UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

☐ **Registration statement pursuant to section 12 of the Securities Exchange Act of 1934**

or

☒ **Annual report pursuant to section 13(a) or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2022 Commission File Number 001-13184

TECK RESOURCES LIMITED

(Exact name of Registrant as specified in its charter)

(Translation of Registrant's name into English (if applicable))

Canada
(Province or other jurisdiction of incorporation or organization)

1400
(Primary Standard Industrial Classification Code Number (if applicable))

NOT APPLICABLE
(I.R.S. Employer Identification Number (if applicable))

Suite 3300 – 550 Burrard Street , Vancouver, British Columbia, V6C 0B3 Canada
(604) 699-4000
(Address and telephone number of Registrant's principal executive offices)

CT Corporation System, 28 Liberty St., New York, New York, 10005 (212) 894-8940
(Name, address (including zip code) and telephone number (including area code)
of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class B subordinate voting shares	TECK	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act.
None
Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.
3.900% Notes due 2030
6.125% Notes due 2035
6.000% Notes due 2040
6.25% Notes due 2041
5.200% Notes due 2042
5.400% Notes due 2043

(Title of Class)

For annual reports, indicate by check mark the information filed with this Form:

☒ Annual information form ☒ Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

7,765,503 Class A Common Shares and 505,953,600 Class B Subordinate Voting

Shares outstanding as of December 31, 2022.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Principal Documents

The following documents have been filed as part of this Annual Report on Form 40-F:

1. Annual Information Form of Teck Resources Limited for the year ended December 31, 2022.

2. Audited Consolidated Financial Statements of Teck Resources Limited for the year ended December 31, 2022, including the auditor's report with respect thereto.

3. Management's Discussion and Analysis for the year ended December 31, 2022.

Certifications and Disclosure Regarding Controls and Procedures

(a) Certifications. See Exhibits 31.1, 31.2, 32.1 and 32.2 to this Annual Report on Form 40-F.

(b) Disclosure Controls and Procedures. As of the end of the Registrant's fiscal year ended December 31, 2022, an evaluation of the effectiveness of the Registrant's "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) was carried out by the Registrant's management with the participation of the Registrant's principal executive officer and principal financial officer. Based upon that evaluation, the Registrant's principal executive officer and principal financial officer have concluded that as of the end of that fiscal year, the Registrant's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Registrant in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms and (ii) accumulated and communicated to the Registrant's management, including its principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

It should be noted that while the Registrant's principal executive officer and principal financial officer believe that the Registrant's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the Registrant's disclosure controls and procedures or internal control over financial reporting will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

(c) Management's Annual Report on Internal Control Over Financial Reporting. The required disclosure is included in the section entitled "Management's Report on Internal Control Over Financial Reporting" in the Registrant's Management's Discussion and Analysis for the fiscal year ended December 31, 2022, filed as part of this Annual Report on Form 40-F.

(d) Attestation Report of the Registered Public Accounting Firm. The required disclosure is included in the "Report of Independent Registered Public Accounting Firm" (PCAOB ID 271) that accompanies the Registrant's Consolidated Financial Statements for the fiscal year ended December 31, 2022, filed as part of this Annual Report on Form 40-F.

Notices Pursuant to Regulation BTR

Not applicable.

Audit Committee Financial Expert and Identification of Audit Committee

We have an Audit Committee established by the Board of Directors in accordance with Section 3(a)(58)(A) of the Exchange Act. The members of the Audit Committee are Mayank M. Ashar, Tracey L. McVicar, Una M. Power and Paul G. Schiodtz. The Board has designated Ms. Power as the "audit committee financial expert" as that term is defined in the Form 40-F. Ms. Power is "independent" as that term is defined by Rule 10A-3 of the Exchange Act and according to the New York Stock Exchange listing standards applicable to both foreign private issuers and domestic U.S. issuers.

Code of Ethics

We have adopted a code of ethics, revised as of November 17, 2021, that applies to our principal executive officer, principal financial officer and principal accounting officer or controller and persons performing similar functions. There have not been any amendments or waivers, including implicit waivers, from any provision of the code of ethics for any of those officers that occurred during the Registrant's most recently completed fiscal year.

Our code of ethics is posted on our website, www.teck.com.

Principal Accountant Fees and Services

The required disclosure is included in the section entitled "*Directors and Officers – Audit Committee Information – Auditor's Fees*" in the Registrant's Annual Information Form for the fiscal year ended December 31, 2022, filed as part of this Annual Report on Form 40-F.

The audit committee's pre-approval policies and procedures are described in the section entitled " *Directors and Officers – Audit Committee Information – Pre-Approval Policies and Procedures* " in the Registrant's Annual Information Form for the fiscal year ended December 31, 2022, filed as part of this Annual Report on Form 40-F.

In 2021 and 2022, the Registrant's audit committee did not approve any audit-related, tax or other services pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements required to be disclosed in this Annual Report on Form 40-F.

Undertaking and Consent to Service of Process

A. Undertaking

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

B. Consent to Service of Process

The Registrant has previously filed Forms F-X in connection with the classes of securities in relation to which the obligation to file this report arises.

Dodd-Frank Act Mine Safety and Health Administration Safety Disclosure

Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, issuers that are required to file reports under the United States Securities Exchange Act of 1934 and that is an operator, or that has a subsidiary that is an operator, of a coal or other mine are required to include in their periodic reports filed with the United States Securities and Exchange Commission certain information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities. The Registrant has reportable information under Section 1503(a) that is presented in Exhibit 95.1 to this report, which is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

Registrant:	**TECK RESOURCES LIMITED**
By (Signature and Title):	**/s/ Amanda Robinson** Name: Amanda Robinson Title: Corporate Secretary

Date: February 21, 2023

LIST OF EXHIBITS

23.1	Consent of Independent Registered Public Accounting Firm
23.2	Consent of Rodrigo Marinho, P. Geo.
23.3	Consent of Fernando Angeles Beron, P. Eng
23.4	Consent of Lucio Canchis, SME Registered Member
23.5	Consent of Jo-Anna Singleton, P. Geo
23.6	Consent of Carlos Aguirre, FAusIMM
23.7	Consent of Hernando Valdivia, FAusIMM
23.8	Consent of Cameron Feltin, P.Eng.
31.1	Certification of Jonathan H. Price, Chief Executive Officer, pursuant to Rule 13a-14(a) or 15d-14 of the Securities Exchange Act of 1934
31.2	Certification of Crystal J. Prystai, Chief Financial Officer, pursuant to Rule 13a-14(a) or 15d-14 of the Securities Exchange Act of 1934
32.1	Certification of Jonathan H. Price, Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Crystal J. Prystai, Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
95.1	Mandated mine safety and other regulatory matters
99.1	Annual Information Form for the fiscal year ended December 31, 202 2
99.2	Consolidated Financial Statements for the fiscal year ended December 31, 202 2, including the auditor's report with respect thereto
99.3	Management's Discussion and Analysis for the year ended December 31, 2022
101	Interactive Data File (formatted as Inline XBRL)
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in this Annual Report on Form 40-F for the year ended December 31, 2022 of Teck Resources Limited of our report dated February 18, 2023, relating to the consolidated financial statements, and the effectiveness of internal control over financial reporting, which appears in the Exhibit incorporated by reference in this Annual Report.

We also consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-205514, 333-170840, and 333-140184) of Teck Resources Limited of our report dated February 18, 2023 referred to above. We also consent to reference to us under the heading "Interests of Experts," which appears in the Annual Information Form included in the Exhibit incorporated by reference in this Annual Report on Form 40-F, which is incorporated by reference in such Registration Statements.

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
Canada
February 18, 2023

Exhibit 23.2

CONSENT OF GEOLOGIST

I hereby consent to references to my name under the heading “Description of the Business — Mineral Reserves and Resources” and all other references to my name included or incorporated by reference in: (i) Teck Resources Limited’s Annual Report on Form 40-F for the year ended December 31, 2022; (ii) Teck Resources Limited’s registration statements on Form S-8 (File Nos. 333-140184, 333-170840 and 333-205514), filed with the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended as applicable.

Sincerely,

/s/ Rodrigo Marinho

Name: Rodrigo Marinho
Title: P. Geo.

Vancouver, British Columbia, Canada
Date: February 21, 2023

Exhibit 23.3

CONSENT OF ENGINEER

I hereby consent to references to my name under the heading “Description of the Business — Mineral Reserves and Resources” and all other references to my name included or incorporated by reference in: (i) Teck Resources Limited’s Annual Report on Form 40-F for the year ended December 31, 2022; (ii) Teck Resources Limited’s registration statements on Form S-8 (File Nos. 333-140184, 333-170840 and 333-205514), filed with the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended as applicable.

Sincerely,

/s/ Fernando Angeles Beron

Name: Fernando Angeles Beron
Title: P. Eng

Lima, Peru
Date: February 21, 2023

Exhibit 23.4

CONSENT OF GEOLOGIST

I hereby consent to references to my name under the heading “Description of the Business — Mineral Reserves and Resources” and all other references to my name included or incorporated by reference in: (i) Teck Resources Limited’s Annual Report on Form 40-F for the year ended December 31, 2022; (ii) Teck Resources Limited’s registration statements on Form S-8 (File Nos. 333-140184, 333-170840 and 333-205514), filed with the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended as applicable.

Sincerely,

/**s/ Lucio Canchis**

Name: Lucio Canchis
Title: SME Registered Member

Lima, Peru
Date: February 21, 2023

Exhibit 23.5

CONSENT OF GEOLOGIST

I hereby consent to references to my name under the heading “Description of the Business — Mineral Reserves and Resources” and all other references to my name included or incorporated by reference in: (i) Teck Resources Limited’s Annual Report on Form 40-F for the year ended December 31, 2022; (ii) Teck Resources Limited’s registration statements on Form S-8 (File Nos. 333-140184, 333-170840 and 333-205514), filed with the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended as applicable.

Sincerely,

/s/ Jo-Anna Singleton

Name: Jo-Anna Singleton
Title: P.Geo.

Sparwood, British Columbia, Canada
Date: February 21, 2023

Exhibit 23.6

CONSENT OF ENGINEER

I hereby consent to references to my name under the heading “Description of the Business — Mineral Reserves and Resources” and all other references to my name included or incorporated by reference in: (i) Teck Resources Limited’s Annual Report on Form 40-F for the year ended December 31, 2022; and (ii) Teck Resources Limited’s registration statements on Form S-8 (File Nos. 333-140184, 333-170840 and 333-205514), filed with the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended as applicable.

Sincerely,

/**s/ Carlos Aguirre**

Name: Carlos Aguirre
Title: FAusIMM

Lima, Peru
Date: February 21, 2023

Exhibit 23.7

CONSENT OF ENGINEER

I hereby consent to references to my name under the heading “Description of the Business — Mineral Reserves and Resources” and all other references to my name included or incorporated by reference in: (i) Teck Resources Limited’s Annual Report on Form 40-F for the year ended December 31, 2022; (ii) Teck Resources Limited’s registration statements on Form S-8 (File Nos. 333-140184, 333-170840 and 333-205514), filed with the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended as applicable.

Sincerely,

/**s**/ **Hernando Valdivia**

Name: Hernando Valdivia
Title: FAusIMM

Lima, Peru
Date: February 21, 2023

Exhibit 23.8

CONSENT OF ENGINEER

I hereby consent to references to my name under the heading “Description of the Business — Mineral Reserves and Resources” and all other references to my name included or incorporated by reference in: (i) Teck Resources Limited’s Annual Report on Form 40-F for the year ended December 31, 2022; (ii) Teck Resources Limited’s registration statements on Form S-8 (File Nos. 333-140184, 333-170840 and 333-205514), filed with the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended as applicable.

Sincerely,

/s/ Cameron Feltin

Name: Cameron Feltin
Title: P.Eng

Sparwood, British Columbia, Canada
Date: February 21, 2023

Exhibit 31.1

CERTIFICATIONS

I, Jonathan H. Price, certify that:

1. I have reviewed this annual report on Form 40-F of Teck Resources Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;
4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and
5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: February 21, 2023

/s/ Jonathan H. Price
Jonathan H. Price
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Crystal J. Prystai, certify that:

1. I have reviewed this annual report on Form 40-F of Teck Resources Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;
4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and
5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: February 21, 2023

/s/ Crystal J. Prystai
Crystal J. Prystai
Chief Financial Officer

Exhibit 32.1

Certification Pursuant to 18 U.S.C. 1350,

As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

Teck Resources Limited

In connection with the annual report of Teck Resources Limited (the “Company”) on Form 40-F for the fiscal year ended December 31, 2022 (the "Report”) to which this certification is an exhibit, I, Jonathan H. Price, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 21, 2023

/s/ Jonathan H. Price

Jonathan H. Price
Chief Executive Officer

Exhibit 32.2

Certification Pursuant to 18 U.S.C. 1350,

As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

Teck Resources Limited

In connection with the annual report of Teck Resources Limited (the “Company”) on Form 40-F for the fiscal year ended December 31, 2022 (the "Report") to which this certification is an exhibit, I, Crystal J. Prystai, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 21, 2023

/s/ Crystal J. Prystai

Crystal J. Prystai
Chief Financial Officer

Exhibit 95.1

Certain of the Registrant's operations located in the United States are subject to the U.S. Federal Mine Safety and Health Act (the " **Mine Act**") and are subject to regulation by the U.S. Mine Safety and Health Administration ("**MSHA**"). MSHA inspects these facilities on a regular basis and issues various citations and orders when it believes a violation has occurred under the Mine Act. Whenever MSHA issues a citation or order, it also generally proposes a civil penalty, or fine, related to the alleged violation. Citations or orders can be contested and appealed.

The following table and other data present the mine safety information related to our U.S. operation as required by section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act for the twelve months ended December 31, 2022.

Mine or Operation	Section 104 S&S Citations[(1)]	Section 104(b) Orders[(2)]	Section 104(d) Citations and Orders[(3)]	Section 110(b)(2) Violations[(4)]	Section 107(a) Imminent Danger Orders[(5)]	Total Value of MSHA Assessments Proposed[(6)]	Mining-related Fatalities	Legal Actions Pending as of Last Day of 2021	Legal actions instituted during 2021	Legal actions resolved during 2021
Red Dog	11	2	0	0	0	$34,445	0	2	3	1

(1) Total number of violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a coal or other mine safety or health hazard under section 104 of the Mine Act for which the operator received a citation from MSHA. This total includes any citations or orders listed under the column headed "Section 104(d) Citations and Orders".

(2) Total number of orders under section 104(b) of the Mine Act.

(3) Total number of citations and orders for unwarrantable failure of the mine operator to comply with mandatory health or safety standards under section 104(d) of the Mine Act.

(4) Flagrant violations identified by MSHA under section 110(b)(2) of the Mine Act.

(5) Orders issued by MSHA under section 107(a) of the Mine Act for situations in which MSHA determined an "imminent danger" (as defined by MSHA) existed.

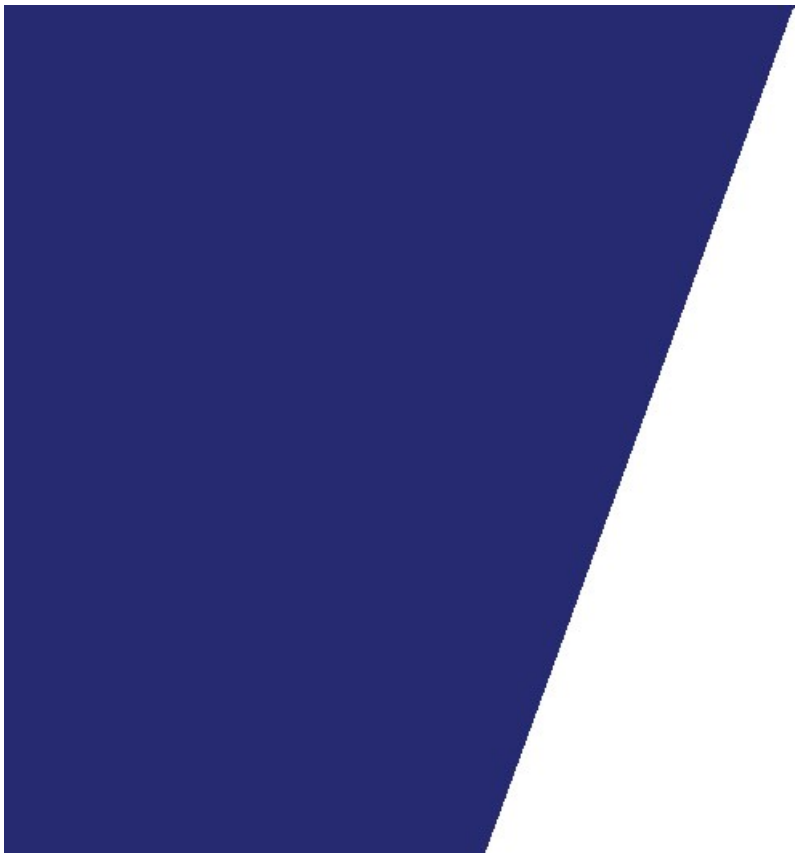
(6) Represents the total dollar value of the proposed assessments from MSHA against Teck Alaska Incorporated under the Mine Act during the twelve months ended December 31, 2022 relating to any type of violation during the period covered by this report, regardless of whether the Registrant has challenged or appealed the assessment. There may be violations which have not been assessed as at the time of this report.

During the year ended December 31, 2022, none of the mines operated by us received written notice from MSHA of (a) a pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of mine health or safety hazards under section 104(e) of the Mine Act or (b) the potential to have such a pattern.

Exhibit 99.1

Annual Information Form

February 21, 2023



Teck

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Nomenclature

In this Annual Information Form, unless the context otherwise dictates, " **we**" or "**Teck**" refers to Teck Resources Limited and its subsidiaries. All dollar amounts expressed throughout this Annual Information Form are in Canadian dollars unless otherwise noted.

Cautionary Statement on Forward-Looking Information

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

These forward-looking statements include, but are not limited to, statements concerning:

- forecast production;
- forecast operating costs, unit costs, capital costs and other costs;
- sales forecasts;
- our strategies, objectives and goals;
- future prices and price volatility for copper, zinc, steelmaking coal and other products and commodities that we produce and sell, as well as oil, natural gas, petroleum products and other products required for the operation of our mines;
- the demand for and supply of copper, zinc, steelmaking coal and other products and commodities that we produce and sell;
- expected mine lives of our operations and the possibility of extending mine lives through the development of new areas or otherwise;
- expected submission and receipt of regulatory approvals and the expected timing thereof, including our expectations regarding the requested modification to Antamina's current Environmental Impact Assessment certificate and regarding regulatory approvals for our copper growth projects;
- expectations regarding our ability to maintain and renew existing licences and leases for our properties;
- expectations regarding the closing of our previously announced transaction relating to our San Nicolás project;
- statements relating to the proposed separation of Teck into two independent companies, including expected future attributes of Teck Metals and EVR following the Separation; the anticipated benefits of, and rationale for, the Separation; plans, strategies and initiatives for each of Teck Metals and EVR following the Separation; terms and conditions of the Separation, including the expected distribution of EVR shares and cash, available consideration election for shareholders, and the Transition Capital Structure expected to be retained by Teck; the timing for completion of the Separation; the transactions with each of NSC and POSCO, including the

terms and conditions thereof; the anticipated timing for the Meeting; and statements regarding the satisfaction of closing conditions and timing of closing for the Separation;

- statements relating to the proposed Dual Class Amendment, including the anticipated benefits thereof; the timing for completion of the Dual Class Amendment; and the anticipated timing for the Meeting;
- expected receipt or completion of prefeasibility studies, feasibility studies and other studies and the expected timing thereof;
- expectations regarding the timing and costs of construction and production of, and planned activities in relation to, our development and expansion projects, including, among others, our copper and zinc growth projects;
- expectations regarding the QB2 project, including expectations regarding commissioning, production, ramp-up, capital costs, future cash flows, payback period and management of concentrate sales prior to the completion of associated port facilities;
- our estimated exposure under take-or-pay contracts;
- production capacity, planned production levels and future production of our operations and other development projects, including further Quebrada Blanca expansions or extensions;
- our expectations regarding the Fording River Extension Project, including our expectations that it will extend mining at Fording for decades;
- the costs, steps and potential impact of water quality management measures at our steelmaking coal operations, including but not limited to statements under "*Description of the Business — Individual Operations — Steelmaking Coal — Elk Valley Water Quality Management*" including expectations related to treatment capacity, timing of construction and completion of our various proposed active water treatment and saturated rock fill facilities, water treatment and management capital costs, the regulatory process relating to active water treatment, our long-term costs of water management, and our expectation that we will stabilize and reduce the selenium trend in the Elk Valley;
- availability of transportation for our products from our operations to our customers;
- expected benefits of our logistics arrangements with Neptune, Westshore and Ridley Terminals, including providing flexibility and improved reliability;
- our expectations regarding planned maintenance at our Trail Operations;
- our estimates of the quantity and quality of our mineral and coal reserves and resources;
- availability and cost of our credit facilities;
- financial assurance requirements related to our projects and related agreements;
- our planned capital expenditures and capital spending and timing for completion of our capital projects;
- our estimates of reclamation and other costs related to environmental protection;
- proposed or expected changes in regulatory frameworks and their anticipated impact on our business;
- our tax position and the tax rates applicable to us, including statements related to the tax stability agreement in place at Quebrada Blanca;

- our future capital and mine production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of various operations;
- our financial and operating objectives;
- our exploration, environmental, community, health and safety initiatives and procedures;
- our long- and short-term sustainability goals and strategies, including our goal to achieve net-zero Scope 2 greenhouse gas emissions by 2025, our ambition to achieve net-zero Scope 3 emissions by 2050 and our goal to become a nature positive company by 2030;
- expectations regarding carbon legislation and climate change regulations, including our expectation that we will receive a portion of our carbon tax payments back under the CleanBC program;
- our expectations regarding the amount of Class B subordinate voting shares that might be purchased under the normal course issuer bid and the mechanics thereof;
- the timing for hearings and other relevant dates in respect of any legal proceedings;
- risks facing our operations, projects and business;
- our dividend policy and capital allocation framework; and
- general business and economic conditions.

Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control which may cause actual results to differ materially from those expressed or implied by the forward-looking statements contained in this Annual Information Form, including: risks that may affect our operating or capital plans; risks generally encountered in the permitting and development of mineral properties such as unusual or unexpected geological formations; risks associated with volatility in financial and commodities markets and global uncertainty; risks associated with fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks relating to delays associated with permit appeals or other regulatory processes, ground control problems, adverse weather conditions, process upsets, equipment malfunctions or technology failures; risks related to inflation; risks relating to our development and expansion projects; risks associated with climate change, environmental compliance, changes in environmental legislation and regulation or changes to our reclamation obligations; risks associated with unanticipated metallurgical difficulties; risks associated with any damage to our reputation; risks associated with the Canadian *Corruption of Foreign Public Officials Act* and similar foreign bribery laws; risks associated with labour disturbances and availability of skilled labour; risks associated with changes to the tax and royalty regimes in which we operate; risks created through competition for mining properties; risks associated with lack of access to markets; risks associated with mineral reserve and resource estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with access to capital; risks associated with changes to our credit ratings; risks associated with our material financing arrangements and our covenants thereunder; risks associated with our dependence on third parties for the provision of transportation, port and other critical services; risks associated with the need to procure goods and services for our business, projects and operations, including risks relating to availability, prices, quality and timely delivery of goods and services; risks associated with non-performance by contractual counterparties; risks associated with potential disputes with partners and co-owners of our projects or operations; risks associated with Indigenous Peoples' claims and other title risks; social and political risks associated with operations in foreign countries; risks associated with the preparation of our financial statements; risks related to trade barriers or import restrictions; risks of changes in tax laws or their

interpretation; risks associated with information technology, including cybersecurity risks and risks associated with the failure of such information technology; risks associated with our ability to obtain or maintain insurance and risks associated with tax reassessments and legal proceedings. See "*Risk Factors*" for a discussion of additional risks we face. The amount and timing of actual capital expenditures is dependent upon, among other matters, being able to secure permits, equipment, supplies, materials and labour on a timely basis and at expected costs to enable the related capital project to be completed as anticipated. Certain of our operations and projects are operated through joint arrangements where we may not have control over all decisions, which may cause outcomes to differ from current expectations. QB2 costs, commissioning, ramp-up and production expectations are dependent on, among other matters, our continued ability to successfully manage through the impacts of COVID-19. Further risks associated with our Elk Valley Water Quality Plan are discussed under the heading "*Description of the Business — Individual Operations — Steelmaking Coal — Elk Valley Water Quality Management*". Declaration and payment of dividends and capital allocation are generally the discretion of the Board, and our dividend policy and capital allocation framework will be reviewed regularly and may change. Dividends and share repurchases can be impacted by share price volatility, changes to commodity prices, availability of funds to purchase shares, alternative uses for funds, compliance with regulatory requirements and other risk factors detailed in this Annual Information Form. Risks related to our San Nicolás transaction include customary risks relating to closing of the transactions, including the receipt of regulatory approvals and the satisfaction of other closing conditions. Risks related to our San Nicolás and NewRange Copper Nickel joint ventures include risks related to the operation of a project as a joint venture, including those set out in this Annual Information Form. Risks related to the proposed Separation include the possibility that the Separation or the transactions with Nippon Steel Corporation or POSCO will not be completed on the terms and conditions, or on the timing, currently contemplated, and that the Separation may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required shareholder and court approvals or other conditions necessary to complete the Separation, or for other reasons; the possibility of adverse reactions or changes in business relationships resulting from the announcement or completion of the Separation; the risk that market or other conditions are no longer favourable to completing the Separation; risks relating to business disruption during the pendency of or following the Separation and diversion of management time; risks relating to tax, legal and regulatory matters; credit, market, currency, operational, commodity, liquidity and funding risks generally and relating specifically to the Separation, including changes in economic conditions, interest rates or tax rates; and other risks inherent to our business and/or factors beyond our control which could have a material adverse effect on us or our ability to consummate the Separation or the transactions with Nippon Steel Corporation or POSCO. Risks related to the proposed Dual Class Amendment include the possibility that the Dual Class Amendment not be completed on the terms and conditions, or on the timing, currently contemplated; that the Dual Class Amendment may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required shareholder or regulatory approvals or other conditions necessary to complete the Dual Class Amendment, or for other reasons; and other risks inherent to our business and/or factors beyond our control which could have a material adverse effect on us or our ability to consummate the Dual Class Amendment.

