade and builds upon previous approaches including Habitat Hectares (Parkes & Newell, 2003); Biometric (Gibbons et al., 2008); Biocondition (Eyre et al., 2011); and Quality Hectares (Rio Tinto; Temple et al. 2012). It has been tested in the field at Teck sites and with our communities of interest since 2016, with iterative refinement since that time. A peer-reviewed journal

article on VQA was published in Ecological Indicators, Vol. 158, January 2024, 111510 (Boyle et al., 2024).

Impacts to key populations, species, and ecosystem services are calculated using habitat as a surrogate for the number of individuals of these elements. Habitat surrogates may be general measures of vegetation types, or they may be tailored measures that interpret the quality of vegetation and its distribution on the landscape with respect to the needs of the species or ecosystem service in question. We often use Habitat Suitability Indices (HSI) to account for impacts to fish and terrestrial vertebrate populations. Validation based on empirical data is key to strengthening these models over time. We apply HSI models to the pre-mine baseline and to the projected closed mine footprint, allowing quantification of residual impacts.

There are some EBEs for which measures of quantity and quality of habitat are not a good proxy for a site's impacts. For example, this would be the case for a critically endangered species that was not limited by habitat, but rather by some other factor such as disease or predation. In these cases, there is no substitute for measuring the element directly. It is important that the metrics chosen in those circumstances are acceptable to regulators and supported by the site's other communities of interest.

About this Report

In 2018, building on more than a decade of public reporting on sustainability and climate change issues, we completed our first report aimed at aligning with the disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In 2019 and 2021, we released our second and third reports with updated scenario analyses, including an analysis of a 1.5°C scenario. This year, for the first time, we have incorporated the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) to provide a single, integrated report covering both climate and nature-related implications for our business.

Materials in this report reflect updates since our last Climate Change Outlook Report, released in 2021.

Other Reports

The 2024 Climate Change and Nature Report is part of Teck's reporting suite, available on our website at [teck.com](https://www.teck.com), which includes:

Annual Report

Management's discussion and analysis and audited consolidated financial statements

Sustainability Report

Disclosure of our management and performance against material ESG topics

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



APPENDICES



Cautionary Statement 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”). All statements other than statements of historical fact are forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of Teck to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Some forward-looking statements may be identified by words like “expect”, “anticipate”, “plan”, “estimate”, “potential”, “may”, “will”, “should”, “believe”, “focus” and similar expressions. Forward-looking statements in this document include, but are not limited to, statements, expectations and assumptions relating to: opportunities related to advancing decarbonization, accelerating of the energy transition, and enhancing the social and economic well-being of the communities in which we operate; integration of nature and climate considerations into our strategy; doubling our consolidated copper production; our climate strategy and goals, including but not limited to our long-term ambition to become a carbon-neutral operator by 2050, and our 2025 and 2030 goals, as well as the effectiveness of the plans and implementation of steps to achieve those goals; our nature positive strategy and goals, including our commitment to conserve and rehabilitate at least three hectares for every one hectare disturbed; our commitments to climate action and our climate change strategy framework, and the expectation that those will help achieve our climate strategy and goals; increasing the resilience of our operations by incorporating climate and nature scenarios into our strategy, projects and operations, including project design and mine closure planning; our ability to establish and potential benefits of the North Pacific Green Corridor; our ability to incorporate nature and climate considerations into our business decisions and expected benefits therefrom, including financial and competitive benefits, fostering community relationships, and enhancing long-term

business stability; our ability to identify and evaluate nature- and climate-related risks and establish effective plans to mitigate risks and take advantage of opportunities; our ability to assess climate-related risks and impacts on our projects, operations and ecosystems; timeline for the emergence of climate- and nature-related risks and impacts; our assessment that the potential benefits of climate and nature impacts on our financial performance in the upside scenario are likely to be greater than the potential downside risks in the low case scenario, including related assumptions; the market demand for our products and the expected impact of the energy transition and the related timelines; our ability to achieve and maintain our copper production targets, including permitting, development, construction and operation of our operations and copper growth projects in accordance with our expectations; our ability to achieve and maintain third-party certifications related to our performance; our ability to maintain the conditions required to achieve zinc production in line with our low carbon zinc assertion; availability and cost of necessary technology to achieve climate related goals; our ability to reduce negative impacts and increase positive impacts on nature; ability to implement and maintain biodiversity management plans and achieve expected benefits; availability of affordable offsets of an acceptable quality; ability to achieve and maintain legal protections for offsets; effectiveness of our monitoring and compliance programs; outcome of research, development and pilot programs; ability to realize climate- and nature-related opportunities and reduce related risks in our value and logistics chains, including reducing emissions; effectiveness of stakeholder engagement and our ability to achieve and maintain free, prior and informed consent; effectiveness of human rights risk assessments and related grievance and risk mitigation mechanisms; effectiveness of climate- and nature-related risk management practices; ability to maintain water access and reduce water use in our operations; ability to increase water treatment, storage and discharge capacity; our ability to accurately measure our performance against established metrics and meet and