Forward-looking statements in this Annual Information Form are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions regarding:

- general business and economic conditions;
- interest rates;
- inflation;
- commodity and power prices;

- acts of foreign or domestic governments and the outcome of legal proceedings;
- the supply and demand for, deliveries of, and the level and volatility of prices of copper, zinc and steelmaking coal and our other metals and minerals;
- the receipt of permits and other regulatory and governmental approvals for our development projects and other operations, including mine extensions, and the timing thereof;
- our ability to secure adequate transportation, including rail and port service, for our products ;
- results from studies on our expansion and development projects;
- our costs of production, and our production and productivity levels, as well as those of our competitors;
- continuing availability of water and power resources for our operations;
- credit market conditions and conditions in financial markets generally;
- the availability of funding to refinance our borrowings as they become due or to finance our development projects on reasonable terms;
- availability of letters of credit and other forms of financial assurance acceptable to regulators for reclamation and other bonding requirements;
- our ability to procure equipment and operating supplies and services in sufficient quantities on a timely basis and on commercially reasonable terms;
- the availability of qualified employees and contractors for our operations, including our new developments and our ability to attract and retain skilled employees;
- the satisfactory negotiation of collective agreements with unionized employees;
- the impact of changes in Canadian-U.S. dollar exchange rates, Canadian dollar-Chilean Peso exchange rates and other foreign exchange rates on our costs and results;
- engineering and construction timetables and capital costs for our development and expansion projects;
- the benefits of technology for our operations and development projects;
- costs of closure, reclamation and environmental compliance costs generally, of our operations;
- market competition;
- the accuracy of our mineral and steelmaking coal reserve and resource estimates (including with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based;
- tax benefits and tax rates;
- the outcome of our steelmaking coal price and volume negotiations with customers;
- the outcome of our copper, zinc and lead concentrate price, volume and treatment and refining charge negotiations with customers;
- the impacts of the COVID-19 pandemic on our operations and projects and on global markets;
- the impact of climate change and climate change initiatives on markets and operations and projects;
- the impact of geopolitical events on our operations and projects and on global markets;

- outcome of legal and regulatory proceedings and other disputes in which we are involved;
- the future supply of low-cost power to the Trail smelting and refining complex;
- our ability to obtain, comply with and renew permits, licences and leases in a timely manner; and
- our ongoing relations with our employees and with our business and joint venture partners.

In addition, assumptions regarding the Elk Valley Water Quality Plan include assumptions that additional treatment will be effective at scale, and that the technology and facilities operate as expected, as well as additional assumptions discussed under the heading "*Description of the Business — Individual Operations — Steelmaking Coal — Elk Valley Water Quality Management*". Assumptions regarding QB2 include current project assumptions and assumptions contained in the final feasibility study, as well as there being no further unexpected material and negative impact to the various contractors, suppliers and subcontractors for the QB2 project relating to COVID-19 or otherwise that would impair their ability to provide goods and services as anticipated. Our QB2 existing capital guidance of between US$7.4 and US$7.75 billion is based on a go forward CLP/USD exchange rate range of 900 to 975. Expectations regarding our operations are based on numerous assumptions regarding the operations. Assumptions regarding the costs and benefits of our development and expansion projects include assumptions that the relevant project is constructed, commissioned and operated in accordance with current expectations. Statements regarding the availability of our credit facilities and project financing facility are based on assumptions that we will be able to satisfy the conditions for borrowing at the time of a borrowing request and that the credit facilities are not otherwise terminated or accelerated due to an event of default. Statements concerning future production costs or volumes are based on numerous assumptions of management regarding operating matters, including assumptions: that demand for products develops as anticipated; that customers and other counterparties perform their contractual obligations; that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts or supplies, labour disturbances, COVID-19, interruption in transportation or utilities, or adverse weather conditions; and that there are no material unanticipated variations in the cost of energy or supplies. Statements regarding anticipated steelmaking coal sales volumes and average steelmaking coal prices depend on timely arrival of vessels, performance of our steelmaking coal-loading facilities, and performance by customers of their contractual obligations, as well as the level of spot pricing sales. Our sustainability goals and strategies are based on a number of additional assumptions, including assumptions regarding: the availability and effectiveness of technologies needed to achieve our sustainability goals and priorities; the availability of clean energy sources and zero-emissions alternatives for transportation on reasonable terms; our ability to implement new source control or mine design strategies on commercially reasonable terms without impacting production objectives; our ability to successfully implement our technology and innovation strategy; and the performance of new technologies in accordance with our expectations. In addition to the above, statements regarding the Separation are based on assumptions that the Separation will be completed on the terms and conditions, and within the timeframes, currently contemplated; that we will obtain or satisfy, in a timely manner, all required shareholder and regulatory approvals and other conditions necessary to complete the Separation; that market and other conditions are favourable to completing the Separation; and regarding economic conditions, interest rates and tax rates. In addition to the above, statements regarding the Dual Class Amendment are based on assumptions that the Dual Class Amendment will be completed on the terms and conditions, and within the timeframes, currently contemplated; and that we will obtain or satisfy, in a timely manner, all required shareholder and regulatory approvals and other conditions necessary to complete the Dual Class Amendment.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or

projected and expressed in, or implied by, our forward-looking statements. You should also carefully consider the matters discussed under " *Risk Factors*" in this Annual Information Form and in the "*Cautionary Statement on Forward-Looking Statements*" section of our Management's Discussion and Analysis for the year ended December 31, 2022, and subsequent filings, which can be found under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov). Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.

Scientific and technical information in this Annual Information Form regarding our coal properties was reviewed and approved by Jo-Anna Singleton, P.Geo. and Cameron Feltin, P.Eng., each an employee of Teck Coal Limited and each a Qualified Person under *National Instrument 43-101*. Scientific and technical information in this Annual Information Form regarding Antamina was reviewed and approved by Fernando Angeles, P.Eng,. Lucio Canchis, who is an SME Registered Member, Carlos Aguirre, FAusIMM and Hernando Valdivia, FAusIMM and who are all employees of Compañía Minera Antamina S.A. and Qualified Persons for the purposes of *National Instrument 43-101* in respect of Antamina. Scientific and technical information in this Annual Information Form regarding our other base metal properties was reviewed and approved by Rodrigo Alves Marinho, P.Geo., an employee of Teck and a Qualified Person under *National Instrument 43-101*.

Cautionary Note to U.S. Investors Concerning Estimates of Measured, Indicated and Inferred Mineral Resources

This Annual Information Form has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of U.S. securities laws.

In this Annual Information Form we use the term "mineral resources" and its subcategories "measured", "indicated" and "inferred" mineral resources. Readers are advised that such terms are required by, and used in accordance with, Canadian regulations and may not be comparable to those terms as disclosed by U.S. mining companies in accordance with U.S. Securities laws. Investors are cautioned not to assume that any part or all of the mineral resources in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. Under Canadian rules, issuers must not make any disclosure of results of an economic evaluation that includes inferred mineral resources, except in very limited cases. Investors are cautioned not to assume that part or all of an inferred mineral resource exists, or is, or will be, economically or legally mineable.

Glossary of Technical Terms

cathode: an electrode in an electrolytic cell where electrons enter that represents the final product of an electrolytic metal refining process.

clean coal: coal that has been processed to separate impurities and is in a form suitable for sale.

coking coal: coal possessing physical and chemical characteristics that facilitate the conversion into coke, which is used in the steelmaking process. Coking coal may also be referred to as metallurgical coal.

concentrate: a product containing valuable minerals from which most of the waste rock in the ore has been eliminated in a mill or concentrator.

dump leach: a process that involves dissolving and recovering minerals from typically lower-grade uncrushed ore from a mine dump.

flotation: a method of mineral separation in which a variety of reagents facilitate the attachment of certain minerals onto the surface of a froth while other minerals sink, thus effecting the separation of valuable minerals from non-valuable minerals.

grade: the classification of an ore according to its content of economically valuable material, expressed as grams per tonne for precious metals and as a percentage for most other metals.

hard coking coal: a type of coking coal used primarily for making high-strength coke for use in integrated steel mills.

hypogene: primary sulphide ore located beneath shallow zones of ore affected by weathering processes.

LME: London Metals Exchange.

mill: a plant in which ore is ground to reduce particle size, physically liberating valuable from non-valuable minerals.

ore: naturally occurring material from which minerals of economic value can be extracted at a reasonable profit.

orebody: a contiguous, well-defined mass of material of sufficient ore content to make extraction economically feasible.

pulverized coal injection (PCI) coal: coal that is pulverized and injected into a blast furnace. Those grades of coal used in the PCI process are generally non-coking. PCI grade coal is used primarily as a heat source in the steel making process in partial replacement for high-quality coking coals, which are typically more expensive.

semi-autogenous grinding (SAG): a method of grinding rock in which particle size reduction is achieved through the tumbling action of a rotating grinding mill that primarily utilizes the contact of rock-on-rock supplemented with steel grinding balls to break down particles.

smelter: a plant in which concentrates are processed into an upgraded product by application of heat.

steelmaking coal: the various grades of coal that are used in the steelmaking process, including both coals to produce coke and coals that are pulverized for injection into the blast furnace as a fuel.

sulphide: a mineral compound containing sulphur but no oxygen.

supergene: near-surface ore that has been subject to secondary enrichment by weathering.

SX-EW: an abbreviation for solvent extraction-electrowinning, a hydrometallurgical process to produce cathode copper from leached copper ores.

tailings: solids that remain after saleable minerals have been removed from the ore during processing.

thermal coal: coal that is used primarily for its heating value. Thermal coals tend not to have the carbonization properties possessed by coking coals. Most thermal coal is used to produce electricity in thermal power plants.

treatment and refining charges: the charge a mine pays to a smelter as a fee for conversion of concentrates into refined metal.

Corporate Structure

Name, Address and Incorporation

Teck Resources Limited was continued under the *Canada Business Corporations Act* in 1978. It is the continuing company resulting from the merger in 1963 of the interests of The Teck-Hughes Gold Mines Ltd., Lamaque Gold Mines Limited and Canadian Devonian Petroleum Ltd., companies incorporated in 1913, 1937 and 1951, respectively. Over the years, several other reorganizations have been undertaken. These include our merger with Brameda Resources Limited and The Yukon Consolidated Gold Corporation in 1979, the merger with Highmont Mining Corporation and Iso Mines Limited in 1979, the consolidation with Afton Mines Ltd. in 1981, the merger with Copperfields Mining Corporation in 1983, and the acquisition of 100% of Cominco Ltd. in 2001. On July 23, 2001, Cominco Ltd. changed its name to Teck Cominco Metals Ltd. and on September 12, 2001, we changed our name to Teck Cominco Limited. On January 1, 2008, we amalgamated with our wholly owned subsidiary, Aur Resources Inc., by way of vertical short-form amalgamation under the name Teck Cominco Limited. On April 23, 2009, we changed our name to Teck Resources Limited from Teck Cominco Limited. On June 1, 2009, Teck Cominco Metals Ltd. changed its name to Teck Metals Ltd.

Since 1978, the Articles of Teck have been amended on several occasions to provide for various series of preferred shares and for other corporate purposes. On January 19, 1988, our Articles were amended to provide for the subdivision of our Class A common shares and Class B subordinate voting shares on a two-for-one basis. On September 12, 2001, the Articles were amended to effect the name change to Teck Cominco Limited and to convert each outstanding Class A common share into one new Class A common share and 0.2 Class B subordinate voting shares and to enact “coattail” provisions for the benefit of the Class B subordinate voting shares. Effective May 7, 2007, our Articles were amended to subdivide our Class A common shares and Class B subordinate voting shares on a two-for-one basis. See “*Description of Capital Structure*” below for a description of the attributes of the Class A common shares and Class B subordinate voting shares. On April 23, 2009, our Articles were amended to effect the name change to Teck Resources Limited as described above.

The registered and principal offices of Teck are located at Suite 3300, 550 Burrard Street, Vancouver, British Columbia, V6C 0B3.

Intercorporate Relationships

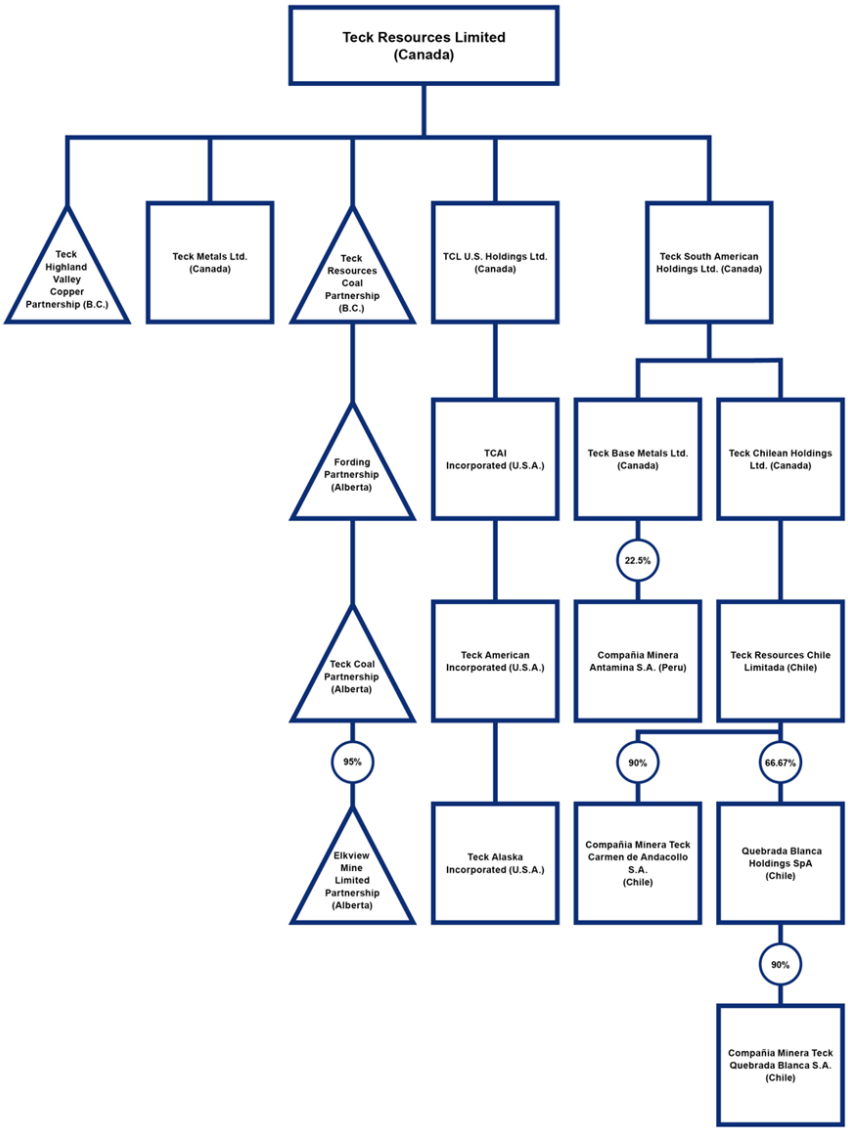
Our financial statements consolidate the accounts of all of our subsidiaries. Our material subsidiaries as at December 31, 2022, are listed below. Unless otherwise indicated, all subsidiaries listed below are wholly owned by Teck. Indentation indicates that the majority of the voting securities of the relevant subsidiary are held by the subsidiary listed above.

Company Name	Jurisdiction of Organization or Formation
Teck South American Holdings Ltd.	Canada
Teck Chilean Holdings Ltd.	Canada
Teck Resources Chile Limitada	Chile
Quebrada Blanca Holdings SpA[1]	Chile
Compañía Minera Teck Quebrada Blanca S.A.[2]	Chile
Compañía Minera Teck Carmen de Andacollo S.A.[3]	Chile
Teck Base Metals Ltd.	Canada
Teck Metals Ltd.	Canada
Teck Resources Coal Partnership	British Columbia
Fording Partnership	Alberta
Teck Coal Partnership	Alberta
Elkview Mine Limited Partnership[4]	Alberta
Teck Highland Valley Copper Partnership	British Columbia
TCL U.S. Holdings Ltd.	Canada
TCAI Incorporated	Washington, U.S.A.
Teck American Incorporated	Washington, U.S.A.
Teck Alaska Incorporated	Alaska, U.S.A.

[1] 66.67% held, directly or indirectly, by Teck.
[2] 60% held, directly or indirectly, by Teck.
[3] 90% held, directly or indirectly, by Teck.
[4] 95% held, directly or indirectly, by Teck.

In addition to the above, we own, a 22.5% indirect share interest in Compañía Minera Antamina S.A. As of December 31, 2022, we owned a 21.3% limited partnership interest in Fort Hills Energy Limited Partnership. This interest was sold to Suncor Energy Inc. and TotalEnergies EP Canada Ltd. on February 2, 2023.

The following chart sets out the relationships among our material subsidiaries as at December 31, 2022. Certain aspects of the ownership structure have been simplified. All material subsidiaries are wholly owned unless otherwise specified.



General Development of the Business

Three-Year History

2020

In 2020, average prices for copper and zinc were each 3% higher than in 2019, while prices for steelmaking coal and blended bitumen were 31% and 38%, respectively, lower than in 2019. Annual average prices in 2020 for copper, zinc, steelmaking coal and bitumen were US$2.80 per pound, US$1.03 per pound, US$113 per tonne and US$27.99 per barrel, respectively, compared with US$2.72 per pound, US$1.16 per pound, US$164 per tonne and US$45.20 per barrel, respectively, in 2019.

The COVID-19 pandemic significantly impacted our operations and product markets in 2020. However, despite the challenges presented by the pandemic, we advanced several significant projects and transactions to strengthen our business through the year.

Two of our major projects, Quebrada Blanca Phase 2 (QB2) and the Neptune Bulk Terminals upgrade project, were impacted by the pandemic but continued to progress. Construction at QB2 was suspended in March due to the COVID-19 pandemic, but resumed in the third quarter, and the project achieved our target of 40% overall completion at the end of 2020. The surge in COVID-19 infections that started in Q4 impacted both cost and schedule for the Neptune Bulk Terminals upgrade project; however, the project was completed and handed over for final commissioning and site-wide ramp-up in the second quarter of 2021. Under our energy business unit, in February we announced that we were withdrawing the Frontier oil sands project from the regulatory review process.

At our operations, the expansion of the Elkview Operations processing facility was completed in the second quarter. This enabled us to replace higher-cost production from our Cardinal River Operations, which ceased production in 2020, with lower-cost production from our Elkview Operations. Construction at our Fording River Active Water Treatment Facility project was impacted by COVID-related issues, but continued during the year. All of our mines recovered from COVID-19 production disruptions in the second quarter, although labour-intensive activities such as maintenance, mine operations, and projects continued to be impacted by COVID-19 safety protocols.

In June and July we undertook a series of transactions that reduced near-term debt maturities and further strengthened our liquidity by adding a US$1 billion revolving credit facility maturing in 2022. In June, we issued US$550 million principal amount of 3.900% notes due 2030 in a private placement, and used a portion of the proceeds to repay outstanding debt under our revolving credit facility and retire US$281 million principal amount of outstanding notes expiring in 2021, 2022 and 2023 through a combination of tender offer, private repurchase and redemption. In November, we completed an exchange offer for the privately placed 3.900% notes due 2030. We paid our regular base quarterly dividend of $0.05 per share each quarter, which totaled approximately $106 million for the year. In October, we announced a new normal course issuer bid, which allowed us to purchase up to 40 million Class B subordinate voting shares through to November 2021.

Our cash and cash equivalents as at December 31, 2020 were $450 million against total debt of $6.9 billion.

2021

In 2021, average prices for copper, zinc, steelmaking coal and blended bitumen were 51%, 32%, 85% and 108% higher, respectively, than in 2020. Annual average prices in 2021 for copper, zinc, steelmaking coal and blended bitumen were US$4.23 per pound, US$1.36 per pound, US$209 per tonne and

US$58.14 per barrel, respectively, compared with US$2.80 per pound, US$1.03 per pound, US$113 per tonne and US$27.99 per barrel, respectively, in 2020.

COVID-19 continued to impact our operations and product markets throughout 2021; in addition, wildfires, severe flooding and extreme cold events in British Columbia significantly impacted our operations and transportation networks in British Columbia during the second half of the year. Despite these challenges, we commissioned our Elkview Saturated Rock Fill expansion, which doubled the water treatment facility's capacity to 20 million litres of water per day, and our Fording River Operations South Active Water Treatment Facility. We also completed construction of the Neptune port upgrades, with first coal through the new inbound system achieved in April 2021 followed by a ramp-up phase during the second half of the year, and continued to advance our QB2 project, which reached 77% overall project progress by the end of 2021.

In January we announced a Joint Management Agreement with the Ktunaxa Nation providing for the management and conservation of more than 7,000 hectares of land in ʔamakʔis Ktunaxa, which is in the region of Teck's steelmaking coal operations in southeast British Columbia.

In March we resolved previously disclosed charges under the *Fisheries Ac*t relating to 2012 discharges of selenium and calcite from our Fording River and Greenhills steelmaking coal operations by pleading guilty to two offences under s. 36(3) of the *Fisheries Act* and agreeing, for each offence, to pay a fine of $2 million and make a contribution to the Environmental Damages Fund of $28 million, for a total of $60 million. We continue to work with Environment and Climate Change Canada and provincial regulators on additional measures to improve water quality and prevent calcite deposition.

We also reached multi-year collective agreements with unions at our Antamina, Quebrada Blanca, Fording River and Elkview Operations during the year.

In October, we announced a new US$4.0 billion sustainability-linked revolving credit facility under which the interest rate paid by Teck will increase or decrease based on Teck's performance in reducing carbon emissions, improving health and safety, and strengthening gender diversity in the workforce. We paid our regular base quarterly dividend of $0.05 per share each quarter, which totaled approximately $106 million for the year. In October, we announced the receipt of regulatory approval for a new normal course issuer bid, which allows us to purchase up to 40 million Class B subordinate voting shares through to November 2022.

Our cash and cash equivalents as at December 31, 2021 were $1.4 billion against total debt, including lease liabilities, of $8.1 billion.

2022

In 2022, average prices for copper were 6% lower than in 2021, while average prices for zinc and steelmaking coal were 16%, and 70% higher, respectively, than in 2021. Annual average prices in 2022 for copper, zinc and steelmaking coal were US$3.99 per pound, US$1.58 per pound and US$355 per tonne, respectively, compared with US$4.23 per pound, US$1.36 per pound and US$209 per tonne, respectively, in 2021.

Our Quebrada Blanca Phase 2 project continued to advance construction, pre-operational testing and commissioning through 2022. We are now in commissioning on Line 1 and have begun processing ore through the mills.

In September, there was a structural failure of the plant feed conveyor belt at our Elkview Operation, which interrupted production at Elkview and had a material impact on our steelmaking coal production and sales volumes in the latter half of 2022. In the fourth quarter of 2022 production at our Highland

Valley Copper Operations was negatively impacted by a localized geotechnical instability, which led to a temporary closure of the Valley pit and reduction in plant feed grade. Operations in the pit resumed in mid-December; updates to the pit design are in progress. Also in the fourth quarter of 2022, Trail completed a major planned maintenance turnaround, which was extended primarily due to cold weather in December, which resulted in lower production across products for the latter half of the year.

In 2022, we reached multi-year collective agreements with our unions at our Carmen de Andacollo, Highland Valley Copper and Trail Operations, extending them until 2025, 2026, and 2027, respectively. Our High-Potential Incident Frequency for the full year of 2022 was the lowest ever, at a rate of 0.10, down 23% compared to 2021.