performance targets; all other expectations and projects regarding our operations and projects, including but not limited to, operating costs, mine life, annual production, potential for further growth; use of renewable sources of power at our projects and operations and reduction of our carbon intensity as we achieve our renewable energy targets; projected carbon- and nature-related costs and implications for Teck and our commodities in respect of the climate- and nature-related scenarios described in this document; all other guidance and statements in this report that are not historical facts.

The forward-looking statements in this report are based on current estimates, projections, beliefs, estimates and assumptions, although it is inherently difficult to predict the consequences of climate change and impact it may have on Teck. Assumptions in this report include, but are not limited to, those described elsewhere in this report as well as assumptions concerning: the development and performance of technology; future climate- and nature-related scenarios; our ability to implement and achieve the goals of our strategy; our ability to achieve our climate- and nature-related goals; the regulatory and social context in the jurisdictions where we operate; and the development and continued operations of our assets in accordance with our current plans. Further assumptions relating to the forward-looking statements in this document, including but not limited to those regarding our expectations for development or extension of our other assets, can be found in Teck’s 2023 Annual Information Form and subsequent quarterly reports and Management’s Discussion and Analysis available under Teck’s profile at www.sedarplus.ca and www.sec.gov.

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: actual climate-change consequences, including any increases in temperature, changes in availability or presence of water, increases in

extreme weather events; actual nature and biodiversity changes; changes in laws and governmental regulations or enforcement thereof or our ability to comply with existing laws and regulations; risks relating to the development and use of new technology or lack of appropriate technologies needed to advance our and others’ climate goals; risks associated with permitting and development of our properties; operational problems; regulatory action; costs of compliance with environmental and other laws and regulation; alternatives to our commodity products displacing our products; natural disasters and adverse weather conditions; changes in commodity prices; general business and economic conditions, and the future operation and financial performance of the company generally.

Certain of these risks, uncertainties, assumptions and other additional risk factors are described in more detail in Teck’s 2023 Annual Information Form and its subsequent Management’s Discussion and Analysis and other documents available at www.sedarplus.ca and in public filings with the United States Securities and Exchange Commission at www.sec.gov. The forward-looking statements in this document 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.

The scientific and technical information in this report relating to Teck’s material properties was prepared under the supervision of Rodrigo Marinho, P Geo, who is an employee of Teck Mr. Marinho is a qualified person, as defined under National Instrument 43-101.

TCFD Index

Governance	
Recommended disclosures	Where to Find our Disclosure
a. Describe the board’s oversight of climate-related risks and opportunities.	<p>2024 Climate Change and Nature Report</p> <ul style="list-style-type: none"> Governance: Board and Executive Leadership in Climate and Nature: p. 23-24 <p>2024 Management Proxy Circular</p> <ul style="list-style-type: none"> Report on the Safety & Sustainability Committee Risk Oversight <p>Please see the Public Filings Archive.</p> <p>Approach to Business and Sustainability</p> <ul style="list-style-type: none"> Board and Executive Leadership in Sustainability: p. 2 <p>Approach to Climate Change</p> <ul style="list-style-type: none"> Accountability and Resourcing: p. 1-2
b. Describe management’s role in assessing and managing climate-related risks and opportunities.	<p>2024 Climate Change and Nature Report</p> <ul style="list-style-type: none"> Governance: Board and Executive Leadership in Climate and Nature: p. 25

Strategy	
Recommended disclosures	Where to Find our Disclosure
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>2024 Climate Change and Nature Report</p> <ul style="list-style-type: none"> Climate and Nature Risks and Opportunities: p. 11-13 <p>2023 Annual Information Form</p> <ul style="list-style-type: none"> Carbon Pricing and Decarbonization: p. 62 Risk Factors: p. 68-94
b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	<p>2024 Climate and Nature Report</p> <ul style="list-style-type: none"> Climate and Nature Risks and Opportunities: p. 11-13 Anticipated Financial Effects of Climate and Nature: p. 13 <p>2023 Annual Report</p> <ul style="list-style-type: none"> Climate Change and Carbon Pricing: p. 46 <p>2023 Annual Information Form</p> <ul style="list-style-type: none"> Carbon Pricing and Decarbonization: p. 62 Risk Factors: p. 68-94
c. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>2024 Climate and Nature Report</p> <ul style="list-style-type: none"> * Climate and Nature Risks and Opportunities: p. 10-13 * Anticipated Financial Effects of Climate and Nature: p. 13