In 2022, we expanded our existing climate action strategy to include a new short-term goal to achieve net-zero Scope 2 greenhouse gas emissions by 2025 and a new ambition to achieve net-zero Scope 3 emissions by 2050. We also set a new goal to become a nature positive company by 2030, including through conserving or rehabilitating at least three hectares for every one hectare affected by our mining activities. In March, our Highland Valley Copper Operations was awarded the Copper Mark, a third party verified voluntary assurance framework to promote responsible production practices and demonstrate commitment to the United Nations Sustainable Development Goals. In June, we announced a carbon capture utilization and storage pilot project at our Trail Operations which is expected to begin in the second half of 2023. We also entered into an agreement with AES Corporation to supply energy generated from 100% renewable sources to our Quebrada Blanca Operations.

In 2022, we continued to focus on development of our copper and zinc projects, including by:

- announcing the launch of our zinc growth initiative focused on surfacing value from our zinc development assets in the Americas and Australia;
- reaching an agreement with PolyMet Mining Corp. to form a 50:50 joint venture to advance development of PolyMet Mining Inc.'s NorthMet project and our Mesaba mineral deposit; and
- reaching an agreement whereby Agnico Eagle Mines Limited agreed to subscribe for a 50% interest in Minas de San Nicolás, S.A.P.I. de C.V., which holds our San Nicolás copper-zinc development project in México. The subscription proceeds will be used to fund the first US$580 million of post-closing project costs, with subsequent funding to be contributed according to each partner's ownership percentage.

We also agreed to sell our 21.3% interest in Fort Hills Energy Limited Partnership (FHELP) and certain associated downstream assets to Suncor Energy Inc. for gross proceeds of approximately $1 billion and agreed to to sell our Quintette steelmaking coal mine in North-eastern British Columbia to a subsidiary of Conuma Resources Limited for $120 million in staged cash payments over 36 months and an ongoing 25% net profits interest royalty, first payable after Conuma Resources Limited recovers its investment in Quintette. TotalEnergies EP Canada Ltd. exercised its right of first refusal relating to FHELP in January 2023 and those transactions closed on February 2, 2023. The Quintette transaction closed on February 16, 2023.

In June, we repurchased $650 million aggregate principal amount of outstanding debt securities and through the balance of the year we purchased an additional $93 million on the open market.

In September, our President and Chief Executive Officer Don Lindsay retired and our Board appointed Jonathan Price, our former Executive Vice-President and Chief Financial Officer, to succeed him as Chief Executive Officer and Harry "Red" Conger, IV, our former Executive Vice-President and Chief Operating Officer, as President and Chief Operating Officer. This transition was the culmination of a multi-year succession process. Mr. Lindsay had served as Teck's President and Chief Executive Officer since 2005.

In February 2022, our Board approved a new dividend policy, increasing our annual base dividend from $0.20 per share to $0.50 per share. In 2022, we declared and paid an aggregate $0.50 per share base dividend and a supplemental dividend of $0.50 per share, for an aggregate of $1.00 dividend per share. In October, we announced the receipt of regulatory approval for a new normal course issuer bid, which allows us to purchase up to 40 million Class B subordinate voting shares through to November 2023. During our previous normal course issuer bid, which commenced on November 2, 2021 and ended on November 1, 2022, we purchased 30,703,473 Class B Shares at an average price of $45.3623.

Our cash and cash equivalents as at December 31, 2022 were $1.883 billion against total debt, including lease liabilities, of $7.738 billion.

RECENT DEVELOPMENTS

On February 21, 2023, Teck announced the reorganization of its business (the Separation) to separate Teck into two independent, publicly-listed companies: Teck Metals Corp. (Teck Metals) and Elk Valley Resources Ltd. (EVR). The Separation will create two world-class resource companies and provide investors with choice for allocating investment between two businesses with different commodity fundamentals and value propositions. Teck Metals will be growth-oriented, with premier, low-cost base metals production, a top-tier copper development portfolio and a disciplined capital returns policy. EVR will be a high-margin Canadian steelmaking coal producer, focused on long-term cash generation and providing cash returns to shareholders, with significant equity value accretion potential. Both companies will remain committed to strong environmental and social performance.

The Separation is structured as a spin-off of Teck's steelmaking coal business by way of a distribution of EVR common shares to Teck shareholders. Teck Metals will retain a substantial interest in steelmaking coal cash flows through a transition period in the form of an 87.5% interest in a gross revenue royalty (the Royalty) and preferred shares of EVR (collectively, the Transition Capital Structure). Under the Transition Capital Structure, Teck Metals will receive quarterly payments consisting of Royalty payments and preferred share redemption amounts that will, in aggregate, equal 90% of EVR's free cash flow.

Teck shareholders of record as of the applicable distribution record date will receive common shares of EVR in proportion to their current Teck shareholdings at an exchange ratio of 0.1 common share of EVR for each Teck share (or approximately 51.9 million total EVR common shares) and approximately $0.39 cash per share for an aggregate of $200 million in cash. Shareholders will be able to elect to maximize the amount of cash or common shares of EVR they receive, subject to proration, through a Dutch auction election process. Details of the election will be set out in the management proxy circular to be provided to Teck shareholders.

As part of the Separation, Teck will change its name to "Teck Metals Corp." and continue to be listed on the Toronto Stock Exchange (TSX) and New York Stock Exchange (NYSE). EVR has applied to have its common shares listed on the TSX.

In consideration for the transfer of the steelmaking coal assets to EVR, EVR will grant the Royalty and issue preferred shares and common shares to Teck Metals. The Royalty is a gross revenue royalty that will be paid quarterly from EVR's steelmaking coal revenue, subject to free cash flow and minimum cash balance limitations designed to support the financial resiliency of EVR. The Royalty will be payable until the later of (a) an aggregate amount of $7.0 billion in royalty payments having been made, or (b) December 31, 2028. The preferred shares will have an aggregate $4.4 billion redemption amount and a 6.5% cumulative dividend. In any quarter, Royalty payments and preferred share redemption amounts will in aggregate equal 90% of EVR free cash flow. If not redeemed earlier, the preferred shares will mature 20 years from their date of issue. These arrangements are designed to provide EVR with

flexibility to operate its business, provide cash returns to shareholders, and fund its environmental and social commitments in a broad range of steelmaking coal price environments.

Teck has also reached agreement with its steelmaking coal joint venture partners and major customers, Nippon Steel Corporation (NSC) and POSCO, to exchange their minority interests in the Elkview and Greenhills operations for interests in EVR. As a result, EVR will own 100% of its steelmaking coal operations. NSC's exchange of its Elkview interest and its $1.025 billion cash investment will give it a 10% interest in EVR common shares and the Transition Capital Structure. POSCO will receive a 2.5% interest in EVR common shares and the Transition Capital Structure.

The exchanges of the current interests of NSC and POSCO for interests in EVR are conditional on the completion of the Separation and other customary conditions. The additional investment by NSC is conditional on completion of the Separation, but the Separation is not conditional on completion of the additional investment by NSC.

The Separation is expected to be implemented through a plan of arrangement under the *Canada Business Corporations Act,* and is subject to the approval of at least 66 2/3% of the votes cast by all the holders of Class A common shares and Class B subordinate voting shares of Teck, each voting separately by class. In addition to Teck shareholder and court approvals, the Separation is subject to customary conditions. Listing of the EVR common shares is subject to the approval of the TSX in accordance with its original listing requirements. The TSX has not conditionally approved the listing application and there is no assurance that the TSX will approve the listing application.

In connection with the Separation, on February 21, 2023, Teck also announced a proposed six-year sunset for the multiple voting rights attached to the Class A common shares of Teck (the Dual Class Amendment). If approved, on the effective date of the Dual Class Amendment, each Teck Class A common share will be exchanged for one new Class A common share and 0.67 of a Class B subordinate voting share. The terms of the new Class A common shares will be identical to the current terms of Class A common shares, but will provide that, on the sixth anniversary of the effective date of the Dual Class Amendment, all new Class A common shares will automatically be exchanged for Class B subordinate voting shares, which will be renamed "common shares".

The Dual Class Amendment is to be implemented through a plan of arrangement under the *Canada Business Corporations Act.* Subject to the receipt of exemptive relief from the Canadian Securities Administrators, the Dual Class Amendment will be subject to the approval of at least 66 2/3% of the votes cast at the meeting by the holders of Class A common shares and Class B subordinate voting shares of Teck, each voting separately as a class, and to the approval of at least a majority of the votes cast by holders of Class B subordinate voting shares of Teck, excluding the votes attached to Class B subordinate voting shares beneficially owned or controlled by Teck's majority Class A common shareholders, Temagami Mining Company Limited, SMM Resources Incorporated and Dr. Keevil. Teck has applied for exemptive relief from the Ontario Securities Commission from a requirement that would otherwise apply to have the Dual Class Amendment also approved by at least a majority of the votes cast by holders of Class A common shares, excluding the votes attached to Class A common shares beneficially owned or controlled by Temagami Mining Company Limited, SMM Resources Incorporated and Dr. Keevil. In addition to Teck shareholder and court approvals, the Dual Class Amendment is subject to customary conditions, including approval of the TSX.

Teck will seek shareholder approval for each of the Separation and the Dual Class Amendment at its annual and special meeting of shareholders, expected to be held on April 26, 2023. Further information regarding the Separation and the Dual Class Amendment will be included in the management proxy circular to be mailed to Teck shareholders for the shareholder meeting, which will be available on SEDAR

at www.sedar.com and on EDGAR at www.sec.gov. Shareholders are encouraged to read the management proxy circular and other relevant materials when they become available.

The implementation of the Dual Class Amendment is not conditional on the implementation of the Separation, and the Separation is not conditional on implementation of the Dual Class Amendment. If both are approved, the Dual Class Amendment will be implemented before the implementation of the Separation. Teck expects that the Dual Class Amendment and the Separation will each be completed in the second quarter of 2023.

Description of the Business

General

Teck's business is exploring for, acquiring, developing, producing and selling natural resources. Our activities are organized into business units focused on copper, zinc and steelmaking coal. These are supported by Teck's corporate offices, which manage corporate growth initiatives and provide marketing, administrative, technical, financial and other services. We have interests in the following operations:

	Type of Operation	Jurisdiction
Highland Valley	Copper/Molybdenum Mine	British Columbia, Canada
Antamina	Copper/Zinc Mine	Ancash, Peru
Quebrada Blanca	Copper/Molybdenum Mine	Region I, Chile
Carmen de Andacollo	Copper/Gold Mine	Region IV, Chile
Trail Operations	Zinc/Lead Refinery	British Columbia, Canada
Red Dog	Zinc/Lead Mine	Alaska, U.S.A.
Elkview	Steelmaking Coal Mine	British Columbia, Canada
Fording River	Steelmaking Coal Mine	British Columbia, Canada
Greenhills	Steelmaking Coal Mine	British Columbia, Canada
Line Creek	Steelmaking Coal Mine	British Columbia, Canada

Our principal products are copper, zinc and steelmaki ng coal. In addition, we produce lead, silver, molybdenum, and various specialty and other metals, chemicals and fertilizers. We also actively explore for copper, zinc, nickel and gold. The following table sets out our revenue by product for each of our last two financial years:

	2022 $(Billions)	%	2021 $(Billions)	%
Copper[(1)]	2.925	17	3.066	24
Zinc[(2)]	2.835	16	2.152	17
Steelmaking Coal	10.409	60	6.251	49
Other[(3)]	1.147	7	1.297	10
Total[(4)]	17.316	100	12.766	100

(1) Copper revenues include sales of copper contained in concentrates and cathode copper.
(2) Zinc revenues include sales of refined zinc and zinc concentrate.
(3) Other revenues include sales of silver, lead, gold, molybdenum, various specialty metals, chemicals and fertilizer.
(4) Does not include revenues from discontinued operations.

On February 21, 2023, Teck announced the Separation, which, if effected, will separate Teck into two independent, publicly-listed companies: Teck Metals Corp. and Elk Valley Resources Ltd. See "*General Development of the Business – Three-Year History – Recent Developments*" and "*Risk Factors*".

Product Summary

COPPER

We produce both copper concentrates and copper cathode. Our principal market for copper concentrates is Asia, with a lesser amount sold in Europe. Copper concentrates produced at our Highland Valley Copper Operations are distributed to customers in Asia by rail to a port in Vancouver, British Columbia, and from there by ship. Copper concentrates produced at Antamina are transported by a slurry pipeline to a port at Huarmey, Peru, and from there go by ship to customers in Asia and Europe. Copper concentrates produced at Carmen de Andacollo are trucked to the port of Coquimbo, Chile, and from there are transported by ship to customers in Asia, Europe and South America. Copper concentrates are sold primarily under long-term contracts, with treatment and refining charges negotiated on an annual basis. The balance is sold in the spot market at prices based on prevailing market quotations. Copper cathode from our Quebrada Blanca and Carmen de Andacollo mines is trucked from the mines to a port from where it is shipped and sold primarily under spot contracts to customers in Asia and Europe.

The copper business is cyclical. Copper concentrate treatment charges rise and fall depending upon the supply of copper concentrates in the market and the demand for custom copper concentrates by the copper smelting and refining industry. Prices for copper cathode also rise and fall as a result of changes in demand for, and supply of, refined copper metal and availability of raw materials such as copper concentrate, blister and scrap. Copper consumption is primarily tied to its electrical conductivity properties, accounting for over 60% of global demand. Demand for copper in a variety of forms, shapes and alloys is split globally, with about one-quarter each going to electrical networks, construction industries and consumer goods, with the remainder split between auto and transportation sectors and industrial machinery. Copper's electrical conductivity properties make it a key component in building the technologies and infrastructure needed to reduce global carbon emissions, through its use in solar panels, wind turbines, energy storage and electric cars. Copper will also play an important role in improving the efficiency of electric motors and the transmission and distribution of power to assist in accelerating the global reduction of carbon emissions. We compete with other producers of copper concentrates and cathodes, as well as copper sourced through scrap sources.

In 2022, global copper mine production increased by 2.6% according to Wood Mackenzie, a commodity research consultancy, with total production estimated at 22.0 million tonnes.

Chinese imports of copper concentrates increased 9% in 2022 to reach over 6.1 million tonnes of contained copper. Scrap and unrefined copper imports into China, including blister and anode, were up 13% year over year in 2022 and cathode imports increased by 8.4% to 3.4 million tonnes in 2022. Despite reports of weak copper demand in China, net contained copper unit imports were up 9.1% from 2021 levels to 12.6 million tonnes, while reported cathode stocks in China fell 0.1 million tonnes.

Wood Mackenzie estimates that global refined copper production grew 0.5% in 2022, below the 0.8% increase in global copper cathode demand, and is projecting that refined production will increase 3.0% in 2023, reaching 25.7 million tonnes, with demand increasing only 2.1% to 25.5 million tonnes. The projected surplus in 2023 is 0.2 million tonnes. Mine disruptions in 2022 were at record levels and production challenges are expected to continue into 2023. Demand continues to increase as governments and corporations expand decarbonization efforts, requiring additional copper units for renewable energy generation and distribution. Consumer demand is forecast to come under pressure in 2023 in Europe and North America, while stimulus spending and consumer demand is now forecast to improve in China following a relaxation of COVID-19 lockdowns in the country.

All of our revenues from sales of copper concentrates and copper cathode were derived from sales to third parties.

ZINC

We produce refined zinc through our metallurgical operations at Trail and zinc concentrates through our mining operations. Our principal markets for refined zinc are North America and Asia. Refined zinc produced at our metallurgical operations at Trail, British Columbia, is distributed to customers in North America by rail and/or truck and to customers in Asia by ship.

We produce zinc concentrates at our Red Dog mine in the United States and the Antamina mine in Peru, in which we indirectly own 22.5%. The majority of concentrate sales are pursuant to long-term contracts at market prices, subject to annually negotiated treatment charges. The balance is sold on the spot market at prices based on prevailing market quotations. Our principal markets for zinc concentrates are Asia, Australia, Europe and North America. Zinc concentrates from our Red Dog mine in Alaska are moved via truck from the mine to our port where they are stored until the summer shipping season and then loaded onto ships for distribution to customers in our principal markets. Zinc concentrates produced at Antamina are transported by a slurry pipeline to a port at Huarmey, Peru, and from there go by ship to customers in Asia, Australia and Europe.

In 2022, the majority of the zinc concentrate produced at Red Dog was shipped to customers in Asia, Australia and Europe, with the balance being shipped to our metallurgical facilities at Trail, British Columbia. Red Dog's lead concentrate production is also shipped to Trail and to customers in Asia, Australia and Europe. The shipping season at Red Dog is restricted to approximately 100 days per year, between early July and the end of October, because of sea ice conditions. Red Dog’s sales are seasonal, with the majority of sales occurring in the last five months of each year.

The zinc business is cyclical. Treatment and refining charges rise and fall depending upon the supply of zinc concentrates in the market and the demand for custom zinc concentrates by the zinc smelting and refining industry. Galvanizing steel makes up close to 60% of global zinc demand, with almost half of zinc demand going into construction and about 20% each going into the transportation sector and infrastructure. Zinc’s galvanizing properties provide protection to steel to reduce corrosion, which extends the service life of steel components and infrastructure, thus reducing the need for replacement. Zinc prices and premiums are highly dependent on demand for steel products. Zinc is also an essential element for human health and can be used in fertilizers as a sustainable approach to increasing crop yields. We compete with other producers of both zinc concentrates and refined zinc metal globally.

In 2022, global zinc mine production continued to be impacted by COVID restrictions and labour shortages, increasing by only 0.2% according to Wood Mackenzie, with total production reaching 12.9 million tonnes.

Wood Mackenzie estimates the global zinc metal market remained in deficit in 2022, recording a shortfall of 0.5 million tonnes of available material, with global refined zinc demand falling 1.4% in 2022 over 2021, to 13.8 million tonnes. Wood Mackenzie estimates that global refined zinc production fell 4.0% in 2022, to 13.3 million tonnes as European zinc smelters were forced to cut production due to higher energy costs.

All of our 2022 revenues from sales of refined zinc and zinc concentrates (other than zinc concentrates produced at Red Dog that are sold to Trail) were derived from sales to third parties. We strive to differentiate our refined metal products by producing the alloys, sizes and shapes best suited to customer requirements.

Trail’s supply of zinc and lead concentrates, other than those sourced from Red Dog, is provided primarily through long-term contracts with mine producers in North America, South America and Australia.

STEELMAKING COAL

Teck is the second-largest seaborne exporter of steelmaking coal in the world. Our hard coking coal, a type of steelmaking coal, is used for making coke by integrated steel mills in Asia, Europe and the Americas. Approximately 75% of the coal we produce is high-quality hard coking coal, although the percentages can vary from period to period. We also produce lesser-quality semi-hard coking coal, semi-soft coking coal and PCI coal products.

Steelmaking coal is processed at our mine sites and primarily shipped westbound from our mines by rail to terminals on the coast of British Columbia and from there by vessel to overseas customers. In 2022, close to 5% of our processed coal was shipped eastbound directly by rail, or by rail and by ship via Thunder Bay, to customers in North America.

Globally, we compete in the steelmaking coal market primarily with producers based in Australia and the United States. For sales to China, we also compete with Mongolian, Russian and Chinese domestic coal producers. Steelmaking coal pricing is generally established in U.S. dollars and our competitive position in the steelmaking coal market continues to be determined by the quality of our various coal products, our reputation as a reliable supplier, and our production and transportation costs compared to other producers throughout the world.

The high-quality seaborne steelmaking coal markets are cyclical, being driven by a combination of demand, production and export capacity. Strong steel market fundamentals support demand and pricing for high-quality seaborne steelmaking coal. Conversely, in difficult steel markets, steelmakers can use a higher proportion of lower-cost semi-soft and PCI coal products in their production process, which can result in reduced pricing premiums for higher-quality hard coking coals. Rising steel prices and healthy margins in the first half of the year enabled steel mills to increase worldwide hot metal production and demand for seaborne steelmaking coal remained high.

Global crude steel production fell 4.3% according to the World Steel Association year over year in 2022. Chinese crude steel production was down 2.1% year over year in 2022, with India the only region posting crude steel production gains, up 5.5% in 2022.

Coal shipments from Australia to China remained restricted through 2022 while soaring energy prices provided support to thermal coal prices. China appears to be starting to lift restrictions on Australian coal imports. This is expected to change trade flows as Chinese steel mills will likely restart utilizing Australian coals in their blends. We expect that crude steel demand outside of China will continue to grow at above-trend rates particularly in Asia, and that planned increases in steelmaking coal production, and changes in trade flows in 2023 will be absorbed into the global seaborne market.

Logistics continued to play a key role in the seaborne market in 2022 as COVID-19 protocols restricted the shipments of coal across land borders between Mongolia and China for part of the year and sanctions on Russian coal impacted supply. The availability of seaborne steelmaking coal was also impacted by weather disruptions in Australia and Canada.

Quarterly contract-priced sales represent approximately 40% of our sales, with the balance of our sales priced at levels reflecting market conditions when sales are concluded.

Substantially all of our revenues from sales of coal products were derived from sales to third-party end users, most of which are steelmakers.

Individual Operations

COPPER

Copper Operations

Highland Valley Copper Mine, Canada (Copper)

We hold a 100% interest in the Highland Valley Copper mine located near Kamloops, British Columbia through our wholly owned subsidiary Teck Highland Valley Copper Partnership.

Highland Valley's primary product is copper concentrate; it also produces a molybdenum concentrate. The property comprising the Highland Valley Copper mine covers a surface area of approximately 50,000 hectares and is held pursuant to various mineral leases, mineral claims and Crown grants. Mineral claims are renewed annually or as required based on the amount of exploration-related expenses applied on a given claim, which can extend the claim renewal requirements by several years at a time. Mineral leases are typically held for 20- or 30-year terms and are renewed accordingly. In the past, renewals of these licences and leases have generally been granted, although there can be no assurance that this will continue in the future. Crown grants are held indefinitely and are subject to annual taxes.

The Highland Valley Copper mine is located adjacent to Highway 97C connecting Merritt, Logan Lake and Ashcroft, British Columbia. Access to the mine is from a 1-kilometre access road from Highway 97C. The mine is approximately 50 kilometres southwest of Kamloops, and approximately 200 kilometres northeast of Vancouver. The mine operates throughout the year. Power is supplied by BC Hydro through a 138-kilovolt line that terminates at the Nicola substation east of Merritt. Mine personnel live in nearby areas, primarily Logan Lake, Kamloops, Ashcroft, Cache Creek and Merritt.

The mine is an open pit operation. The processing plant, which uses autogenous and semi-autogenous grinding and flotation to produce metal in concentrate from the ore, has the capacity to process up to 160,000 tonnes of ore per day, depending on ore hardness. Autonomous haulage trucks are successfully operating in the Lornex pit, with 28 autonomous haulage trucks now fully operational.

Water from mill operations is collected and contained in a tailings impoundment area. Mill process water is reclaimed from the tailings pond. The operation is subject to water and air permits issued by the Province of British Columbia and is in material compliance with those permits. The operation holds all of the permits that are material to its current operations.

Concentrates from the operation are transported first by truck to Ashcroft and then by rail to a port in Vancouver for export overseas, with the majority being sold under long-term sales contracts to smelters in Asia. The price of copper concentrate under these long-term sales agreements is based on LME prices during quotation periods determined with reference to the time of delivery, with treatment and refining charges negotiated annually. The balance is sold on the spot market. Molybdenum concentrates are sold under long-term and spot contracts in line with prevailing market terms.

Ore is currently mined from the Valley, Lornex and Highmont pits. The pits are located in the Guichon batholith, which hosts all of the orebodies located in the area. The host rocks of the Valley deposit are mainly porphyritic quartz monzonites and granodiorites of the Bethsaida phase of the batholith. These rocks are medium-to-coarse-grained with large phenocrysts of quartz and biotite. The rocks of the deposit were subjected to hydrothermal alteration, extensive quartz veining, quartz-sericite veining, and silicification. Bornite, chalcopyrite and molybdenum were introduced with the quartz and

quartz-sericite veins and typically fill angular openings in them. Accessory minerals consist of hornblende, magnetite, hematite, sphene, apatite and zircon. Pre-mineral porphyry and aplite dykes intrude the host rocks of the deposit.

The Lornex orebody occurs in Skeena quartz diorite host rock, intruded by younger pre-mineral quartz porphyry and aplite dykes. The Skeena quartz diorite is an intermediate phase of the Guichon batholith and is generally a medium-to-coarse grained equigranular rock distinguished by interstitial quartz and moderate ferromagnesian minerals. The sulphide ore is primarily fracture fillings of chalcopyrite, bornite and molybdenite with minor pyrite, magnetite, sphalerite and galena.

The Highmont deposit is entirely hosted within the Skeena granodiorite and the Gnawed Mountain Composite Dyke (GMCD) that has traditionally been described as a multiphase intrusion. The Bethsaida phase of the batholith occurs 750 metres southwest of the deposit, with historical logged intercepts of Bethsaida within the deposit interpreted to be phases of the GMCD. The lithology of dykes in Highmont is less constrained than the Valley-Lornex deposit. Copper mineralization occurs dominantly as chalcopyrite or bornite within quartz and white mica veins and to a lesser degree as breccia infill. The generalized sulphide distribution indicates a roughly concentric distribution of bornite-chalcopyrite and pyrite centered in the east of the deposit and extending northwest along the contacts of the GMCD.

Additional drilling and engineering studies continue to be advanced to define resources near the existing Valley, Lornex and Highmont pits to assess the potential economic viability of extending the Highland Valley Copper mine life to at least 2040. The current mine life extends to 2028.

In 2022, nine drillholes totaling 1,633 metres were completed in the Valley pit to further refine geoscience and resource models by providing additional infill data and supplemental geochemistry to more accurately inform geometallurgical models. This data was targeted to support the 2023 to 2025 pit production phases. Four geotech holes were also drilled in the Valley pit to support the structural model. In 2022, nine holes totaling 2,107 metres were drilled in the Lornex Pit and five holes totaling 787 metres were drilled in the Highmont Pit.

Diamond drill core is split in halves using core saws and sampled in two-metre intervals (HQ/PQ diameter core). One half is sent to an independent, off-site laboratory for analysis and the other is retained for future reference. Field duplicates and external umpire checks of approximately 5% of pulp samples are elements of the Highland Valley quality assurance/quality control program procedures.

Highland Valley Copper's 2022 copper production was 119,100 tonnes, compared to 130,800 tonnes in 2021. The decrease in 2022 production was primarily a result of lower copper grades and a decrease in mill throughput largely due to processing harder ores, as expected in the mine plan. Molybdenum production was 1.0 million pounds in 2022, compared to 1.1 million pounds in 2021, primarily due to lower grades, as expected in the mine plan.

Copper production in 2023 is anticipated to be between 110,000 and 118,000 tonnes, with a relatively even distribution throughout the year. Copper production from 2024 to 2026 is expected to be between 120,000 and 165,000 tonnes per year. Molybdenum production in 2023 is expected to be between 0.8 and 1.2 million pounds, with production expected to be between 2.0 and 6.0 million pounds per year from 2024 to 2026.

The Highland Valley Copper mine is subject to the B.C. Mineral Tax, which is a two-tier tax with a minimum rate of 2% and a maximum rate of 13%. A minimum tax of 2% applies to operating cash flows, as defined by the regulations. A maximum tax rate of 13% applies to cash flows after taking available deductions for capital expenditures and other permitted deductions.

2023 projected capital costs for Highland Valley Copper are approximately $170 million. The major components of the projected capital costs are:

Component	Approximate projected cost ($/million)
Sustaining	50
Growth[(1)]	0
Capitalized stripping	120
Total	170

(1) Capital costs associated with HVC 2040 are reported as part of the Copper Growth division.

2023 projected aggregate cash operating costs for Highland Valley Copper are approximately $680 million. The major components of the projected cash operating costs are:

Component	Approximate projected cost ($/million)
Labour (including contractors)	290
Supplies	250
Energy	140
Other (including general & administrative, inventory changes)	120
Less amounts associated with projected capitalized stripping	(120)
Total	680

The cash operating costs presented above do not include transportation or royalties.

Antamina Mine, Peru (Copper, Zinc)

We indirectly own 22.5% of the Antamina copper/zinc mine in Peru, with the balance held indirectly by BHP Billiton plc (33.75%), Glencore plc (33.75%) and Mitsubishi Corporation (10%). The participants' interests are represented by shares of Compañía Minera Antamina S.A. (CMA), the Peruvian company that owns and operates the project. Our interest is subject to a net profits royalty of 1.667% on CMA's free cash flow.

The Antamina property consists of numerous mining concessions covering an area of approximately 105,000 hectares and an area of approximately 15,716 hectares of surface rights. These concessions can be held indefinitely, contingent upon the payment of annual license fees and the provision of minimum annual investment or production from each mining concession. CMA also owns a port facility located at Huarmey and an electrical substation located at Huallanca. In addition, CMA holds title to all easements and rights-of-way for the 302-kilometre concentrate pipeline from the mine to the port in Huarmey.

The deposit is located at an average elevation of 4,200 metres, 385 kilometres by road and 270 kilometres by air north of Lima, Peru. Antamina lies on the eastern side of the Western Cordillera in the upper part of the Rio Marañon basin. Mine personnel live in a camp facility while at work, and commute from both local communities and larger population centres, including Lima.

The mine is an open pit, truck-and-shovel operation. The ore is crushed within the pit and conveyed through a 2.7-kilometre tunnel to a coarse ore stockpile at the mill. It is then processed utilizing two SAG mills, followed by ball mill grinding and flotation to produce separate copper, zinc, molybdenum and lead/bismuth concentrates. The mill has the capacity to process approximately 145,000 tonnes per day, depending on ore hardness. A 302-kilometre-long slurry concentrate pipeline, approximately 22 centimetres in diameter with a single pump station at the mine site, transports copper and zinc concentrates to the port where they are dewatered and stored prior to loading onto vessels for shipment to smelters and refineries worldwide.

The mine is accessible via an access road maintained by CMA. Power for the mine is taken from the Peru national energy grid through an electrical substation constructed at Huallanca. Fresh water requirements are sourced from a dam-created reservoir upstream from the tailings impoundment facility. The tailings impoundment facility is located next to the mill. Water reclaimed from the tailings impoundment is used as process water in the mill operation. The operation is subject to water and air permits issued by the Government of Peru and is in material compliance with those permits. The operation holds all of the permits that are material to its current operations.

The Antamina polymetallic deposit is skarn-hosted. It is unusual in its persistent mineralization and predictable zonation, and has a southwest-northeast strike length of more than 2,500 metres and a width of up to 1,000 metres. The skarn is well-zoned symmetrically on either side of the central intrusion with the zoning used as the basis for four major subdivisions: a brown garnet skarn, a green garnet skarn, a wollastonite/diopside/green garnet skarn and a marbleized limestone with veins or mantos of wollastonite. Other types of skarn, including the massive sulphides, massive magnetite, and chlorite skarn, represent the remainder of the skarn and are randomly distributed throughout the deposit. The variability of ore types can result in significant changes in the relative proportions of copper and zinc produced in any given year.

In 2022, the drilling program consisted of 44 directional drillholes totaling 17,563 metres and 18 traditional drillholes totaling 8,129 metres. The total program consisted of approximately 25,692 metres completed within the Antamina pit. For diamond core, three-metre samples on average of half core (HQ or NQ) are collected and prepared for assay at an external laboratory. The remaining half of the core is retained for future reference. The assay program includes approximately 20% of quality-control samples, comprising reference materials, duplicates and blanks, as well as samples for external control at a secondary laboratory. The reference materials consist of matrix-matched material from Antamina, homogenized and certified in accordance with industry practice.

On a 100% basis, Antamina's copper production in 2022 was 454,800 tonnes, compared to 445,300 tonnes in 2021. Zinc production was 433,000 tonnes in 2022, a decrease from 462,200 tonnes in 2021. Differences in copper and zinc production from 2021 were the result of variations in ore feed and specifically a lower portion of copper-zinc ores in 2022. In 2022, molybdenum production was 6.9 million pounds as compared to 4.9 million pounds in 2021.

Our 22.5% share of 2023 production at Antamina is expected to be in the range of 90,000 to 97,000 tonnes of copper, 95,000 to 105,000 tonnes of zinc and 2.2 to 2.6 million pounds of molybdenum. Our share of annual copper production is expected to be between 90,000 and 100,000 tonnes from 2024 to 2026. Our share of annual zinc production is expected to average between 55,000 and 95,000 tonnes per year during 2024 to 2026, with annual production fluctuating due to feed grades and the amount of copper-zinc ore available to process. Our share of annual molybdenum production is expected to be between 2.0 and 4.0 million pounds between 2024 and 2026.

CMA has entered into long-term off-take agreements with affiliates of the Antamina shareholders on market terms for copper, zinc and molybdenum concentrates. Under a long-term streaming

agreement with FN Holdings ULC (FNH), a subsidiary of Franco-Nevada Corporation, Teck has agreed to deliver silver to FNH equivalent to 22.5% of the payable silver sold by CMA. FNH made a payment of US$610 million on closing of the arrangement in 2015 and pays 5% of the spot price at the time of delivery for each ounce of silver delivered under the agreement. After 86 million ounces of silver have been delivered under the agreement, the stream will be reduced by one-third. A total of 24.9 million ounces of silver have been delivered under the agreement from the effective date in 2015 to December 31, 2022. The streaming agreement restricts distributions from Teck Base Metals Ltd., our subsidiary that holds our 22.5% interest in CMA, to the extent of unpaid amounts under the agreement if there is an event of default under the streaming agreement or an insolvency of Teck. CMA, which owns and operates Antamina, is not a party to the agreement and operations are not affected by it.

In Peru, the mining tax regime includes the Special Mining Tax and the Modified Mining Royalty, which apply to CMA's operating margin based on a progressive sliding scale ranging from 3% to 20.4%. CMA is also subject to Peruvian income tax.

Based on currently permitted tailings storage capacity, the mine life is expected to continue until 2028. CMA is conducting engineering studies for additional tailings storage options and alternative mine plans that could result in significant mine life extensions. Any mine life extension will require a modification of Antamina's current Environmental Impact Assessment certificate. In 2022, CMA submitted a MEIA (Modification of Environmental Impact Assessment) to Peruvian regulators to extend its mine life from 2028 to 2036. The regulatory review process is progressing as scheduled, with approval anticipated in the second half of 2023.

Our 22.5% share of 2023 projected capital costs for Antamina is approximately US$240 million. The major components of the projected capital costs are:

Component	Approximate projected cost (US$/million)
Sustaining	120
Growth	20
Capitalized stripping	100
Total	240

Our 22.5% share of 2023 projected cash operating costs for Antamina is approximately US$250 million. The major components of the projected cash operating costs are:

Component	Approximate projected cost (US$/million)
Labour (including contractors)	130
Supplies	120
Energy	80
Other (including general & administrative, inventory changes)	20
Less amounts associated with projected capitalized stripping	(100)
Total	250

The cash operating costs presented above do not include transportation or royalties.

Quebrada Blanca Mine, Chile (Copper-Molybdenum)

The Quebrada Blanca mine is owned by a Chilean private company, Compañía Minera Teck Quebrada Blanca S.A. (CMTQB). Teck holds an indirect 60% interest in CMTQB (66.67% of the Series A shares); SMM/SC collectively hold an indirect 30% interest in CMTQB (33.33% of the Series A shares) and Empresa Nacional de Minería (ENAMI), a Chilean government entity, holds a 10% carried interest (100% of the Series B shares), which does not require ENAMI to fund capital spending.

CMTQB owns the exploitation and/or exploration rights in the immediate area of the Quebrada Blanca deposit pursuant to various mining concessions and other rights. There are currently approximately 138,141 hectares of mining rights incorporating exploitation and exploration mining concessions held in the name of CMTQB. The exploitation mining concessions have no expiry date. In addition, CMTQB holds surface rights covering the mine site and other areas aggregating approximately 34,800 hectares as well as certain other exploration rights in the surrounding area and certain water rights.

The Quebrada Blanca property is located in the Tarapacá Region of northern Chile approximately 240 kilometres southeast of the port city of Iquique and 1,500 kilometres north of the city of Santiago, the capital of Chile. The Quebrada Blanca property is located approximately 4,400 metres above sea level. The local topography is represented by rounded hills disrupted by steep gulches. Vegetation cover consists of sparse tufts of grass and small shrubs. Access to the mine site is via road from Iquique. Mine personnel are based in a camp facility, and the majority commute from large population centres, including Iquique and Santiago.

Previously mined for its supergene mineralization, the Quebrada Blanca copper-molybdenum sulphide deposit is characterized by a series of Eocene-Oligocene aged intrusions, hydrothermal breccias and vein-related mineralization over an area of approximately 5 kilometres by 3 kilometres and controlled primarily by northeast-oriented structures. Alteration associated with the emplacement of the porphyritic and related intrusions includes chalcopyrite- and bornite-related veins, disseminations, and cement fill associated with potassic alteration. A large, vertically zoned hydrothermal breccia developed in association with the potassic event. This breccia has biotite, biotite-magnetite, chalcopyrite and locally bornite preserved at depth, whilst at shallower levels it transitions to a tourmaline-rich breccia with pyrite and chalcopyrite. A series of quartz-molybdenite veins are commonly associated with the biotite-magnetite breccia on the east side of the deposit. A subsequent chalcopyrite and molybdenite event cuts across the system and is characterized by grey-green sericite and quartz veins. This type of transitional alteration is best preserved in the western part of the deposit. A late quartz-sericite-pyrite assemblage cuts the copper-bearing stages, and is strongly controlled by northwest-oriented structures. This phyllic event also occurs along northeast-oriented structures, which were a key control in the location of the supergene mineralization at surface.

The Quebrada Blanca orebody occurs within a 5-kilometre by 2-kilometre quartz monzonite intrusive stock. Supergene enrichment processes have dissolved and redeposited primary (hypogene) chalcopyrite as a blanket of supergene copper sulphides, the most important being chalcocite and covellite, with lesser copper oxides/silicates such as chrysocolla in the oxide zone. Irregular transition zones, with locally faulted contacts, separate the higher- and lower-grade supergene/dump leach ores from the leached cap and hypogene zones.

Taxes payable in Chile that affect the operation include the Chilean Specific Mining Tax, which applies to operating margin based on a progressive sliding scale from 5% to 14%. CMTQB is also

subject to federal income tax in Chile. CMTQB benefits from a tax stability agreement that protects against changes in mining taxes, but not income taxes, until 2037.

Quebrada Blanca is an open pit mine. Existing operations leach copper ores and produce copper cathode from leachate solution using solvent extraction and electrowinning. Quebrada Blanca produced 9,600 tonnes of copper cathode in 2022, compared to 11,500 tonnes in 2021, with the decrease due to the continued decline of cathode production, as the operation had ceased mining in 2018. 2023 will be the last year copper cathode is produced at Quebrada Blanca as future production will be concentrate from the Quebrada Blanca Phase 2 (QB2) project.

QB2 will be a large-scale concentrate-producing operation. Mining operations will continue to use open pit methods and conventional truck-and-shovel operations. The production fleet will be a combination of the existing traditional trucks and autonomous trucks, eventually transitioning to a fully autonomous fleet as the traditional trucks reach the end of their useful life. From an operational standpoint, QB2 represents a continuation of the historic supergene mining activities; however, there are significant differences between the two mining operations, such as the significant increase in the ultimate pit depth, the change in mineralization type from enriched supergene to hypogene, and the planned increase to the mining extraction rate.

QB2 continued to advance construction, pre-operational testing and commissioning through 2022. We are now in commissioning on Line 1 and have begun processing ore through the mills. The final construction completion and commissioning will support ramp-up to full capacity which is expected before the end of 2023. The project includes a 143,000-tonne-per-day concentrator and related facilities, which is connected to a new port and desalination plant by approximately 165-kilometre concentrate and desalinated water pipelines. An additional access road, known as the A-97 bypass, has been constructed from the A-97B highway to the mine. A new overhead high-voltage electric power transmission line has also been constructed. The primary crushing facility contains a single primary crusher with a double-sided dump pocket for dumping ore from the mine haulage trucks. The coarse ore conveyor facility consists of an overland conveyor to transport the crushed ore from the primary crusher to the coarse ore stockpile. When in production the coarse ore stockpile will have a live capacity of 80,000 tonnes, and an overall 270,000 tonne capacity. The concentrator facility contains two semi-autogenous grinding mills, four ball mills, cyclone feed pumps and cyclone clusters.

Construction of associated port facilities is ongoing with the shiploader expected to be in service in the fourth quarter of 2023. Any timing gap between available concentrate and shiploading will be managed through a combination of deliveries to alternate ports and domestic sales.

Development of the project is financed through a US$2.5 billion limited recourse project financing facility. The project finance arrangements include customary restrictions on the payment of dividends and other distributions from CMTQB until project completion has been achieved; such distributions are also subject to compliance with certain other conditions.

Construction capital cost guidance for QB2 is US$7.4 to US$7.75 billion. This cost increased over the last year as a result of inflationary pressures, ongoing COVID-19 factors and increases related to weather and subsurface conditions.

CMTQB has signed a number of power purchase agreements for power supply for QB2. There are three primary power purchase agreements for QB2. Each of these agreements imposes a take-or-pay obligation on CMTQB, under which CMTQB is required to pay for the contracted power regardless of whether it is required in the operations. Supply from the first contract commenced in

2016, while other supply dates commenced in 2018. CMTQB's obligations under the power purchase agreements are guaranteed by Teck until QB2 enters production.

The aggregate fixed commitment of the current three primary power supply agreements is approximately US$7.9 million per month, determined as of December 31, 2022. CMTQB has long-term arrangements with AES Gener S.A., to enable CMTQB to transition to renewable energy for all of the power required for the operation of QB2 by the end of 2025.

In 2022, 22 diamond drillholes totaling 14,724 metres were completed at Quebrada Blanca. This is part of an ongoing orebody drilling delineation program targeted to be completed in 2023. Current drilling results confirm the extension of the Quebrada Blanca primary mineralization to the north-east and at depth. All diamond core is logged and sampled at two-meter intervals using half core (PQ, HQ, NQ size depending on sample depth), samples are collected and prepared for assaying at a third party chemical laboratory. The remaining second half core is securely stored and preserved for future reference. Quebrada Blanca rigorously adheres to existing quality control and quality assurance protocols consistent with those recommended by Teck. The certified reference samples are prepared by Oreas using material from the Quebrada Blanca orebody, homogenized and certified in accordance with industry practice. Sample pulps are assayed using agua regia, inductively coupled mass spectrometry (ICP), for ore grade, copper sequential leach and fire assay fusion – ICP is used in gold assaying. The quality assurance quality control program results showed that there is no bias, nor contamination and the samples have sufficient accuracy and precision for use in resources and reserves reporting.

In 2023, Quebrada Blanca is expected to produce between 150,000 and 180,000 tonnes of copper, including copper cathode production, and 1.5 to 3.0 million pounds of molybdenum. We expect copper in concentrate production to be between 285,000 and 315,000 tonnes per year for 2024 to 2026 with molybdenum production between 10.0 and 14.0 million pounds per year.

The economics for QB2 are tested annually. An updated analysis based off 2022 year-end proven and probable reserves estimates the average annual free cash flow of the QB2 project will be US$1.0 billion per year for the first five years. Assuming a discount rate of 8.0% and long-term copper price of US$3.15 per pound of copper, the estimated go-forward net present value of the project as of December 31, 2022 is US$7.8 billion. Payback on the total capital investment is expected to be achieved in year seven of production and, as most of the capital for the project has already been spent, the internal rate of return for the project is no longer a relevant metric.

Carmen de Andacollo Mine, Chile (Copper)

The Carmen de Andacollo property is owned by a Chilean private company, Compañía Minera Teck Carmen de Andacollo (CDA). We own 100% of the Series A shares of CDA while ENAMI owns 100% of the Series B shares of CDA. Our Series A shares of CDA equate to 90% of CDA's total share equity and ENAMI's Series B shares comprise the remaining 10% of total share equity. ENAMI's interest is a carried interest and, as a result, ENAMI is not required to contribute further funding to CDA.

CDA owns the exploitation and/or exploration rights over an area of approximately 30,000 hectares in the area of the Carmen de Andacollo supergene and hypogene deposits pursuant to various mining concessions and other rights. In addition, CDA owns the surface rights covering the mine site and other areas aggregating approximately 2,700 hectares as well as certain water rights. Since 1996, CDA has been conducting mining operations on the supergene deposit on the Carmen de Andacollo property that overlies the hypogene deposit, and since 2010 has been processing hypogene ore through a concentrator on the site.

The Carmen de Andacollo property is located in the Coquimbo Region in central Chile. The site is adjacent to the town of Carmen de Andacollo, approximately 55 kilometres southeast of the city of La Serena and 350 kilometres north of Santiago. Access to the Carmen de Andacollo mine is by paved roads from La Serena. The mine is located near the southern limit of the Atacama Desert at an elevation of approximately 1,000 metres. The climate around Carmen de Andacollo is transitional between the desert climate of northern Chile and the Mediterranean climate of the Santiago area. The majority of mine personnel live in the town of Andacollo, immediately adjacent to the mine, or in the nearby cities of Coquimbo and La Serena. In August 2020, CDA entered into a long-term power purchase agreement to provide 100% renewable power for Carmen de Andacollo Operations.

The Carmen de Andacollo orebody is a porphyry copper deposit consisting of disseminated and fracture-controlled copper mineralization contained within a gently dipping sequence of andesitic to trachytic volcanic rocks and sub-volcanic intrusions. The mineralization is spatially related to a feldspar porphyry intrusion and a series of deeply rooted fault structures. A primary copper-gold sulphide hypogene deposit containing principally disseminated and quartz vein-hosted chalcopyrite mineralization lies beneath the supergene deposit. The hypogene deposit was subjected to surface weathering processes, resulting in the formation of a barren leached zone 10 to 60 metres thick. The original copper sulphides leached from this zone were redeposited below the barren leached zone as a copper-rich zone comprised of copper silicates (chrysocolla) and supergene copper sulphides (chalcocite with lesser covellite).

The Carmen de Andacollo mine is an open pit mine. Copper concentrate is produced by processing hypogene ore through semi-autogenous grinding and a flotation plant with the capacity to process up to 55,000 tonnes of ore per day, depending on ore hardness. Some supergene ore is also mined, which is transported to heap leach pads. Copper-bearing solutions are processed in an SX-EW plant to produce grade A copper cathode.

The copper cathode produced at Carmen de Andacollo is sold under annual and spot contracts. The price of copper cathodes is based on LME prices plus a premium based on market conditions. Copper concentrates produced by the operation are sold under long-term contracts to smelters in Asia and Europe, using the LME price as the basis for copper pricing, and with treatment and refining charges negotiated on an annual basis.

Over the course of 2022, 23 infill diamond drill holes were completed at Carmen de Andacollo for a total of 3,343 metres of diamond core. Two other holes were drilled, with a total of 700 metres, for geotechnical in-pit purposes. The resource block model update process is underway and is expected to be completed in early 2023, incorporating this new data set.

Diamond drill core is split in halves and sampled in 2.5-metre intervals. One half is sent to the external lab for analysis and the other is retained for future reference. For the infill drilling campaign, one in five samples was submitted for hardness proxy testing; subsequently, these samples were returned to the mechanical preparation process. For the metallurgical drillholes, one in five samples was submitted for metallurgical testing. Coarse blank, field duplicated (prior to shipment to the laboratory), crushing duplicated, fine coarse blank, pulp duplicated and standards were used as part of the quality assurance/quality control program.

Carmen de Andacollo produced 38,600 tonnes of copper in concentrate in 2022, compared to 43,500 tonnes in 2021, primarily due to lower tonnage through the mill related to harder materials, restricted access to the pit bottom due to heavy winter rains, and lower recovery related to feeding from stockpiles. Copper cathode production was 900 tonnes in 2022, compared with 1,300 tonnes in 2021. Gold production of 25,900 ounces in 2022 was below 2021 production of 35,800 ounces, due to lower gold head grade and ore recovery, with 100% of the gold produced for the account of RGLD

Gold AG, a wholly owned subsidiary of Royal Gold, Inc. In effect, 100% of gold production from the mine has been sold to Royal Gold, Inc., who pays a cash price of 15% of the monthly average gold price at the time of each delivery, in addition to an upfront acquisition price previously paid.

Carmen de Andacollo's production in 2023 is expected to be in the range of 40,000 to 50,000 tonnes of copper. Annual copper in concentrate production is expected to be between 50,000 and 60,000 tonnes for 2024 to 2026.

The current life of mine for Carmen de Andacollo is expected to continue until 2036, although additional permits or amendments will be required.

Taxes payable in Chile that affect the operation include the Chilean Specific Mining Tax, which applies to operating margin based on a progressive sliding scale from 5% to 14%. CDA is also subject to federal income tax in Chile.

Copper Growth Projects

As part of Teck's Copper Growth strategy, Teck and our partners continue to advance social, environmental, technical and permitting studies to advance eight substantial base metal assets - Highland Valley Copper 2040, Zafranal, San Nicolás, Quebrada Blanca Mill Expansion, NewRange Copper Nickel LLC, Galore Creek, Schaft Creek and NuevaUnión. All copper growth assets are located in the Americas in jurisdictions where Teck has experience conducting advanced exploration activities, project work and permitting activities, developing strong community and stakeholder relationships, and, except for México, operating mines.

Highland Valley Copper, British Columbia (Copper-Molybdenum)

Our Highland Valley Copper 2040 project (HVC 2040) looks to extend the life of the Highland Valley Copper operations to at least 2040, through an extension of the existing site infrastructure. Work continues on a feasibility study, detailed social baseline studies, community discussions and related environmental permitting work. Completion of the feasibility study is expected in the fourth quarter of 2023 and a concurrent environmental assessment application is in progress under the *Environmental Assessment Act* (British Columbia), with submission planned in the second half of 2023.