Risk Management	
Recommended disclosures	Where to Find our Disclosure
a. Describe the organization's processes for identifying and assessing climate-related risks.	2024 Climate Change and Nature Report • Risk Management: p. 31-32
b. Describe the organization's processes for managing climate-related risks.	
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and Targets	
Recommended disclosures	Where to Find our Disclosure
a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	2024 Climate Change and Nature Report • Reducing our Carbon Footprint: p. 15-17 • Metrics and Targets: p. 34-35 2023 Sustainability Report • Climate Change Chapter: p. 23-30 Sustainability Performance Data • Climate Change tab
b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	2024 Climate Change and Nature Report • Metrics and Targets: p. 34-35 2023 Sustainability Report • Climate Change Chapter: p. 23-30 Sustainability Performance Data • Climate Change tab
c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2024 Climate Change and Nature Report • Reducing our Carbon Footprint: p. 15-17 2024 Sustainability Report • Climate Change Chapter: p. 23-30



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Governance	
Recommended disclosures	Where to Find our Disclosure
a. Describe the board’s oversight of nature-related dependencies, impacts, risks and opportunities.	2024 Climate Change and Nature Report <ul style="list-style-type: none"> • Governance: Board and Executive Leadership in Climate and Nature: p. 23-24 2024 Management Proxy Circular <ul style="list-style-type: none"> • Report on the Safety & Sustainability Committee • Risk Oversight Please see the Public Filings Archive .
b. Describe management’s role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	2024 Climate Change and Nature Report <ul style="list-style-type: none"> • Governance: Board and Executive Leadership in Climate and Nature: p. 25
c. Describe the organization’s human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organization’s assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	2024 Climate Change and Nature Report <ul style="list-style-type: none"> • Governance: Board and Executive Leadership in Climate and Nature: p. 23-25 • Engaging with Indigenous Peoples and Local Communities in Relation to Climate and Nature: p. 28-29

Strategy	
Recommended disclosures	Where to Find our Disclosure
a. Describe the nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium and long term.	2024 Climate Change and Nature Report <ul style="list-style-type: none"> • Climate and Nature Risks and Opportunities: p. 11-13 • Dependencies, Impacts and Climate Trends: p. 7-9 2024 Annual Information Form <ul style="list-style-type: none"> • Risk Factors: p. 68-94
b. Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organization’s business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	2024 Climate Change and Nature Report <ul style="list-style-type: none"> • Climate and Nature Risks and Opportunities: p. 11-13 • Dependencies, Impacts and Climate Trends: p. 7-9 • Anticipated Financial Effects of Climate and Nature: p. 13
c. Describe the resilience of the organization’s strategy to nature-related risks and opportunities, taking into consideration different scenarios.	2024 Climate Change and Nature Report <ul style="list-style-type: none"> • Climate and Nature Risks and Opportunities: p. 11-13 • Dependencies, Impacts and Climate Trends: p. 7-9 • Anticipated Financial Effects of Climate and Nature: p. 13
d. Disclose the locations of assets and/or activities in the organization’s direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	2024 Climate Change and Nature Report <ul style="list-style-type: none"> • Priority Locations: p. 20

Risk Management	
Recommended disclosures	Where to Find our Disclosure
a (i). Describe the organization’s processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its direct operations.	2024 Climate Change and Nature Report • Risk Management: p. 31-32
b. Describe the organization’s processes for managing nature-related dependencies, impacts, risks and opportunities.	2024 Climate Change and Nature Report • Risk Management: p. 31-32
c. Describe how processes for identifying, assessing, prioritizing and monitoring nature-related risks are integrated into and inform the organization’s overall risk management processes.	2024 Climate Change and Nature Report • Risk Management: p. 31-32
Metrics and Targets	
Recommended disclosures	Where to Find our Disclosure
a. Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	2024 Climate Change and Nature Report • Metrics and Targets: p. 36-38 2023 Sustainability Report
b. Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature.	• Air Quality Chapter: p. 9-12 • Biodiversity and Closure Chapter: p. 13-15 • Water Stewardship: p. 36-41
c. Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	Sustainability Performance Data • Air Quality, Biodiversity, and Water Stewardship tabs



For More Information

More information on our approach to climate change and nature, our projects to reduce our emissions and impacts on biodiversity, and our annual GHG emissions and nature reporting is available at: www.teck.com/responsibility.

If you have any questions about this report, email us at sustainability@teck.com or contact:

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