Zafranal, Peru (Copper-Gold)

The Zafranal property, located in southern Peru, 85 kilometres northwest of Arequipa within the Provinces of Castilla and Caylloma, is a mid-sized copper-gold porphyry deposit discovered by Teck in 2004. The asset is held by Compañía Minera Zafranal S.A.C. (CMZ), in which Teck holds an 80% interest, with Mitsubishi Materials Corporation holding the remaining 20%.

In January 2022, we received confirmation of Socio-Economic Impact Assessment (SEIA) admissibility from the Peruvian Regulatory Authority and subsequently completed a comprehensive virtual public participation session in the first quarter of 2022 and responded to SEIA observations through the balance of 2022. We expect to complete the SEIA review process and potentially receive the permit in the first half of 2023, after which we will update the feasibility study and prepare for the start of detailed engineering.

We continue to maintain an active engagement with key stakeholders, including investing in the local communities.

San Nicolás, México (Copper-Zinc)

The San Nicolás property, located in Zacatecas, México, is a copper-zinc massive sulphide deposit with minor gold and silver content. The property is held by Minas de San Nicolás, S.A.P.I. de C.V. which is a wholly owned subsidiary of Teck. In September 2022, Agnico Eagle Mines Limited (Agnico Eagle) agreed to subscribe for a 50% interest in Minas de San Nicolás, S.A.P.I. de C.V. for US$580 million. The transaction is expected to close in the second quarter of 2023. As a result of the transaction, Teck and Agnico Eagle will become 50/50 joint venture partners at San Nicolás.

In 2022 we initiated a feasibility study which is expected to be completed in early 2024. We also continue to advance detailed social, community and environmental studies to inform a MIA-R (Mexican Environmental Impact Assessment) which we are targeting for submission in 2023.

Despite varying COVID-19 restrictions in México in 2022, the San Nicolás community team was able to advance a wide range of virtual and socially distanced engagements resulting in agreements with several communities in the project area. Meetings with communities and key stakeholders in 2022 focused on establishing strong working relationships and trust between the project and the communities in the project area as well as an increased appreciation of the project itself, including potential impacts and planned mitigations.

NewRange Copper Nickel LLC, United States (Copper-Nickel-Platinum Group Metals)

In July 2022, Teck and PolyMet Mining Corp. (PolyMet) agreed to form a 50/50 joint venture to advance PolyMet's NorthMet project and Teck's Mesaba mineral deposit. The transaction closed on February 15, 2023. The joint venture is called NewRange Copper Nickel LLC (NewRange) and consists of the NorthMet project and the Mesaba mineral deposit, formerly held by PolyMet and Teck, respectively.

The NorthMet and Mesaba properties, located in northeastern Minnesota 100 kilometres north of Duluth, are part of a potentially significant copper, nickel and platinum-palladium-cobalt mining district in the United States. Known ore deposits in the district, including NorthMet and Mesaba, consist of metallurgically complex disseminated copper-nickel sulphides that require a range of mineral processing steps to make saleable concentrate or metal products while meeting state and federal requirements to protect the environment. Mineral rights over the Mesaba deposit are held 100% by NewRange through lease agreements with private interests and the state of Minnesota. Mineral rights over the NorthMet deposit are held by NewRange.

Work in 2022 on the Mesaba deposit focused on environmental management and monitoring of existing facilities, continuing environmental baseline work, and advancing necessary flora, fauna and environmental ecosystem mapping in support of current and planned permitting activities. In addition, the Mesaba project team directly supported research into the potential for mine rock and processing tailings from the Mesaba deposit to preferentially promote carbon mineralization, or the permanent capture of atmospheric CO_2, with promising initial results. Technical studies on resource modeling, geometallurgy, mineral processing, mining and siting studies were completed in support of preliminary stage project engineering and design work for the Mesaba deposit.

Quebrada Blanca Mill Expansion, Chile (Copper-Molybdenum)

We are advancing a feasibility study for the Quebrada Blanca Mill Expansion (QBME) project which will entail an increase in concentrator throughput of approximately 50%, with the addition of one identical, semi-autogenous grinding line. This configuration is expected to make use of excess capacity in the supporting infrastructure, reducing capital costs and minimizing the project footprint. A permit application was submitted to the Chilean regulator in early 2023, and the feasibility study is expected to be completed later this year.

Galore Creek, Canada (Copper-Gold-Silver)

The Galore Creek property, located in Tahltan territory in northwestern British Columbia approximately 150 kilometres northwest of the port of Stewart, B.C. and 370 kilometres northwest of Smithers, B.C., is a significant copper-gold-silver porphyry deposit. The project is owned by the Galore Creek Partnership, a 50:50 partnership between Teck and Newmont Corporation, and is managed by Galore Creek Mining Corporation (GCMC), a wholly owned subsidiary of the Galore Creek Partnership.

Throughout 2022, GCMC conducted fieldwork to satisfy baseline environmental requirements, including augmenting geohazard and climate-related information. Field programs collected valuable information from a wide range of field surveys, including soil, sediment, and rock sampling; water flow tests and sampling; drilling and drill sampling; flora and fauna studies; ecosystem and biodiversity mapping; geohazard mapping and assessments; archaeological studies; bio- and aquatic surveys; and other topical studies.

A prefeasibility study is expected to be completed in the second half of 2023 and we expect to commence a feasibility study in the second half of 2023. We continue to work closely with the Tahltan Central Government to incorporate Tahltan knowledge and experience into the project design.

Schaft Creek, Canada (Copper-Molybdenum-Gold-Silver)

The Schaft Creek property, located in Tahltan territory in northwestern British Columbia, approximately 61 kilometres south of Telegraph Creek and 37 kilometres northeast of the Galore Creek property, is a joint venture between Teck and Copper Fox Metals Inc., with Teck holding a 75% interest and acting as the operator.

In 2022, we invested in progressing environmental and social baseline field studies and focused on design and engineering data collection fieldwork, including infill resource drilling and geometallurgical drilling and related test work. In 2023, we plan to gather additional resource, geometallurgical, and geotechnical information from across the site to inform updated mine planning work, facilitate siting studies and inform additional capital and operating cost estimates, each in support of advancing the asset into prefeasibility studies.

NuevaUnión, Chile (Copper-Molybdenum-Silver-Gold)

NuevaUnión is a 50:50 partnership between Teck and Newmont Corporation, consisting of the copper-gold La Fortuna deposit and the copper-molybdenum-silver Relincho deposit which are located approximately 40 kilometres apart in the Huasco Province in the Atacama region of Chile.

Work in 2022 advanced select technical and strategic work which will continue in 2023 with a focus on establishing a cost effective path forward. Community engagement and investment activities will continue in 2023.

ZINC

Mining Operations

Red Dog Mine, United States (Zinc, Lead)

The Red Dog zinc-lead mine, concentrator and shipping facility in the Northwest Arctic Borough, approximately 144 kilometres north of Kotzebue, Alaska, commenced production in 1989 and began shipping concentrates in 1990. The Red Dog mine is operated by Teck Alaska Incorporated (Teck Alaska) on lands owned by, and leased from, the NANA Regional Corporation (NANA), a Regional Alaska Native corporation. The Red Dog mine covers approximately 1,000 hectares.

Red Dog mine is located on a ridge between the middle and south forks of Red Dog Creek, in the DeLong Mountains of the Western Brooks Range. The topography is moderately sloping, with elevations ranging from 260 metres to 1,200 metres above sea level. Vegetation is classified as woody tundra. The mine is accessible from a paved airstrip, 5 kilometres from the Red Dog mine, which allows jet access from Anchorage and Kotzebue. Mine personnel are generally drawn from surrounding communities as well as from other locations within the State and in North America. Power for the mine is produced on-site by diesel generators with a maximum capacity of 30 megawatts, sufficient for present and expected future power requirements. Potable water is sourced from Bons Creek.

Red Dog is comprised of a number of sedimentary hosted exhalative lead-zinc sulphide deposits hosted in Mississippian-age to Pennsylvanian-age sedimentary rocks. The orebodies are lens shaped and occur within structurally controlled (thrust faults) plates, are relatively flat-lying and are hosted by marine clastic rocks (shales, siltstones, turbidites) and lesser chert and carbonate rocks. Barite rock is common in and above the sulphide units. Silicification is the dominant alteration type.

The sulphide mineralization consists of semi-massive to massive sphalerite, pyrite, marcasite and galena. Common textures within the sulphide zone include massive, fragmental, veined and, rarely, sedimentary layering.

Ore is currently mined from the Aqqaluk and Qanaiyaq pits. All future ore production is also expected to be mined from these pits. The mining method employed is conventional open pit drill-and-blast and truck-and-shovel technology. The mineral processing facilities employ conventional grinding and sulphide flotation methods to produce zinc and lead concentrates.

Tailings storage and waste disposal areas have adequate design capacity to sustain the current life of mine plan. All contaminated water from the mine area and waste dumps is collected and contained in a tailings impoundment and seasonally discharged through a water treatment plant. Mill process water is reclaimed from the tailings pond.

In 2022, the drilling program consisted of seven sonic drillholes totaling 178 meters. The program was conducted within the Qanaiyaq pit for infill and immediately adjacent to the Qanaiyaq pit for expansion and condemnation. During Sonic drilling the core barrel is extracted from the ground and a bag is placed over the core barrel once at surface and collects the sample as it comes out of the barrel, 10 foot barrels were used, and two bags are generally used to capture the material. Three to five foot samples are collected and prepared for assay at an external laboratory. The assay program includes approximately 20% of quality-control samples, comprising reference materials, duplicates and blanks, as well as samples for external control at a secondary laboratory. The reference materials consist of matrix-matched material from Red Dog, homogenized and certified in accordance with industry practice.

Since 2007, we have paid NANA a percentage of the net proceeds of production from the mine under a development and operating agreement, starting at 25% and increasing by successive increments of 5% at five-year intervals to a maximum of 50%. The most recent increase occurred in October 2022, bringing the royalty to 40%, with the next adjustment to 45% anticipated to occur in October 2027. The NANA royalty expense in 2022 was US$353 million, compared with US$255 million in 2021. NANA has advised us that it ultimately shares approximately 60% of the royalty, net of allowable costs, with other Regional Alaska Native corporations pursuant to section 7(i) of the *Alaska Native Claims Settlement Act*. The development and operating agreement also provides for employment and contracting preferences and additional lease rental payments. In addition to the royalties payable to NANA, Red Dog is subject to federal and state income taxes and the Alaska Mining License tax, which applies at 7% of taxable income.

Teck Alaska and the Northwest Arctic Borough agreed to a 10-year payment in lieu of taxes agreement (PILT) effective January 1, 2016. Under the agreement, PILT payments to the Northwest Arctic Borough are calculated based on the net book value of the mine lands, buildings and equipment in accordance with U.S. Generally Accepted Accounting Principles, and are generally between US$14 million and US$26 million per year. In addition, Teck Alaska remits annual payments to a separate fund aimed at social investment in villages in the region. These payments, based on mine profitability, are between US$4 million and US$8 million per year.

The mine is in material compliance with all of its permits and related regulatory instruments, and has obtained all of the permits that are material to its current operations.

In 2022, the majority of the zinc concentrate produced at Red Dog was shipped to customers in Asia, Australia and Europe, with the balance being shipped to our metallurgical facilities at Trail, British Columbia. The lead concentrate production is also shipped to Trail and to customers in Asia. The majority of concentrate sales are pursuant to long-term contracts at market prices, subject to annually negotiated treatment charges. The balance is sold on the spot market at prices based on prevailing market quotations. The shipping season at Red Dog is restricted to approximately 100 days per year because of sea ice conditions and Red Dog's sales are seasonal, with the majority of sales in the last five months of each year. Concentrate is stockpiled at the port facility and is typically shipped between July and October.

In 2022, zinc production at Red Dog increased to 553,100 tonnes, compared to 503,400 tonnes produced in 2021, primarily due to higher ore grade, as expected in the mine plan, and slightly better recovery. Lead production in 2022 of 79,500 tonnes was lower than 2021 production of 97,400 tonnes primarily as a result of lower grade ore, as expected in the mine plan.

Red Dog's production of contained metal in 2023 is anticipated to be in the range of 550,000 to 580,000 tonnes of zinc and 110,000 to 125,000 tonnes of lead. From 2024 to 2026, zinc production is expected to be in the range of 500,000 to 550,000 tonnes of contained zinc per year, while lead production is expected to be between 85,000 and 95,000 tonnes of contained lead per year.

The current mine life, based on existing developed deposits, is expected to extend through to 2031.

2023 projected capital costs for Red Dog are approximately US$130 million. The major components of the projected capital costs are:

Component	Approximate projected cost (US$/million)
Sustaining	90
Growth	0
Capitalized stripping	40
Total	130

2023 projected cash operating costs for Red Dog are approximately US$440 million. The major components of the projected cash operating costs are:

Component	Approximate projected cost (US$/million)
Labour	180
Supplies	150
Energy	60
Other (including general & administrative, inventory changes)	90
Less amounts associated with projected capitalized stripping	(40)
Total	440

The cash operating costs presented above do not include transportation or royalties.

Zinc Growth Projects

In 2022 we launched a new initiative focused on surfacing value from our high-quality portfolio of zinc projects. Similar to our approach on copper growth, we will methodically advance our zinc growth assets with prudent investments to improve our understanding of each assets' potential and define development options and paths to value for each of the assets.

Aktigiruq-Annaaraq Exploration Project (AAEP), Alaska, USA (Zinc-Lead)

Teck's principal zinc growth project is located in the Red Dog District in Alaska, where we have several high-quality opportunities located between 10 and 20 kilometers from our existing Red Dog operation. Our primary focus is on Aktigiruq, a significant mineralized system, where scoping-level studies will continue in 2023 and 2024 on an underground mine leveraging the existing mill and supporting facilities at Red Dog operations.

Other Zinc Growth Projects

Within the Zinc Growth portfolio, there are two primary opportunities, namely Teena and Cirque. We have a 100% interest in the Teena project which is a significant high-grade zinc-lead deposit located 8 kilometres west of Glencore's McArthur River Mine in the Northern Territory of Australia. We are advancing early-stage conceptual studies to assess the standalone development opportunity represented by this project.

We also hold a 50% interest in the Cirque deposit, which is located in central British Columbia in a long-established mineral district with recently improved road and rail infrastructure. Our 2023 work is focused on permitting and program definition with the potential for drilling to start later in 2023.

Refining and Smelting

Trail Operations

Teck Metals owns and operates the integrated smelting and refining complex at Trail, British Columbia. The complex's major products are refined zinc, lead and silver. It also produces a variety of precious and specialty metals, chemicals and fertilizer products.

The zinc refinery consists of six major metallurgical plants, one fertilizer plant and two specialty metal plants. Depending on the mix of feeds, the facility has an annual capacity of approximately 300,000 to 315,000 tonnes of refined zinc. Zinc concentrates are initially treated in either roasters or pressure leach plants, where sulphur is separated from the metal-bearing solids. The zinc is put into solution where it is first purified to remove other metal impurities and then electroplated onto cathodes in an electrolytic refining plant. The zinc cathodes are melted and then the zinc is cast into various shapes, grades and alloys to meet customer requirements. Other valuable metals, including indium and germanium, are also recovered as co-products in the zinc plant. The lead smelting operation consists of two major metallurgical plants and one specialty metal plant. Lead concentrates, recycled lead acid batteries, residues from the zinc circuits and various other lead- and silver-bearing materials are treated in the KIVCET flash furnace to produce lead bullion. The bullion is electro-refined in the refinery to produce high-purity lead. The valuable silver and gold are also recovered in this circuit after further processing. Shutdown of the KIVCET furnace for regular maintenance is scheduled to occur approximately every four years, with the latest shut-down occurring in 2022.

2022 production at Trail was lower than in 2021 due to the planned major maintenance turnaround shutdown of the KIVCET furnace, which took large sections of the plant offline from September through December of 2022. Major maintenance activities to extend asset life included replacement of the KIVCET furnace hearth and replacement of the dome on the zinc roaster.

Refined zinc production in 2022 was 248,900 tonnes, as compared to 279,000 tonnes in 2021. Refined lead production in 2022 was 56,400 tonnes, compared with 81,400 tonnes in 2021. Refined silver production was 9.7 million ounces in 2022, as compared to 11.7 million ounces in 2021.

In 2023, we expect Trail Operations to produce between 270,000 and 290,000 tonnes of refined zinc. Refined zinc production from 2024 to 2026 is expected to be between 280,000 and 310,000 tonnes per year. Refined lead and silver production at Trail is expected to be similar to prior years (except 2022 due to the maintenance shutdown), but will fluctuate as a result of concentrate feed source optimization.

Our recycling process treated 19,000 tonnes of material during the year and we plan to treat approximately 28,000 tonnes of material in 2023. Our focus remains on treating lead acid batteries and cathode ray tube glass plus small quantities of zinc alkaline batteries and other post-consumer waste.

Metallurgical effluent, together with site rainfall drainage water, is collected in ponds and treated through an effluent treatment plant before discharge into the Columbia River. The smelter operates under a variety of permits, including effluent and air emission permits issued by the British Columbia Ministry of Environment and Climate Change Strategy. The operation is in material compliance with all of its environmental permits and has obtained all of the permits that are material to its operations.

In 2018, we sold our two-thirds interest in the Waneta Dam to BC Hydro. In connection with the sale, we entered into a 20-year arrangement with BC Hydro, with an option to extend for an additional 10 years, to produce power for our Trail Operations. Our arrangement with BC Hydro retains our prior obligation to provide for the firm delivery of energy and capacity from Waneta to BC Hydro until 2036. If Teck Metals fails to deliver power as provided for in the agreement, it could be liable to pay liquidated damages to BC Hydro based on the market rate for power at the time of the shortfall. The costs of the liquidated damages could be significant if the shortfall continues and is not covered by our insurance policies.

We also own the related 15-kilometre transmission and distribution system from Waneta to the United States, which BC Hydro has agreed to purchase on a deferred schedule.

STEELMAKING COAL

Our steelmaking coal mineral holdings consist of a mix of Crown granted fee simple coal rights, which are subject to annual mineral land taxes, and Crown issued coal leases and licences, which are subject to leasing and licensing fees. Coal licences are renewed annually on their anniversary date; coal leases are typically originally issued for a 30-year term and can be subsequently renewed in 15-year increments. In the past, renewals of these licences and leases have generally been granted, although there can be no assurance that this will continue in the future.

All of Teck's operating steelmaking coal mines are in British Columbia and are subject to the B.C. Mineral Tax, which is a two-tier tax with a minimum rate of 2% and a maximum rate of 13%. A minimum tax of 2% applies to operating cash flows, as defined by the regulations. A maximum tax rate of 13% applies to cash flows after taking available deductions for capital expenditures and other permitted deductions.

All of Teck's coal mines are conventional open pit truck and shovel operations and are designed to operate on a continuous basis, 24 hours per day, 365 days per year. Operating schedules can be varied depending on market conditions and are subject to shutdowns for planned maintenance activities. Capacity may be restricted for a variety of reasons and actual production will depend on sales volumes. All of the mines are accessed by two-lane all-weather roads that connect to public highways. All of the mines operate under permits granted by provincial and/or federal regulatory authorities. Each of our steelmaking coal mines will require additional permits as they progress through their long-term mine plans. The issuance of certain permits for mine life extensions may depend on a number of factors, including our ability to meet the water quality targets set out in the Elk Valley Water Quality Plan, as discussed below. All permits necessary for the current operations of the mines are in hand and in good standing. Annual infill drilling programs are conducted to confirm and update the geological models used to develop the yearly mine plans.

Following mining, the coal is washed in coal preparation plants using a variety of conventional techniques. Coal is dried using a combination of mechanical dewatering and gas-fired dryers. Processed coal is conveyed to clean coal silos or other storage facilities for intermediate storage and load-out to railcars.

In 2022, our share of steelmaking coal from our operations was 21.5 million tonnes of coal, which was 3.1 million tonnes lower than 2021, primarily due to plant availability challenges throughout the year, particularly a two-month plant outage at Elkview to repair a structural failure of the raw coal conveyor. We expect 2023 coal production to be in the range of 24 to 26 million tonnes. Labour constraints are expected to continue to negatively impact equipment operating hours despite improved workforce attraction and retention as a result of initiatives implemented in 2022. We updated 2024 to 2026 steelmaking coal guidance to 24 to 26 million tonnes per year to reflect uncertainties related to ongoing labour impacts and the increasing frequency of adverse weather events.

Elk Valley Water Quality Management

We continue to implement the water quality management measures required by the Elk Valley Water Quality Plan (the Plan). The Plan establishes short-, medium- and long-term water quality targets for selenium, nitrate, sulphate and cadmium to protect the environment and human health.

The majority of our 2022 capital spending for water projects was associated with building additional Saturated Rock Fill (SRF) treatment capacity across the Elk Valley. Capital spending in 2022 on water projects was $184 million. Our existing SRFs and Active Water Treatment Facilities (AWTFs) are operating as designed and, with the recent construction of the Fording River North SRF, there is currently 77.5 million litres per day of constructed water treatment capacity which we expect to be operating as designed by the end of 2023. This is a fourfold increase in our treatment capacity from 2020.

With this additional capacity, we expect to achieve one of the primary objectives of the Plan: stabilizing and reducing the selenium trend in the Elk Valley.

In 2023, sustaining capital investment in water treatment facilities, water management (source control, calcite management and tributary management) and the incremental measures required under the October 2020 Direction issued by Environment and Climate Change Canada (the Direction) is expected to be approximately $220 million. Key projects include the North Line Creek Phase 1 and the Fording River North 1 Phase 3 SRFs.

Unchanged from our previously issued guidance, we plan to invest between $450 and $550 million of capital in 2023 and 2024 on water management and water treatment, including the capital attributable to incremental measures required under the Direction. This also includes the advancement of the Fording River North 2 Phase 1 SRF, which will increase treatment capacity in the north Elk Valley earlier than previously planned. The continued investment in water treatment during this time frame will further increase our constructed water treatment capacity to 120 million litres per day by the end of 2026.

Operating costs associated with water treatment were approximately $1.50 per tonne in 2022 and are projected to increase gradually over the long term to approximately $3 to $5 per tonne as additional water treatment becomes operational. Long-term capital costs for construction of additional treatment facilities are expected to average approximately $2 per tonne annually.

Final costs of implementing the Plan and other water quality initiatives will depend in part on the technologies applied, on regulatory developments and on the results of ongoing environmental monitoring and modelling. The timing of expenditures will depend on resolution of technical issues, permitting timelines and other factors. Certain cost estimates to date are based on limited engineering. Implementation of the Plan also requires additional operating permits. We expect that, in order to maintain water quality, some form of water treatment will continue for an indefinite period after mining operations end. The Plan contemplates ongoing monitoring to ensure that the water quality targets set out in the Plan are protective of the environment and human health, and provides for adjustments if warranted by monitoring results. Proposed amendments to the Plan are under discussion with provincial regulators and Indigenous communities. The state of Montana's water quality standard for the Koocanusa Reservoir downstream of our mining operations has been set aside on procedural grounds. We continue to engage with U.S. regulators to work towards the establishment of appropriate science-based standards for the reservoir. Ongoing monitoring, as well as our continued research into treatment technologies, could reveal unexpected environmental impacts, technical issues or advances associated with potential treatment technologies. This could substantially increase or decrease both capital and operating costs associated with water quality management, or could materially affect our ability to permit mine life extensions in new mining areas.

Fish population monitoring between 2017 and 2019 revealed unanticipated declines in Westslope Cutthroat Trout (WCT) populations in certain tributaries in the Elk River watershed. Analysis has found the primary causes to be a combination of natural conditions and impacts from mining development on habitat and water quality. The details vary from tributary to tributary.

Monitoring is ongoing and 2020 and 2021 WCT survey results indicate successful recruitment and increasing abundance in the WCT population in the relevant tributaries. 2022 results are not yet available.

Teck is supporting recovery of the WCT populations and is working with government regulators and the Ktunaxa Nation Council to develop and implement a comprehensive recovery strategy, which includes habitat restoration and measures to reduce water use during low flow periods. Teck is also re-evaluating mine plans and mitigation options which include water management and treatment considerations.

Coal Transportation

Most of the coal produced at our steelmaking coal mines in southeast British Columbia is shipped to west coast ports in British Columbia.

Westbound rail service from the mines located in southeast British Columbia is currently provided by Canadian Pacific Railway Company (CPR). CPR transports a portion of these westbound shipments to Kamloops, B.C., and interchanges the trains with Canadian National Railway Company (CN Rail) for further transportation to the west coast. The remaining westbound shipments are transported by CPR from the mines to the terminals in Vancouver. Our previous agreement for westbound shipments with CPR expired in 2021. Current westbound shipments with CPR are under a tariff that expires in April 2023. Rail rates have not been materially impacted by the introduction of this tariff. Negotiations with CPR for a new westbound contract to replace the tariff are underway.

We have a long-term agreement until December 2026 with CN Rail for shipping steelmaking coal from our four B.C. operations via Kamloops to Neptune Bulk Terminals (Neptune) and other west coast ports, including Trigon Terminals (formerly Ridley Terminals Inc.), located in Prince Rupert.

Teck exports its seaborne coal primarily through three west coast terminals: Neptune, Westshore Terminals (Westshore) and Trigon Terminals (Trigon). We have a 46% ownership interest in Neptune which provides shiploading services on a cost-of-service basis at North Vancouver, British Columbia. Neptune became our primary terminal in 2021 and handles the majority of our export volumes. Coal capacity at Neptune is exclusive to Teck. Neptune is well positioned to deliver strong throughput in 2023 and beyond, with significantly increased terminal-loading capacity to meet our delivery commitments to our customers while further lowering our port costs.

In 2021, we entered into an agreement with Westshore for the shipment of between 5 and 7 million tonnes of steelmaking coal per year at fixed loading charges, for a total of 33 million tonnes over a period of approximately five years. We also have a long-term agreement with Trigon for the shipment of up to 6 million tonnes of steelmaking coal per year through to December 2027.

Through our capacity at Neptune and our complementary commercial agreements with Westshore and Trigon, our annual port capacity exceeds production and provides flexibility and improved reliability in the event of weather and corridor disruptions or terminal outages.

Close to 5% of the coal produced at the mines in the Elk Valley is transported by rail and ship via Thunder Bay Terminals in Thunder Bay, Ontario, to customers in the Great Lakes region of Canada and by direct rail to the United States. CPR transports the United States shipments from the Elk Valley to Coutts, Alberta, and then interchanges the trains with the BNSF for further transport to the United States. Rail shipments destined for Thunder Bay and the United States are transported under rail agreements.

Coal Operations

In the mines in the Elk Valley Region of British Columbia, coal is contained within the sedimentary Mist Mountain Formation of the lower Cretaceous Kootenay Group. The Mist Mountain sediments were involved in the mountain-building movements of the late Cretaceous to early Tertiary Laramide orogeny and are approximately 500 metres thick, with the depth of burial ranging from zero to 1,500 metres. The major structural features are north-south trending synclines with near horizontal to steep westerly dipping thrust faults and a few high-angle normal faults. This faulting has allowed for the Mist Mountain sequence to be repeated throughout the Elk Valley.

The following sections cover details for each of our operating steelmaking coal mines. For these operating mines, the remaining reserve life is based upon current reserves, annual production capacity and mine plans. As mine plans and capacities change, these reserve lives will also change. Because each mine covers a substantial lease area, the development required for accessing the reserves can be substantial, and can involve a range of expenditures in terms of pit access and development and infrastructure to support development. The reserve life estimates also assume that the required permits for life extensions will be obtained in a timely fashion to maintain production continuity.

Fording River Mine, B.C., Canada

The Fording River mine is located 29 kilometres northeast of the community of Elkford, in southeastern British Columbia. The mine site consists of approximately 19,800 hectares of coal lands, including four operating surface coal pits along with several areas planned for surface mine development held under multiple contiguous coal leases and licences. The leases and licences relating to Fording River are held by Teck Coal. Teck Coal also controls the surface and subsurface rights to the properties that are in operation and those that are planned for development.

Coal mined at Fording River is primarily steelmaking coal, although lesser quantities of lower-grade hard coking coal are also produced. The current annual production capacities of the mine and preparation plant are approximately 9.0 million and 9.5 million tonnes of clean coal, respectively.

Fording River's reserve areas include Eagle, Swift, Turnbull and Castle. Approximately 80 to 90% of the current production is derived from the Swift area, with the remaining production coming from the Eagle area. Proven and probable reserves at Fording River are projected to support mining for a further 42 years. The Fording River Extension Project (FRX), adjacent and south of existing operations, is expected to provide a new source of mineable steelmaking coal. FRX proposes to utilize existing infrastructure and equipment and is intended to extend mining at Fording River for decades, allowing for continued social and economic contributions to the local and regional economies. In August 2020, FRX was designated into the federal assessment process under the *Impact Assessment Act*, and a favourable outcome from the environmental assessment process is required for the project to proceed. A draft decision issued by the Province of British Columbia in December 2022 contemplates continued discussions with Indigenous communities and the development of a revised project description.

In 2022, 64 reverse circulation drillholes, totaling 14.0 kilometres, were drilled in the Lake, Swift and Eagle active pit areas and 6 reverse circulation holes, totaling 2.3 kilometres, as well as 9 geotechnical diamond drillholes, totaling 2.0 kilometres, were drilled in the FRX mine development area. Downhole geophysical logs of all drillholes were utilized to identify coal seam intercepts and validate sample intervals. Coal samples are obtained on 0.5 metre intervals from all reverse circulation drillholes. Intervals are then composited by seam to produce representative seam samples for further analysis and simulated washability. Retrieval of coal samples from diamond drill core is completed occasionally, depending on the drillhole location. In addition, ten large diameter (9-

inch) core holes, totaling 1.0 kilometers, were drilled in the FRX mine development area and another two holes, totaling 536 metres, were drilled in the Swift area to collect bulk samples of coal seams for pilot scale washing and carbonization.

To improve operational efficiency, raw coal from Greenhills may be processed at the Fording River plant.

2023 projected capital costs for Fording River are approximately $570 million. The major components of the projected capital costs are:

Component	Approximate projected cost ($/million)
Sustaining	140
Growth	10
Capitalized stripping	420
Total	570

The capital costs presented above do not include water quality capital costs which are described above in " *Individual Operations - Steelmaking Coal - Elk Valley Water Quality Management*".

2023 projected cash operating costs for Fording River are approximately $720 million. The major components of the projected cash operating costs are:

Component	Approximate projected cost ($/million)
Labour	330
Supplies	340
Energy	250
Other (including general & administrative, inventory changes)	220
Less amounts associated with projected capitalized stripping	(420)
Total	720

The cash operating costs presented above do not include transportation or royalties.

Elkview Mine, B.C., Canada

Teck has a 95% partnership interest in the Elkview Mine Limited Partnership. The remaining 5% is indirectly held equally by Nippon Steel Corporation, a Japanese steel producer, and POSCO, a Korean steel producer, each of which hold a 2.5% interest. The Elkview mine is an open pit coal mine located approximately 3 kilometres east of Sparwood in southeastern British Columbia. The mine site consists of approximately 12,400 hectares of coal lands. The leases and licences relating to Elkview are held by Elkview Mine Limited Partnership. Elkview Mine Limited Partnership also controls the surface and subsurface rights to the properties that are in operation and those that are planned for development.

The coal produced is a high-quality mid-volatile hard coking coal. Lesser quantities of lower-grade hard coking coal are also produced. The current annual production capacity of the mine and preparation plant (on a 100% basis) is approximately 9.0 million tonnes of clean coal.

In 2022, 42 reverse circulation drillholes, totaling 14.0 kilometres, were drilled in the Baldy, Adit Ridge and Natal pit areas. In addition, seven geotechnical diamond drillholes, totaling 1.9 kilometres, were drilled at Natal and Baldy pit areas. Downhole geophysical logs of all drillholes were utilized to identify coal seam intercepts and validate sample intervals. Coal samples are obtained on 0.5 metre intervals from all reverse circulation drillholes. Intervals are then composited by seam to produce representative seam samples for further analysis and simulated washability. Retrieval of coal samples from diamond drill core is completed occasionally, depending on the drillhole location and recovery of the coal from the core. In addition, eight large diameter (9-inch) core holes, totaling 1.7 kilometers, were drilled to collect bulk samples of coal seams for pilot scale washing and carbonization in the Natal area.

Proven and probable reserves at Elkview are projected to support mining for a further 39 years.

2023 projected capital costs for Elkview are approximately $415 million. The major components of the projected capital costs are:

Component	Approximate projected cost ($/million)
Sustaining	240
Growth	5
Capitalized stripping	170
Total	415

The capital costs presented above do not include water quality capital costs which are described above in " *Individual Operations - Steelmaking Coal - Elk Valley Water Quality Management*".

2023 projected cash operating costs for Elkview are approximately $730 million. The major components of the projected cash operating costs are:

Component	Approximate projected cost ($/million)
Labour	280
Supplies	250
Energy	150
Other (including general & administrative, inventory changes)	210
Less amounts associated with projected capitalized stripping	(160)
Total	730

The cash operating costs presented above do not include transportation or royalties.

Greenhills Mine, B.C., Canada

Greenhills is operated under a joint venture agreement between, among others Teck Coal and POSCO Canada Limited (POSCAN). Pursuant to the joint venture agreement, Teck Coal has an 80% interest in the joint venture while POSCAN has a 20% interest. Teck Coal and POSCAN own the mine equipment and preparation plant in proportion to their respective joint venture interests. Under the joint venture agreement, Teck Coal is the manager and operator of Greenhills and takes 80% of all coal produced at Greenhills. POSCAN takes the remaining 20% and pays a quarterly royalty based on the price achieved for Greenhills coal sales.

Teck Coal and POSCAN bear all costs and expenses incurred in operating Greenhills in proportion to their respective joint venture interests. POSCAN, pursuant to a property rights grant, has a right to 20% of all coal mined from certain defined lands at Greenhills until the end of the operational phase of the joint venture; POSCAN pays Teck a royalty for access to other coal reserves owned by Teck that are processed by Greenhills equipment and facilities. The joint venture agreement provides for a review of the terms of the agreement in 2022 and, in the event the parties disagree on the continuation of the terms of the agreement, the operational phase will come to an end.

The Greenhills mine is located 8 kilometres northeast of the community of Elkford, in southeastern British Columbia. The mine site consists of approximately 12,600 hectares of coal lands. The leases and licences relating to Greenhills are held by Teck Coal Partnership. Teck Coal Partnership also controls the surface and subsurface rights to the properties that are in operation and those that are planned for development. Coal mined at Greenhills is primarily steelmaking coal, although lesser quantities of lower-grade hard coking coal are also produced. The current annual production capacities of the mine and preparation plant (on a 100% basis) are 5.9 million and 5.4 million tonnes of clean coal, respectively. To improve operational efficiency, raw coal from Greenhills may be processed at the Fording River plant.

Current production is derived primarily from the Cougar pit area. Proven and probable reserves at Greenhills are projected to support mining for a further 37 years, or less depending on the extent of Greenhills' raw coal processed at Fording River.

In 2022, 67 reverse circulation drillholes, totaling 14.9 kilometres, including nine geotechnical diamond drillholes, totaling 1.9 kilometers, were drilled in the Phase 4 and 7 active pit areas. Downhole geophysical logs of all drillholes were utilized to identify coal seam intercepts and validate sample intervals. Coal samples are obtained on 0.5 metre intervals from all reverse circulation drillholes. Intervals are then composited by seam to produce representative seam samples for further analysis and simulated washability. Retrieval of coal samples from diamond drill core is completed occasionally, depending on the drillhole location and recovery of the coal from the core. In addition, four large diameter (9-inch) core holes, totaling 485 metres, were drilled to collect bulk samples of coal seams for pilot scale washing and carbonization in the Phase 7 area.

Our 80% share of 2023 projected capital costs for Greenhills is approximately $145 million. The major components of our share of projected capital costs are:

Component	Approximate projected cost ($/million)
Sustaining	70
Growth	5
Capitalized stripping	70
Total	145

The capital costs presented above do not include water quality capital costs, which are described above in " *Individual Operations - Steelmaking Coal - Elk Valley Water Quality Management*".

Our 80% share of 2023 projected cash operating costs for Greenhills is approximately $410 million. The major components of our share of projected cash operating costs are:

Component	Approximate projected cost ($/million)
Labour	150
Supplies	130
Energy	100
Other (including general & administrative, inventory changes)	100
Less amounts associated with projected capitalized stripping	(70)
Total	410

The cash operating costs presented above do not include transportation or royalties.

Line Creek Mine, B.C., Canada

The Line Creek mine is located approximately 25 kilometres north of Sparwood in southeastern British Columbia. Line Creek supplies steelmaking and PCI coal to a variety of international and domestic customers. The Line Creek property consists of approximately 8,200 hectares of coal lands.

The current annual production capacity of the mine and preparation plant is approximately 4.0 million tonnes of clean coal. Proven and probable reserves at Line Creek are projected to support mining for a further 11 years.

Cardinal River Mine, Alberta, Canada

Our Cardinal River mine in Alberta has been closed since 2020 and remains on care and maintenance.

Coal Mountain Mine, B.C., Canada

Our Coal Mountain mine in southeastern British Columbia has been closed since 2019 and remains on care and maintenance.

Quintette Coal Project, B.C., Canada

Our Quintette mine in northeastern British Columbia has been closed since 2000 and remains on care and maintenance. In December we entered into an agreement with Conuma Resources Limited to sell the Quintette mine for $120 million in staged cash payments over the 36 months following closing and an ongoing 25% net profits interest royalty, first payable after Conuma Resources Limited recovers its investment in Quintette. This transaction closed on February 16, 2023.

Exploration

In 2022, we incurred exploration expenditures of $90 million, including $5 million in support of mine site and development and engineering projects. Approximately 54% of the project expenditures were dedicated to exploration for copper, 23% for zinc and 15% for gold, with less than 8% dedicated to other commodities, including coal. Of the total exploration expenditures, approximately 31% was spent in South America, 54% in North America, 9% in Australia and 6% in Europe. In 2023, planned exploration expenditures are expected to be approximately $96 million, including $3 million in support of mine site and development and engineering projects.

Exploration & geoscience play three critical roles at Teck: discovery of new orebodies through early-stage exploration and acquisition; pursuit, evaluation and acquisition of development opportunities; and delivery of geoscience solutions and services to create value at our existing mines and development projects. Exploration is carried out through sole funding and joint ventures with major and junior exploration companies. Exploration is focused on areas in proximity to our existing operations or projects in regions that we consider have high potential for discovery.

Work continues on resource expansion at Quebrada Blanca, where we commenced a large-scale drill program in 2022 to continue to investigate and confirm the extensions of the orebody, which remains open in multiple directions.

Early-stage copper exploration in 2022 focused primarily on advancing projects targeting porphyry-style mineralization in Canada, Chile, Peru and the United States. In 2023, we plan to drill a number of early-stage copper projects in Chile, Peru and the United States.

Zinc exploration in 2022 was concentrated on early-stage programs in Australia, Canada, Ireland and Turkey and on an advanced-stage project in the Red Dog district in Alaska. In Alaska, Australia and Canada, the targets are large sediment-hosted deposits; in Ireland, we are targeting large carbonate-hosted deposits. In 2023, we plan to drill test early-stage targets on our properties in Australia, Ireland and Turkey and to continue drilling advanced-stage projects in the Red Dog mine district in Alaska.

In 2022, we initiated early-stage exploration for nickel, with an initial focus on Canada and the United States. A key element of this program is the complete digitalization of Teck’s historical exploration records – this digitization program will use advanced machine learning tools to drive and inform our evaluation of high-quality nickel prospects, plus copper and zinc prospects, globally.

We have ongoing exploration for gold, both on 100% Teck-owned properties and through partnerships. Our current exploration efforts and drill testing for gold are focused in Peru and Turkey.

In 2022, we also drilled 68 kilometres across four steelmaking coal operations in the Elk Valley to support our existing operations and extension projects.

Teck’s exploration strategy is underpinned by an agile commercial mindset whereby we manage and refresh a portfolio of commercial opportunities, such as retained project royalties and equity in junior exploration companies, to create value for Teck. In 2022, investments were made in exploration

companies with copper portfolios in Canada, Kazakhstan and Peru and zinc portfolios in Canada and the United States.

Corporate

For financial reporting purposes, we report on a corporate segment that includes all of our activities in commodities other than copper, steelmaking coal and zinc, our corporate development and growth initiatives, and groups that provide administrative, technical, financial and other support to all of our business units.

Mineral Reserves and Resources

See "*Notes to Mineral Reserves and Resources Tables*" below, after the Mineral Resources tables.

MINERAL RESERVES (Metals) as at 31 December 2022[1]								
	Proven		Probable		Total		Teck Interest (%)	Recoverable Metal (000 t)[2]
	Tonnes (000's)	Grade (%)	Tonnes (000's)	Grade (%)	Tonnes (000's)	Grade (%)		
Copper								
Highland Valley Copper	178,500	0.32	128,900	0.27	307,400	0.30	100.0	790
Antamina								
Copper only ore OP	114,700	0.90	73,700	0.98	188,400	0.93	22.5	370
Copper-zinc ore OP	40,700	0.90	53,000	0.99	93,800	0.95	22.5	170
Total	155,400	0.90	126,800	0.99	282,200	0.94	22.5	540
Quebrada Blanca	1,083,800	0.52	349,200	0.48	1,433,000	0.51	60.0	4,010
Andacollo	106,100	0.32	161,100	0.31	267,200	0.31	90.0	640
NuevaUnión								
Relincho	576,400	0.34	977,400	0.36	1,553,800	0.35	50.0	2,390
La Fortuna	386,800	0.58	295,400	0.42	682,200	0.51	50.0	1,520
Total	963,200	0.43	1,272,800	0.37	2,236,000	0.40	50.0	3,910
Zafranal	408,800	0.39	32,000	0.21	440,700	0.38	80.0	1,150
San Nicolás	47,700	1.26	57,500	1.01	105,200	1.12	100.0	930
Molybdenum								
Highland Valley Copper	178,500	0.006	128,900	0.011	307,400	0.008	100	10
Antamina								
Copper only ore OP	114,700	0.036	73,700	0.034	188,400	0.035	22.5	10
Quebrada Blanca	1,083,800	0.019	349,200	0.023	1,433,000	0.020	60	130
NuevaUnión								
Relincho	576,400	0.014	977,400	0.017	1,553,800	0.016	50	60
Zinc								
Antamina								
Copper-zinc ore OP	40,700	1.9	53,000	1.9	93,800	1.9	22.5	340
Red Dog								
Red Dog Mine			38,500	12.4	38,500	12.4	100.0	4,030
San Nicolás	47,700	1.6	57,500	1.4	105,200	1.5	100.0	1,260
Lead								
Red Dog								
Red Dog Mine			38,500	3.6	38,500	3.6	100.0	670

MINERAL RESERVES (Metals) as at 31 December 2022[1]								
	Proven		Probable		Total		Teck Interest(%)	Recoverable Metal (000 oz)[2]
	Tonnes (000's)	Grade (g/t)[3]	Tonnes (000's)	Grade (g/t)[3]	Tonnes (000's)	Grade (g/t)[3]		
Gold								
Andacollo[4]	106,100	0.10	161,100	0.10	267,200	0.10	90	520
NuevaUnión								
La Fortuna	386,800	0.55	295,400	0.36	682,200	0.47	50	3,380
Zafranal	408,800	0.07	32,000	0.05	440,700	0.07	80	440
San Nicolás	47,700	0.41	57,500	0.39	105,200	0.40	100	240
Silver								
Antamina								
Copper only ore OP[5]	114,700	7.0	73,700	8.4	188,400	7.5	22.5	8,490
Copper-zinc ore OP[5]	40,700	13.2	53,000	15.0	93,800	14.2	22.5	8,220
Total	155,400	8.6	126,800	11.2	282,200	9.8	22.5	16,710
Quebrada Blanca	1,083,800	1.4	349,200	1.2	1,433,000	1.3	60	25,630
NuevaUnión								
Relincho	576,400	1.6	977,400	1.5	1,553,800	1.5	50	24,990
La Fortuna	386,800	0.9	295,400	0.7	682,200	0.8	50	6,200
Total	963,200	1.3	1,272,800	1.3	2,236,000	1.3	50	31,190
Red Dog								
Red Dog Mine			38,500	66.2	38,500	66.2	100	50,320
San Nicolás	47,700	23.9	57,500	20.9	105,200	22.3	100	29,100

MINERAL RESERVES (Coal) as at 31 December 2022[1]					
	Proven	Probable	Total	Teck Interest (%)	Clean Coal (000 t)
	Tonnes (000's)	Tonnes (000's)	Tonnes (000's)		
Metallurgical Coal[6]					
Fording River	102,700	250,500	353,200	100	353,200
Elkview	15,300	243,200	258,500	95	245,600
Greenhills[9]	23,600	181,100	204,700	80	163,800
Line Creek	4,400	35,300	39,700	100	39,700
PCI Coal[6]					
Line Creek	1,300	2,900	4,200	100	4,200

MINERAL RESOURCES (Metals) as at 31 December 2022[1]							
	Measured		Indicated		Inferred		Teck Interest (%)
	Tonnes (000's)	Grade (%)	Tonnes (000's)	Grade (%)	Tonnes (000's)	Grade (%)	
Copper							
Highland Valley Copper	573,700	0.30	572,500	0.25	115,800	0.22	100
Antamina							
Copper only ore OP	87,900	0.71	320,600	0.79	603,500	0.85	22.5
Copper-zinc ore OP	37,800	0.74	160,100	0.99	224,500	1.08	22.5
Copper only ore UG					251,200	1.28	22.5
Copper-zinc ore UG					165,600	1.14	22.5
Total	125,800	0.72	480,600	0.86	1,244,800	1.02	22.5
Quebrada Blanca	911,000	0.37	2,820,200	0.36	3,000,500	0.34	60
Andacollo	47,200	0.27	397,600	0.25	82,800	0.24	90
NuevaUnión							
Relincho	319,000	0.19	463,000	0.26	724,700	0.36	50
La Fortuna	9,600	0.42	236,700	0.51	479,700	0.43	50
Total	328,600	0.19	699,700	0.34	1,204,300	0.39	50
Galore Creek	425,700	0.44	771,200	0.47	237,800	0.26	50
Schaft Creek	166,000	0.32	1,127,200	0.25	316,700	0.19	75
Mesaba	236,100	0.50	1,344,500	0.43	1,366,300	0.38	100
Zafranal	5,100	0.19	2,300	0.21	62,800	0.24	80
San Nicolás	500	1.35	6,100	1.17	4,900	0.94	100
Molybdenum							
Highland Valley Copper	573,700	0.009	572,500	0.010	115,800	0.010	100
Antamina							
Copper only ore OP	87,900	0.018	320,600	0.024	603,500	0.024	22.5
Copper only ore UG					251,200	0.018	22.5
Total	87,900	0.018	320,600	0.024	854,600	0.022	22.5
Quebrada Blanca	911,000	0.013	2,820,200	0.017	3,000,500	0.014	60
NuevaUnión							
Relincho	319,000	0.006	463,000	0.009	724,700	0.012	50
Schaft Creek	166,000	0.021	1,127,200	0.016	316,700	0.019	75
Zinc							
Antamina							
Copper-zinc ore OP	37,800	1.5	160,100	1.7	224,500	1.5	22.5
Copper-zinc ore UG					165,600	1.4	22.5
Total	37,800	1.5	160,100	1.7	390,100	1.5	22.5
Red Dog							
Red Dog Mine			5,400	8.1	8,700	12.8	100
Red Dog District					19,400	14.4	100
San Nicolás	500	0.4	6,100	0.7	4,900	0.6	100
Lead							
Red Dog							
Red Dog Mine			5,400	7.2	8,700	4.6	100
Red Dog District					19,400	4.2	100
Nickel							
Mesaba	236,100	0.11	1,344,500	0.10	1,366,300	0.09	100
Cobalt							
Mesaba	236,100	0.006	1,344,500	0.009	1,366,300	0.007	100

MINERAL RESOURCES (Metals) as at 31 December 2022[1]							
	Measured		Indicated		Inferred		Teck Interest (%)
	Tonnes (000's)	Grade (g/t)[3]	Tonnes (000's)	Grade (g/t)[3]	Tonnes (000's)	Grade (g/t)[3]	
Gold							
Andacollo[4]	47,200	0.11	397,600	0.09	82,800	0.08	90
NuevaUnión							
La Fortuna	9,600	0.47	236,700	0.59	479,700	0.40	50
Galore Creek	425,700	0.29	771,200	0.22	237,800	0.19	50
Schaft Creek	166,000	0.20	1,127,200	0.15	316,700	0.14	75
Mesaba	236,100	0.03	1,344,500	0.03	1,366,300	0.03	100
Zafranal[7]	5,100	0.04	2,300	0.05	62,800	0.10	80
San Nicolás	500	0.08	6,100	0.20	4,900	0.13	100
Silver							
Antamina							
Copper only ore OP[5]	87,900	7.7	320,600	8.8	603,500	8.2	22.5
Copper-zinc ore OP[5]	37,800	20.8	160,100	18.5	224,500	16.3	22.5
Copper only ore UG[5]					251,200	12.1	22.5
Copper-zinc ore UG[5]					165,600	16.1	22.5
Total	125,800	11.6	480,600	12.0	1,244,800	11.5	22.5
Quebrada Blanca	911,000	1.0	2,820,200	1.1	3,000,500	1.1	60
NuevaUnión							
Relincho	319,000	1.0	463,000	1.2	724,700	1.3	50
La Fortuna	9,600	0.9	236,700	1.1	479,700	1.0	50
Total	328,600	1.0	699,700	1.2	1,204,300	1.2	50
Red Dog							
Red Dog Mine			5,400	131.7	8,700	90.0	100
Red Dog District					19,400	73.4	100
Galore Creek	425,700	4.1	771,200	4.8	237,800	2.6	50
Schaft Creek	166,000	1.5	1,127,200	1.2	316,700	1.1	75
Mesaba	236,100	1.0	1,344,500	1.3	1,366,300	1.2	100
San Nicolás	500	6.4	6,100	11.9	4,900	9.3	100
Platinum							
Mesaba	236,100	0.04	1,344,500	0.04	1,366,300	0.05	100
Palladium							
Mesaba	236,100	0.11	1,344,500	0.11	1,366,300	0.17	100

MINERAL RESOURCES (Coal) as at 31 December 2022[1]				
	Measured	Indicated	Inferred	Teck Interest (%)
	Tonnes (000's)	Tonnes (000's)	Tonnes (000's)	
Metallurgical Coal[8]				
Fording River	567,100	948,100	496,700	100
Elkview	273,300	155,700	249,800	95
Greenhills[9]	163,300	217,700	162,000	80
Line Creek	351,700	411,600	414,000	100
Cardinal River	32,200	2,300	400	100
Mt Duke	23,500	94,100	105,100	92.68
Elco	13,700	105,700	123,700	75
CMO Phase II (Marten Wheeler)	75,200	48,900	4,500	100
PCI Coal[8]				
Cardinal River	1,600	300		100
Coal Mountain	40,400	13,800	300	100

Notes to Mineral Reserves and Resources Tables

(1) Mineral reserves and resources are mine and property totals and are not limited to our proportionate interests.

(2) Recoverable Metal refers to the amount of metal contained in concentrate.

(3) g/t = grams per tonne.

(4) In 2015, an interest in future gold production from the Andacollo mine was sold. Compañía Minera Teck Carmen de Andacollo has agreed to sell and deliver to the purchaser an amount of gold equal to 100% of the payable gold produced from the Carmen de Andacollo mine until 900,000 ounces have been delivered, and 50% thereafter. Reserves and resources are stated without accounting for this production interest.

(5) In 2015, Teck entered into an agreement with a purchaser to deliver silver equivalent to 22.5% of the payable silver sold by Compañía Minera Antamina S.A. until 86 million ounces of silver have been delivered, after which the amount of silver to be delivered will be reduced by one-third. Reserves and resources are stated without accounting for this production interest.

(6) Coal reserves are reported as tonnes of clean coal.

(7) At Zafranal, gold in oxide material is considered to be non-recoverable.

(8) Coal resources are reported as tonnes of raw coal.

(9) Under the terms of the Greenhills joint venture agreement, during the operational phase of the joint venture POSCAN is entitled to 20% of the coal produced from the Greenhills project. The Teck Interest (%) reflects Teck's ownership interest in the joint venture, although Teck holds a 100% interest in the in situ coal.

DEFINITIONS FOR MINERAL RESERVES AND MINERAL RESOURCES

Mineral Reserves and Mineral Resources: "**Proven**" and "**probable**" mineral reserves and "**measured**", "**indicated**" and "**inferred**" mineral resources are estimated in accordance with the definitions of these terms adopted by the Canadian Institute of Mining, Metallurgy and Petroleum in November, 2010 updated in May 2014 and incorporated in National Instrument 43-101, *Standards of Disclosure for Mineral Projects* (NI 43-101), by Canadian securities regulatory authorities.

Mineral resources are reported separately from, and do not include, that portion of the mineral resources classified as mineral reserves.

Metallurgical coal: means the various grades of coal that are used to produce coke, which is used in the steel making process.

PCI coal: means coal that is pulverized and injected into a blast furnace. Those grades of coal used in the PCI process are generally non-coking. PCI grade coal is used primarily as a heat source in the steel making process in partial replacement for high-quality coking coals, which are typically more expensive.

The Canadian Institute of Mining, Metallurgy and Petroleum definitions for mineral resources and mineral reserves are as follows:

A "**mineral resource**" is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

An "**inferred mineral resource**" is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. An inferred mineral resource is based on limited information and sampling gathered through appropriate sampling techniques from locations such as outcrops, trenches, pits, workings and drillholes. Inferred mineral resources must not be included in the economic analysis, production schedules, or estimated mine life in publicly disclosed prefeasibility

or feasibility studies, or in the life of mine plans and cash flow models of developed mines. Inferred mineral resources can only be used in economic studies as provided under NI 43-101.

An "**indicated mineral resource**" is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An indicated mineral resource has a lower level of confidence than that applying to a measured mineral resource and may only be converted to a probable mineral reserve. Mineralization may be classified as an indicated mineral resource by the qualified person when the nature, quality, quantity and distribution of data are such as to allow confident interpretation of the geological framework and to reasonably assume the continuity of mineralization. An indicated mineral resource estimate is of sufficient quality to support a prefeasibility study, which can serve as the basis for major development decisions.

A "**measured mineral resource**" is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with confidence sufficient to allow the application of modifying factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A measured mineral resource has a higher level of confidence than that applying to either an indicated mineral resource or an inferred mineral resource. It may be converted to a proven mineral reserve or to a probable mineral reserve. Mineralization or other natural material of economic interest may be classified as a measured mineral resource when the nature, quality, quantity and distribution of data are such that the tonnage and grade or quality of the mineralization can be estimated to within close limits and that variation from the estimate would not significantly affect potential economic viability of the deposit. This category requires a high level of confidence in, and understanding of, the geology and controls of the mineral deposit.

A "**mineral reserve**" is the economically mineable part of a measured and/or indicated mineral resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at prefeasibility or feasibility level as appropriate that include application of modifying factors. These studies demonstrate that, at the time of reporting, extraction could reasonably be justified.

A "**probable mineral reserve**" is the economically mineable part of an indicated, and in some circumstances, a measured mineral resource. The confidence in the modifying factors applying to a probable mineral reserve is lower than that applying to a proven mineral reserve.

A "**proven mineral reserve**" is the economically mineable part of a measured mineral resource. A proven mineral reserve implies a high degree of confidence in the modifying factors.

METHODOLOGIES AND ASSUMPTIONS

Mineral reserve and mineral resource estimates are based on various assumptions relating to operating matters, including with respect to production costs, mining and processing recoveries, mining dilution, cut-off values or grades, as well as assumptions relating to long-term commodity prices and, in some cases, exchange rates. Cost estimates are based on feasibility study estimates or operating history.

Methodologies used in reserve and resource estimates vary from property to property depending on the style of mineralization, geology and other factors. Geostatistical methods, appropriate to the style of mineralization, have been used in the estimation of reserves at Teck's material base metal properties.

Assumed metal prices vary from property to property for a number of reasons. Teck has interests in a number of joint ventures for which assumed metal prices are a joint venture decision. In certain cases, assumed metal prices are historical assumptions made at the time of the relevant reserve and resource estimates. For operations with short remaining lives, assumed metal prices may reflect shorter-term commodity price forecasts.

COMMENTS ON INDIVIDUAL OPERATIONS

Highland Valley Copper

Reserve and resource estimates were prepared assuming long-term metal prices of US$3.15/lb copper, US$9.90/lb molybdenum, US$20.00/oz silver and US$1,500/oz gold and an exchange rate of CAD$1.25 per US$1.00. Reserves and resources were calculated using a net smelter return of US$5.33 per tonne, which is equivalent to a copper equivalent cut-off grade of 0.11% with a molybdenum factor of 1.7.

There was an overall decrease of 30.9 million tonnes of proven and probable mineral reserves at Highland Valley Copper from 338.3 million tonnes to 307.4 million tonnes mostly as result of normal mining activity; losses due to higher assumed operating costs were offset by gains from higher assumed commodity prices. Resources decreased by 12%, mainly due to higher assumed operating unit costs. The resource estimate at Highland Valley Copper Operations is extremely sensitive to changes in economic assumptions.

Antamina

Open pit reserve estimates were prepared assuming long-term metal prices of US$3.30/lb copper, US$1.10/lb zinc, US$9.30/lb molybdenum and US$20.70/oz silver. Open pit and underground resource estimates were prepared assuming long-term metal prices of US$3.30/lb copper, US$1.20/lb zinc, US$13.10/lb molybdenum and US$24.50/oz silver.

Cut-off grades at Antamina are based on the net value before taxes that the relevant material is expected to generate per hour of concentrator operation at assumed prices and vary by year in an effort to maximize the net present value of the pit.

Mineral reserves are tailings capacity constrained and the decrease of 53 million tonnes compared to 2021 is primarily due to depletion from planned mining operations. Mineral resources reported in 2022 are virtually unchanged since 2021.

Quebrada Blanca

The Quebrada Blanca reserve and resource estimates were prepared assuming a long-term copper price of US$3.15/lb and a long-term molybdenum price of US$9.90/lb.

The hypogene mineral reserves remain at 1.4 billion tonnes and are limited by the current tailings storage capacity. The resource model was updated in June 2021 to include additional drilling, mostly historical reverse circulation holes that support better definition of the contact between the supergene and hypogene zones. Higher assumed metal prices and changes in metallurgical recovery assumptions were responsible for a small net increase of less than 1% in mineral resources.

Carmen de Andacollo

Carmen de Andacollo Operations continued to operate the heap leach copper operation but supergene reserves were fully depleted by the end of 2022. The 2022 resource and reserve hypogene statements are supported by a model updated in January 2022 with additional 23 holes drilled during 2021 and a mine plan that considers a production schedule up to 2036.

Reserve estimates assume long-term metal prices of US$3.15/lb copper and US$1,500/oz gold. Mineral reserves show a small overall reduction of 14.4 million tonnes from 2021 due to depletion from normal mining activities. Hypogene resource estimates increased by 13% in comparison to 2021, mostly due to continuing improved economic assumptions related to operational costs and higher assumed copper prices.

Galore Creek

Teck has a 50% interest in Galore Creek. The 2022 resource model was updated with the inclusion of new technical and economic assumptions and 41,354 metres of drilling. The resources have been constrained by an optimized pit shell that is used to confirm the reasonable prospect for eventual economic extraction requirements for reporting mineral resources and commodity prices of US$3.15/lb copper, US$1,600/oz gold and US$20.00/oz silver. A net smelter return (net of processing costs) with a greater than $0/tonne cut-off was applied to report mineral resources within the resultant pit shell.

The 10% increase in mineral resources reported in 2022 as compared to 2021 is mostly due to higher assumed commodity prices.

Schaft Creek

2022 reported resources remain unchanged from 2021. Open pit mineral resources are reported at a net smelter return cut-off of US$4.31/tonne and constrained by a conceptual open pit shape.

Mesaba

Resources reported at end of year 2022 are based on updated technical and economic assumptions and the associated newly optimized pit shell using a cut-off of 0.2% copper. The net smelter return value, used for the resource pit optimization, is calculated based on the following prices: copper (US$3.15/lb), nickel (U$6.90/lb), silver (US$18.00/oz), cobalt (US$21.00/lb), gold (US$1,400/oz), platinum (US$1,200/oz) and palladium (US$1,300/oz).

2022 reported resources show a small reduction of 3%, compared to 2021, mainly attributable to the shape of the newly optimized resource pit shell.

Zafranal

2022 reported reserves and resources are unchanged from 2021.

Resource and reserves estimates at Zafranal were prepared and reported in a feasibility study using price assumptions of US$3.00/lb copper and US$1,200/oz gold. The total contained metal used in the reserves table is based on variable metallurgical recoveries of up to 89.5% for copper and up to 56% for gold. Open pit mineral reserves are reported using a variable net smelter return cut-off of US$6.10 to $6.35/tonne averaging US$6.11/tonne.

San Nicolás

2022 reported reserves and resources are unchanged from 2021.

The estimates assume net smelter return cut-offs for low zinc/copper ores and high zinc/copper ores, respectively, of US$9.71/tonne and US$13.15/tonne net smelter return based on an estimate of the marginal cost of production for the relevant ore. Net smelter return calculations include metal price assumptions as US$3.00/lb copper, US$1.10/lb zinc, US$1,300/oz gold and US$20/oz silver and scaled costs from previous studies.

NuevaUnión

Teck has a 50% interest in NuevaUnión. Reserves and resources for NuevaUnión are contained within two deposits, Relincho and La Fortuna. Reserves at the deposits consider a bulk open-pit mining operation developed in three production phases that will alternate mining operations between the two deposits. 2022 reported resources and reserves are unchanged from 2021.

Relincho mineral reserves and mineral resources are reported using an average net smelter return cut-off of US$11.00/tonne and US$6.72/tonne, respectively, and assuming metal prices of US$ 3.00/lb copper and US$10.00/lb molybdenum and US$18.00/oz silver.

La Fortuna mineral reserves and open pit mineral resources are reported using an average net smelter return cut-off of US$10.55/tonne and US$9.12/tonne, respectively, and assuming metal prices of US$3.00/lb copper and US$1,200/oz gold. Mineral resources outside of the mineral reserve pit are defined using a conceptual underground mining envelope. This approach assumes the same recoveries, metal prices, processing and general & administration costs as used for the open pits but with mining costs and dilution assumptions that are more appropriate to bulk underground mining. The resource model was updated in 2020 to include nine holes targeting the deep portion of La Fortuna, improved geological boundaries and updated grade estimation.

Red Dog

The mineral reserves and resources for Red Dog are divided into two reporting groups based on the spatial proximity and the land ownership associated with the deposits in and around Red Dog. Teck names these groups as “Mine” and “District”.

Mining is currently active in two of the “Mine” group open pits: Aqqaluk and Qanaiyaq. The resource models have not been updated but technical and economic input assumptions were updated in the preparation of the life of mine plan that supports reserves. The “Mine” area also contains the undeveloped Paalaaq deposit, which is currently only defined to a resource level of confidence.

All reserves and resources were estimated using the following assumed metal prices: US$1.10/lb for zinc, US$0.90/lb for lead and US$20.00/oz for silver. Reserves for the "Mine" group show a decrease of 4 million tonnes from mine depletion and resources have decreased by 23% from conversion to reserves.

The “District” group consists entirely of Inferred resources from the Anarraaq deposit, which lies approximately 11 km northwest of the current Red Dog Operations. Inferred resources for this deposit are unchanged from 2017, at 19.4 million tonnes.

Fording River

The reserve economics assume a long-term selling price at the Port of Vancouver of US$145/tonne for metallurgical coal at an exchange rate of CAD$1.25 per US$1.00. Reserves increased by 3.5% to 353.2 million tonnes, primarily due to the transfer of some Greenhills reserves back to Fording River. Resources decreased by 4.6% mainly due to a reduction in the break-even strip ratio.

Elkview

Teck has a 95% interest in the Elkview mine. The reserve economics assume a long-term selling price at the Port of Vancouver of US$145/tonne for metallurgical coal at an exchange rate of CAD$1.25 per US$1.00. Reserves decreased by 3.8% to 258.5 million tonnes, primarily due to production and model parameters. Despite a reduction in the break-even strip ratio, resources increased by 1.5% due to drilling and geology interpretation

Greenhills

Teck is an 80% partner in the Greenhills Joint Venture. The reserve economics assume a long-term selling price at the Port of Vancouver of US$145/tonne for metallurgical coal at an exchange rate of CAD$1.25 per US$1.00. Reserves decreased by 12.6% to 204.7 million tonnes, primarily due the transfer of some Greenhills reserves back to Fording River. Resources decreased by 2.1% mainly due to a reduction in the break-even strip ratio.

Line Creek

The reserve economics assume a long-term selling price at the Port of Vancouver of US$145/tonne for metallurgical coal and US$100/tonne for PCI coal at an exchange rate of CAD$1.25 per US$1.00. Reserves decreased by 7.1% to 43.9 million tonnes, primarily due to production. Resources decreased by only 0.06%; this decrease was offset by a reduction in the break-even strip ratio along with favorable changes to geology interpretation.

RISKS AND UNCERTAINTIES

Mineral reserves and mineral resources are estimates of the size and grade of the deposits based on the assumptions and parameters currently available. These assumptions and parameters are subject to a number of risks and uncertainties, including, but not limited to, future changes in metals prices and/or production costs; differences in size, grade, continuity, geometry or location of mineralization from that predicted by geological modelling; recovery rates being less than those expected; and changes in project parameters due to changes in production plans. Except as expressly described elsewhere in this Annual Information Form, there are no known environmental, permitting, legal, title, taxation, socio-political, marketing or other issues that are currently expected to materially affect the mineral reserves or resources. Certain operations will require further permits over the course of their operating lives to continue operating. Where management expects such permits to be issued in the ordinary course, material that may only be mined after such permits are issued is included in proven and probable reserves. Specific current permitting issues are described in the narrative concerning the relevant operation under the headings "*Description of the Business*" and *"Health, Safety, Community and Environmental Protection*" and "*Risk Factors — We face risks associated with the issuance and renewal of permits* ."

QUALIFIED PERSONS

Estimates of mineral reserves and resources for our base metal properties have been prepared under the general supervision of Rodrigo Marinho, P.Geo., who is an employee of Teck Resources Limited and the Qualified Person for the purposes of NI 43-101 for our base metal properties (other than Antamina). Mineral reserve and resource estimates for Antamina have been prepared under the supervision of Fernando Angeles, P.Eng,. Lucio Canchis, who is an SME Registered Member, Carlos Aguirre, FAusIMM and Hernando Valdivia, FAusIMM and who are all employees of Compañía Minera Antamina S.A. Messrs. Canchis, Angeles, Aguirre and Valdivia are the Qualified Persons for the purposes of NI 43-101 in respect of Antamina. Reserve and resource estimates for coal properties were prepared under the general supervision of Jo-Anna Singleton, P.Geo. and Cameron Feltin, P.Eng., employees of Teck Coal Limited, who are the Qualified Persons for coal properties for the purposes of NI 43–101.

Health, Safety, Community and Environmental Protection

Our current and future operations, including development activities and commercial production, on our properties or areas in which we have an interest, are subject to laws and regulations in Canada, the U.S., Chile and elsewhere governing occupational health and safety, protection and remediation of the environment, site reclamation, management of toxic substances, permit approvals and similar matters. Compliance with these laws and regulations can affect the planning, design, operation, closure and remediating of our mines, refineries and other facilities.

Whether in Canada, the U.S., Chile or elsewhere, we work to apply technically proven and economically feasible measures to protect the environment, communities and worker health and safety throughout the mining life cycle of exploration, construction, mining, processing and closure. Although we believe that, except as may be described elsewhere in this Annual Information Form, our operations and facilities are currently in substantial compliance in all material respects with all existing laws, regulations and permits, there can be no assurance that additional significant costs will not be incurred to comply with current or future regulations or that liabilities associated with non-compliance will not be incurred.

We are an active participant in public regulatory review, revision and development processes with government agencies and non-governmental organizations and, as such, typically have insight regarding emerging regulatory developments and trends. We apply this insight when we estimate risks and liabilities associated with current and future regulatory matters including in the areas of health and safety, community engagement, the environment and other permitting. We conduct regular environmental and health and safety audits and we regularly consult with and seek consent from communities, including Indigenous People. The overall objective of our audits is to assess key environmental, community and health and safety risks and their associated controls and to assess regulatory compliance. Environmental, health and safety and community-related obligations embedded in regulations are constantly evolving and it can be a significant challenge to meet changing standards.

HEALTH AND SAFETY

Safety is a core value at Teck. Safety performance and workplace occupational health and hygiene are key priorities for us. Safety statistics are collected from each business unit and operation monthly. Targets for health and safety key performance indicators are set each year and are one factor used in determining management compensation. Safety incidents are thoroughly investigated and findings reports are shared across our business, and occasionally across the industry, to assist in the prevention of similar incidents. We continue to implement our occupational health and hygiene strategy to prevent occupational disease and our High-Potential Risk Control strategy and hazard identification training program to prevent serious injuries and fatalities. Our Courageous Safety Leadership program also helps us build a positive culture of

safety across Teck. At this time, we do not anticipate significant liability associated with long-term occupational health issues.

RECLAMATION AND CLOSURE

In order to obtain mining permits and approvals from regulatory authorities, mine operators must typically submit a reclamation plan for restoring, upon prolonged suspension or completion of mining operations, the mined property to a productive use and to meet many other permitted conditions. Typically, we submit the necessary permit applications several years before we plan to begin activities. Some of the permits we require are becoming increasingly difficult and expensive to obtain, and the application and review processes are taking longer to complete, are increasingly complex in terms of required background information and can be subject to challenge. For a further discussion of risks associated with the issuance and renewal of permits, see "*Risk Factors — We face risks associated with the issuance and renewal of permits* ".

Financial assurance of various forms, including letters of credit and surety bonds, are posted with various governmental authorities as security to cover estimated reclamation obligations. Our provisions for future reclamation and site restoration are estimated based on known requirements. Many of our sites undergo extensive progressive reclamation during operations to proactively address mined-out areas and lessen the works required upon mine closure. In addition, certain closed mines are under continuous care and maintenance as well as ongoing closure activities.

The reclamation programs are guided by land capability assessments, which integrate several factors in the reclamation approach, including biological diversity, establishment of sustainable vegetation, diversity of physical landforms and requirements for end land use and reclamation. All of our mining operations have closure plans in place that are developed to the level of detail appropriate to the stage of life of the operation. All of the plans and cost estimates undergo regular updates and revisions as they are refined and implemented. These reviews and updates typically include input and oversight from regulatory agencies and other stakeholders.

Our decommissioning and restoration provision, as at December 31, 2022, is $2.8 billion, of which $1.1 billion is attributable to our operating coal operations, $589 million is attributable to our operating copper operations, $474 million is attributable to our operating zinc operations and $681 million is attributable to closed properties. Of that amount, we expect to spend approximately $258 million in 2023. As at December 31, 2022, we had letters of credit and other bonding in place in the aggregate amount of approximately $3.5 billion, primarily to secure our reclamation obligations. Bonding requirements may increase in the future as a result of regular updates to plans and cost estimates, scheduled changes in our permits and changes to regulatory regimes.

See the disclosure regarding environmental matters under the respective descriptions of our material operations for further details of environmental matters impacting those operations.

CARBON PRICING AND DECARBONIZATION

As part of ongoing global efforts to address climate change, regulations to control greenhouse gas emissions continue to be developed and enhanced in many jurisdictions. Regulatory uncertainty and resulting uncertainty regarding the costs of technology required to comply with current or anticipated regulations make it difficult to predict the ultimate costs of compliance. Societal focus on reducing carbon emissions, minimizing climate change and implementing climate change adaptation measures continues to increase.

The Government of Canada continues to advance climate action initiatives, such as the *Canadian Net-Zero Emissions Accountability Act* which formalizes Canada's target to achieve net-zero greenhouse gas

emissions by 2050 and its *"A Healthy Environment and a Healthy Economy"* climate plan to advance actions to achieve Canada's climate goals, which includes a proposal to increase the federal price of carbon to $170 per tonne of carbon dioxide-equivalent (CO_2e) by 2030. The Government of Canada also formally submitted Canada's enhanced Nationally Determined Contribution to the United Nations, committing Canada to cut its greenhouse gas emissions by 40%-45% below 2005 levels by 2030.

Climate change regulations continue to evolve in most jurisdictions in which we operate, and we expect that regional, national or international regulations that seek to reduce greenhouse gas emissions will continue to be established or modified to increase their impact. The cost of progressively reducing our Scope 1 and Scope 2 emissions in accordance with our publicly stated carbon reduction targets through carbon reduction activities or by acquiring the equivalent amount of future credits (to the extent permitted by regulation), is a function of several evolving factors, including technology development, the regulatory environment for subsidies and incentives, and the markets for carbon credits and offsets.

Teck's Scope 1 and 2 greenhouse gas emissions attributable to our operations for 2022 are estimated to be approximately 2.8 million tonnes of CO_2e. The most material indirect Scope 3 emissions associated with our activities relate to the use of our steelmaking coal by our customers. Based on our 2022 sales volumes, emissions from the use of our steelmaking coal would have been approximately 65 million tonnes of CO_2e.

For 2022, our B.C. based operations incurred $88.4 million in British Columbia provincial carbon tax. As a result of the CleanBC Program for Industry, we received back $18.8 million of the $81.7 million we paid under the British Columbia provincial carbon tax in 2021, and we expect to receive a similar portion of our 2022 carbon tax payments back in 2023.

We may in the future face similar taxation for our activities in other jurisdictions. Similarly, customers of some of our products may also be subject to new carbon costs or taxation in the future in the jurisdictions where the products are ultimately used.

We are taking action to reduce greenhouse gas emissions by improving our energy efficiency and implementing low-carbon technologies at our operations. In 2020, we announced our target to achieve net zero Scope 1 and 2 greenhouse gas emissions across our operations by 2050. In 2022, we expanded our existing climate action strategy to include a new short-term goal to achieve net-zero Scope 2 greenhouse gas emissions by 2025 and a new ambition to achieve net-zero Scope 3 greenhouse gas emissions by 2050. We have also focused on growing our business to rebalance our portfolio towards copper, which is an essential metal for low-carbon technology and infrastructure, while continuing to produce the high-quality steelmaking coal required for the low-carbon transition.

We have established a set of actions that progress our decarbonization goals and ambitions. Our objective is to deliver significant and cost-competitive emissions reductions. We routinely evaluate existing and emerging abatement opportunities as the pace of low-carbon technology maturation continues to accelerate, and as options that were not feasible a few years ago appear on the horizon.

WATER REGULATION

In addition to climate change, issues surrounding water regulation remain of particular importance. We continue to monitor regulatory initiatives and participate in consultation opportunities with governments. For example, we are participating in the Canadian federal government consultation focused on developing a Coal Mining Effluent Regulation. The ultimate form of this regulation may have a material effect on compliance costs, mine plans, and our capital and operating costs at affected mines. See *"Risk Factors — Changes in environmental, health and safety laws may have a material adverse effect on our operations and projects"* for further information. We are continuing to work to implement a plan for the

management of selenium and other constituents at all of our operating steelmaking coal mines in the Elk Valley. Our costs of implementing this plan and other measures that may be required to address water quality issues are uncertain and will depend on the results of ongoing environmental monitoring, other technical developments and future actions by regulators. See "*Description of the Business — Individual Operations — Steelmaking Coal" and "Risk Factors — We face risks associated with the issuance and renewal of permits*" for further information.

SOCIAL AND ENVIRONMENTAL POLICIES

We have adopted and implemented a management system that provides governance over social and environmental issues at our operations. Our operating practices are governed by the principles set out in our Code of Ethics and our Code of Sustainable Conduct.

Our Code of Ethics reflects our commitment to upholding high moral and ethical principles. Our Code of Sustainable Conduct reflects Teck's commitment to sustainability and our efforts to make a positive contribution to the environment and to the communities where we operate. This Code sets out how we work to achieve support for our activities through responsible social, economic and environmental performance.

In addition to the Code of Ethics and the Code of Sustainable Conduct, we have adopted a Health and Safety Policy, a Water Policy, a Human Rights Policy, an Inclusion and Diversity Policy, an Indigenous Peoples Policy, a Tax Policy and a Policy setting out our expectations for suppliers and contractors. We have taken steps to implement the Code of Sustainable Conduct and related policies through the implementation of our Health, Safety, Environment and Community Management Standards, which provide direction to all operations and provide criteria against which performance may be measured. Safety and sustainability (including environment and community) performance are metrics used in our bonus plan and, from 2022, in our performance-linked equity unit plans.

We set objectives in these areas for improvement on an annual basis, and these are used to determine specific objectives for corporate and operational groups within our organization. Overall responsibility for achievement of objectives rests with senior personnel. For example, our corporate Health, Safety, Environment and Community Risk Management Committee and our Materials Stewardship Committee, which are comprised of members of senior management, provide oversight in these areas and report to the Safety and Sustainability Committee of the Board, which in turn reports to the Board of Directors.

We measure and report our performance on an ongoing and comprehensive basis. Internal monthly, quarterly and annual reporting tracks performance indicators, including compliance with permits, environmental monitoring, health and safety performance, materials inputs and outputs, community concerns expressed, engagement with Indigenous groups and actions taken in response, and reclamation and remediation activities.

In 2020, we approved new short- and long-term goals for sustainability within eight strategic themes: health and safety, climate change, circular economy, employees, water, tailings management, communities and Indigenous Peoples, and biodiversity and reclamation. Our long-term sustainability goals include: achieving carbon neutrality across all our operations and activities by 2050; eliminating fatalities, serious injuries and occupational disease; working towards disposing zero industrial waste by 2040; being a leader in responsibly providing the metals and minerals needed for the transition to a circular economy; fostering a workplace where everyone is included, valued and equipped for today and the future; transitioning to seawater or low-quality water sources for all operations in water-scarce regions by 2040; implementing innovative water management and water treatment solutions to protect water quality downstream of all our operations; continuing to manage our tailings across their life cycle in a safe and environmentally responsible way; collaborating with communities and Indigenous Peoples to

generate economic benefits, advance reconciliation efforts and improve community well-being; and working towards securing a net-positive impact on biodiversity.

In 2022, we expanded our existing climate action strategy to include a new short-term goal to achieve net-zero Scope 2 greenhouse gas emissions by 2025 and a new ambition to achieve net-zero Scope 3 emissions by 2050. To advance our climate action strategy, we reached agreements with SAAM Towage to deploy two electric tugboats at Neptune Bulk Terminals in Vancouver, with AES Corporation to supply energy generated from 100% renewable sources to our Quebrada Blanca Operations and with Caterpillar to work towards deploying 30 Caterpillar zero-emissions large haul trucks at Teck mining operations beginning in 2027 and to pilot a fully electric on-highway transport truck to haul copper concentrate from our Highland Valley Copper Operations, marking the first use of a battery-electric truck to haul copper concentrate worldwide.

In June 2022, we announced our goal to become a nature positive company by 2030, meaning that our conservation, protection and restoration of land and biodiversity by that date will exceed the disturbance caused by our mining activities since 2020. In doing so, we will conserve or rehabilitate at least three hectares for every one hectare affected by our mining activities, taking action immediately in three focus areas: (i) nature positive decision making guided by Western science and Indigenous learning, including assessing the biodiversity impacts of our actions and avoiding or minimizing negative impacts where possible as part of our planning; (ii) rehabilitation excellence to accelerate our pace of rehabilitation to ensure it is in progress for all eligible land impacted by mining at our operations by 2030; and (iii) conservation, protection and restoration through partnerships. Our nature positive initiatives to date include: (i) the purchase and ongoing management of the nearly 8,000-hectare Next Creek Watershed in the West Kootenays of British Columbia through the Nature Conservancy of Canada; (ii) the donation of approximately 162 hectares of Teck-owned land in the Wycliffe Wildlife Corridor near Kimberley, British Columbia to the Nature Conservancy of Canada; (iii) the protection of 5,800 hectares of a unique and high-value wetland ecosystem near Teck's Quebrada Blanca Operations in Chile, in partnership with the Ollagüe Quechua community; (iv) the creation of a $10 million Indigenous Stewardship Fund that will 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; and (v) a $12 million donation to the Nature Conservancy of Canada to support future high priority conservation projects in British Columbia.

Human Resources

As at December 31, 2022, there were approximately 12,100 employees classified as “regular” employees working at the various operations and projects we manage, as well as our corporate offices. Of those employees, approximately 4,700 were employed by our Coal operations, 3,800 by our Copper operations, 2,000 by our Zinc operations and a total of approximately 1,600 by our Exploration, Energy, projects and corporate groups. These figures exclude employees classified as casual, fixed-term or inactive.

Collective bargaining agreements covering unionized employees at our principal operations (including Antamina) are as follows:

	Expiry Date of Collective Agreement
Antamina	July 31, 2024
Carmen de Andacollo	September 30, 2025 (Operators’ Union) and December 31, 2025 (Supervisors’ Union)
Elkview	October 31, 2026
Fording River	April 30, 2027
Highland Valley Copper	September 30, 2026
Line Creek	May 31, 2024
Quebrada Blanca	January 31, 2025 (Union Admin); November 30, 2025 (Union 1); and March 31, 2025 (Union 2);
Trail	May 31, 2027

In 2022, we reached multi-year collective agreements with our unions at our Carmen de Andacollo, Highland Valley Copper and Trail operations extending them until 2025, 2026, and 2027, respectively.

Technology and Innovation

Teck undertakes and participates in a number of research, innovation and technology programs designed to improve exploration, mining and processing for new projects and operations, environmental performance in operations, and technologies to assist the sale of products, and ultimately enhance overall competitiveness and reduce costs. In 2022, we announced the successful results from our innovation-driven business transformation program, RACE21. Our digital transformation continues with the team focused on our longer-term digital transformation with a continued emphasis on increased efficiencies and value creation.

We also have technology and research groups at our Technical Services Trail facility, our Technical Services Richmond facility and our Product Technology Centre in Mississauga, Ontario. The primary focus of these facilities is to create value through the development, testing and implementation of technologies related to our principal products as well as extractive technologies related to existing operations or development projects. The programs are aligned with business units and are integrated with operations and other business activities.

Our research and innovation expense for 2022 was $157 million.

Foreign Operations

The Red Dog mine located in Alaska, the Antamina mine located in Peru, and the Quebrada Blanca and Carmen de Andacollo mines located in Chile are our significant operating assets located outside of Canada. We hold a 22.5% interest in Antamina through our equity interest in CMA, the operating company for the mine. We hold a 100% interest in the Red Dog mine, subject to the royalty in favour of NANA as described under the heading "*Description of the Business - Individual Operations - Zinc - Red Dog Mine, United States (Zinc, Lead)* " above. We own 90% of the Chilean operating company that owns Carmen de Andacollo and we hold a 60% indirect interest in CMTQB, which holds our QB2 project. Foreign operations accounted for approximately 24% of our 2022 consolidated revenue and represented approximately 47% of our total assets as at December 31, 2022.

We also have interests in various exploration and development projects in various foreign countries, with significant activities in Australia, Chile, Ireland, México, Peru, Turkey and the United States. We currently have foreign exploration offices in all of those countries, except México and the United States. See "*Risk Factors — We operate in foreign jurisdictions and face added risks and uncertainties due to different economic, cultural and political environments*" for further information on the risks associated with these foreign properties.

Competitive Conditions

Our business is to sell base metals, steelmaking coal, metal concentrates and specialty metals at prices determined by world markets over which we have no influence or control. These markets are cyclical. Our competitive position is determined by our costs and product quality compared to those of other producers throughout the world, and by our ability to maintain our financial capacity through commodity price cycles and currency fluctuations. Costs are governed principally by the location, grade and nature of orebodies and mineral deposits; costs of equipment, labour, fuel, power and other inputs; costs of transport and other infrastructure; the location of our Trail metal refining facility and its cost of power; and by operating and management skill.

Over the long term, our competitive position will be determined by our ability to locate, acquire and develop economic orebodies and replace current production, as well as by our ability to hire and retain skilled employees. In this regard, we also compete with other mining companies for employees, mineral properties, joint venture agreements and the acquisition of investments in other mining companies. See "*Description of the Business — Product Summary*", "*Risk Factors — We face competition in product markets and from other natural resource companies"* and "*Risk Factors — We may not be able to hire enough skilled employees to support our operations".*

Risk Factors

You should carefully consider the risks and uncertainties described below as well as in other sections of this Annual Information Form. These risks and uncertainties are not the only ones facing us. Additional risks and uncertainties not presently known to us or that we currently consider immaterial may also impair our business operations. If any of these events actually occur, our business, prospects, financial condition, cash flows and operating results could be materially harmed.

We face risks relating to the Separation.

On February 21, 2023, we announced the Separation pursuant to which Teck will spin out its steelmaking coal business and create two separate companies: Teck Metals and EVR. The Separation creates additional risks and uncertainties for us, including, but not limited to those set out below, any of which may materially adversely impact our operations, business and financial condition. See "*General Development of the Business - Three Year History - Recent Developments*" for more details.

The Separation is complex and is subject to regulatory approvals and certain conditions including various shareholder, court and stock exchange approvals. In addition, future financial conditions, superior alternatives or other factors may arise that make it inadvisable to proceed with part or all of the Separation. Any or all of the elements of the Separation may not occur as currently expected, within the time frames that are currently contemplated, or at all.

There can be no assurance that the Separation will receive necessary shareholder or other approvals, or that it will proceed. Teck continues to seek and obtain certain necessary consents and approvals in order to implement and complete the Separation as currently structured. We believe that such consents and approvals will be obtained; however, if certain approvals and consents are not received, we may decide to proceed nonetheless, or we may either delay or amend the implementation of all or part of the Separation, in order to allow sufficient time to complete such matters. Failure to receive certain approvals and consents may result in termination of the Separation or could cause the Separation to occur on terms or conditions that are different or less favourable than expected. The information herein relating to the Separation may change as the transaction progresses and any such change may be material.

The aggregate trading price of our shares and EVR shares may be lower following the Separation than the trading price of our shares prior to the Separation as a result of the separation of Teck's business or other factors and the price of our shares and EVR shares may fluctuate for a period of time following the Separation due to factors related to the transaction. If, for any reason, the Separation is not completed or its completion is materially delayed, the market price of our shares may be materially adversely affected.

Executing the Separation will require significant resources, time and attention from our senior management and employees, which could cause distractions and divert attention and resources away from other projects and the day-to-day operation of our business. We may also experience increased difficulties in attracting, retaining, and motivating management and employees during the pendency of the Separation and following its completion. The Separation, whether or not completed, may also have an adverse impact on our relationships with our customers, suppliers and other business counterparties.

We have incurred, and will be responsible for, significant costs relating to the Separation including, among others, legal, financial advisors, accounting and administrative expenses even if the Separation is not completed.

Teck or EVR may not realize the benefits that we anticipate from the Separation for a number of reasons, including, but not limited to, if any of the matters identified as risks in this section were to occur. If either Teck or EVR do not realize the anticipated benefits from the Separation for any reason, or if the Separation is not completed, it may have a significant adverse effect on our operations, business and financial condition.

We face risks in the mining and metals business .

The business of exploring for natural resources and the development and production of mining operations are inherently risky. Many projects are unsuccessful and there are no assurances that current or future exploration or development programs will be successful. During development and after the commencement of mining operations, our projects and operations are subject to significant risks and hazards, some beyond our control, including, but not limited to: environmental hazards; industrial accidents; unexpected increases in capital or operating costs; unusual or unexpected geological formations; unanticipated metallurgical difficulties; ground control problems; restrictions on water availability; seismic activity; weather events; security incidents; failure of technology; labour-force disruptions; supply problems and delays; natural disasters, such as flooding; and regulatory changes, including, but not limited to, changes to fiscal regimes in the jurisdictions in which we operate.

Our mining and exploration operations require reliable infrastructure such as roads, rail, ports, pipelines, power sources and transmission facilities, and water supplies. As orebodies become more remote, and as the availability of fresh water becomes more restricted in certain areas, the complexity and cost of infrastructure for mining projects are increasing. Availability and cost of infrastructure affects the production and sales from operations, as well as our capital and operating costs.

The Trail metallurgical operations, our processing facilities and our coal preparation plants are also subject to risks and hazards, including process upsets and equipment malfunctions. Equipment and supplies may from time to time be unavailable at all or on a timely basis.

Our operating mines and certain closed sites have large tailings facilities, which could fail as a result of seismic activity or for other reasons.

The occurrence of any of the foregoing could result in, among other things, damage to or destruction of mineral properties or production or logistics facilities, personal injuries or death, environmental damage, delays or interruption of production, failure to achieve production targets, increases in operating costs, monetary losses, legal liability and/or adverse governmental action, any of which may have a significant adverse effect our operations, business and financial condition.

The COVID-19 pandemic, the Russian war in Ukraine, inflation and other factors continue to impact global markets and cause general economic uncertainty, the impact of which may have a significant adverse effect on our operations, business and financial condition.

The impacts of the COVID-19 pandemic, and governmental response thereto, on global commerce have and continue to be extensive and far-reaching. There has been significant stock market volatility, volatility in commodity and foreign exchange markets, restrictions on the conduct of business in many jurisdictions and the global movement of people has been restricted from time to time. Although many of these impacts appear to be lessening in most jurisdictions, there continues to be significant ongoing uncertainty surrounding COVID-19 and the extent and duration of the impacts that it, or governmental responses to it, may have on demand and prices for the commodities we

produce, on our suppliers, on our employees and on global financial markets which may have a material adverse effect on our operations, business and financial condition.

These concerns, together with concerns over general global economic conditions, fluctuations in interest and foreign exchange rates, stock market volatility, geopolitical issues, Russia's war in Ukraine and inflation have contributed to increased economic uncertainty and diminished expectations for the global economy. This global economic uncertainty may have a material adverse effect on our operations, business and financial condition.

Concerns over global economic conditions may also have the effect of heightening many of the other risks described herein, including, but not limited to: risks relating to fluctuations in the market price of our products; development of our projects; volatility in commodity and financial markets; market access restrictions or tariffs; fluctuations in the price and availability of consumed commodities; labour unrest and disturbances; availability of skilled employees; disruptions of information technology systems; changes in law or policies in relation to taxes; fees and royalties; and transportation and other services from third parties.

Fluctuations in the market price of steelmaking coal, base metals and specialty metals may significantly adversely affect the results of our operations.

The results of our operations are significantly affected by the market prices of steelmaking coal, base metals and specialty metals, which are cyclical and subject to substantial price fluctuations. Our earnings are particularly sensitive to changes in the market price of steelmaking coal, copper and zinc. Market prices can be affected by numerous factors beyond our control, including: new sources of production of our products; levels of supply and demand for our products and for a broad range of other industrial products; substitution of new or different products in critical applications for our existing products; government action to address climate change or societal pressures towards low-carbon technologies to replace carbon-intensive ones; expectations with respect to the rate of inflation, the relative strength of the Canadian dollar and of certain other currencies; interest rates; speculative activities; transportation restrictions; global or regional political or economic crises; government policy changes, including taxes and tariffs; trade disputes or the potential for trade disputes; the impact of the COVID-19 pandemic and sales of commodities by holders in response to such factors.

The Chinese market is a significant source of global demand for commodities, including steelmaking coal, zinc and copper. A sustained slowdown in China’s growth or demand, or a significant slowdown in other markets, in either case, that is not offset by reduced supply or increased demand from other regions could have an adverse effect on the price and/or demand for our products. COVID-19 and/or efforts to contain it may have a significant effect on Chinese commodity prices and demand and potentially broader impacts on the global economy.

A prolonged period of low and/or volatile commodity prices, particularly of one or more of our principal products, could have a significant adverse effect on our operations, business and financial condition. If prices should decline below our cash costs of production and remain at such levels for any sustained period, we could determine that it is not economically feasible to continue commercial production at any or all of our operations. We may also curtail or suspend some or all of our exploration activities, with the result that our depleted reserves are not replaced.

A substantial reduction or sustained decrease in hard coking coal prices would have a material adverse effect on our business. Our general policy has been not to hedge changes in prices of our mineral products. From time to time, however, we have in the past and may in the future undertake hedging programs in specific circumstances, with an intention to reduce the risk of declines in a

commodity's market price while optimizing upside participation, to protect against currency fluctuations, or to maintain adequate cash flows and profitability to contribute to the long-term viability of our business. There are, however, risks associated with hedging programs including, among other things: the risk of opportunity losses or actual financial losses in the event of an increase in the world price of the commodity; an increase in interest rates; the possibility that rising operating costs will make delivery into hedged positions uneconomic; counterparty risks; and the impact of production interruption events.

We face risks associated with the issuance and renewal of permits.

Numerous permits or approvals are required for mining operations. We have significant permitting activities currently underway for new projects and for the extension or expansion of existing operations. In addition, many existing permits require periodic renewals. Examples of current significant permitting efforts include efforts related to mine life extensions, particularly the Fording River Extension Project, the Highland Valley Copper 2040 project and the extension of mine life at Antamina, and efforts related to the development of our Aktigirup Anarraaq exploration project adjacent to our Red Dog operation and our Zafranal and San Nicolás projects. When we apply for these permits and approvals, we are often required to prepare and present data to various government authorities pertaining to the potential effects or impacts that any proposed project may have on the environment and on communities. The authorization, permitting and implementation requirements imposed by any of these authorities may be costly and time-consuming, and may delay commencement or continuation of mining operations. There can be no certainty that these approvals or permits will be granted in a timely manner, or at all. Regulations also provide that a mining permit or modification can be delayed, refused or revoked. In certain jurisdictions, some parties, including Indigenous Peoples, have extensive rights to appeal the issuance of permits or to otherwise intervene or participate in the regulatory process. Permits may be stayed or withdrawn during the pendency of appeals. See *"Risk Factors — Changes in environmental, health and safety laws may have a material adverse effect on our operations and projects*" for a discussion of the changes to the Canadian federal environmental assessment and regulatory process.

Past or ongoing violations of mining or environmental laws could provide a basis to revoke existing permits or to deny the issuance of additional permits. In addition, evolving reclamation requirements or environmental concerns may threaten our ability to renew existing permits or obtain new permits in connection with future development, expansions and operations.

Delays associated with permitting may cause us to incur material additional costs in connection with the development of new projects or the expansion of existing operations, including penalties or other costs in relation to long-lead equipment orders and other commitments associated with projects or operations. Failure to obtain certain permits may result in damage to our reputation, cessation of development of a project or the inability to proceed with the expansion or extension of existing operations, increased costs of development or production, and litigation or regulatory action, any of which may have a material adverse effect on our operations, business and financial position.

Ongoing operation of our steelmaking coal mines in the Elk Valley, British Columbia, continually requires new permits or amendments to existing permits from applicable government agencies. We received approval in 2014 of a plan to manage water quality for the Elk Valley watershed as a whole. The Elk Valley Water Quality Plan is intended to provide a regulatory framework for permitting current and future projects and for managing the cumulative effects of new projects. The plan contemplates ongoing monitoring of the receiving environment, and adjustment of water quality targets if unacceptable environmental impacts are identified. There can be no assurance that the water quality targets set out in our Elk Valley Water Quality Plan will prove to be suitably protective of

the environment, that our planned mitigation efforts will be sufficient to meet those targets or that ongoing monitoring will not disclose unanticipated environmental effects of our operations that will require additional mitigation. We are currently not in compliance with certain water quality parameters set out in the Elk Valley Water Quality Plan.

Fish surveys have revealed unanticipated declines in fish populations and lower-than-expected recruitment in certain mine-affected waters. Subsequent investigations have found that, while some of the causes appear to be natural, mining development may have exacerbated some stressors. While there is evidence certain fish populations are recovering, research into these impacts is ongoing. Depending on the outcome of these investigations, the regulatory response, if any, and the nature of any required mitigation measures, we may face delays in permitting or restrictions on our mining activities in the Elk Valley. See "*Individual Operations – Steelmaking Coal – Elk Valley Water Quality Management Plan*" for more details.

Notwithstanding the approval of the Elk Valley Water Quality plan in 2014, the *Fisheries Act* and its current associated regulations do not contain a specific authorization mechanism that applies to the non-point source discharges from our coal mines and we continue to struggle to comply with the current requirements. In 2021, we pled guilty to two offences under the *Fisheries Act* in connection with discharges of selenium and calcite from coal mines in the Elk Valley and agreed to pay a fine of $2 million and make a contribution to the Environmental Damages Fund of $28 million for each such offence for a total of $60 million. We have also received administrative penalties issued by the Ministry of Environment and Climate Change Strategy related to water management in the Elk Valley. These regulatory issues may create additional difficulties in obtaining permits for our Elk Valley operations. First Nations in Canada have increasing influence in both federal and provincial environmental assessment and permitting processes, and may have perspectives regarding economic development and the environment that are at odds with those of federal and provincial authorities.

Any failure by us to comply with applicable requirements may result in enforcement action, including, but not limited to: potential prosecutions; fines or penalties; regulatory orders or directions; consequential delays in permitting new mining areas in the Elk Valley; or on restrictions being placed on our mining activities in the Elk Valley, any of which would limit our ability to maintain or increase steelmaking coal production in accordance with our long-term plans or to realize the projected mine life of our operations. Any fines or penalties imposed, the costs of any actions required by any regulatory orders or directions, and any potential shortfall in production due to delay, may be material and may have a material adverse effect on our operations, business and financial position.

We face risks related to inflation.

Global markets have recently experienced high rates of inflation. Inflationary pressures have increased, and are likely to continue to increase, our operating and capital costs and the costs of our planned exploration and development activities and could have a material adverse effect on our operations, development projects, business and financial position. If inputs are unavailable at reasonable costs this may delay planned development activities. In addition, governmental responses to inflation, such as any increase in interest rates, may have a significant negative impact on the economy generally, which could have a material adverse effect on our operations, business and financial position. In the current environment, assumptions about future commodity prices, exchange rates, interest rates, costs of inputs and customer credit performance are subject to greater variability than normal, which could, in the future, significantly affect the valuation of our

assets, both financial and non-financial, and may have a material adverse effect on our operations, business and financial condition.

We face risks associated with our development projects.

We are involved in a number of development projects. Our major project is our Quebrada Blanca Phase 2 project which is nearing first production. Development and exploitation of the hypogene resource at Quebrada Blanca Phase 2 requires considerable capital expenditures and various environmental and other permits and governmental authorizations. Other projects in our development portfolio include NuevaUnión, Galore Creek, San Nicolás, Mesaba, Schaft Creek and Zafranal. We also have a number of potential brownfield opportunities which are being studied at Quebrada Blanca, Antamina, Highland Valley and Red Dog. Our ability to maintain or increase our annual production of our principal products is dependent, to a significant extent, on our ability to bring new mines into production and expand existing mines.

Development projects typically require a number of years and significant expenditures before production is possible. Especially in the current environment of high inflation, estimates of such expenditures or of future operating costs may differ materially from actual capital or operating costs. Such projects could experience unexpected problems or delays during development, production or mine start-up.

Construction and development of these projects are subject to numerous risks, including, without limitation, risks relating to:

- significant cost overruns due to, among other things, inflation, delays, changes to inputs or changes to engineering;
- delays in construction, and technical and other problems, including adverse geotechnical conditions and other obstacles to construction;
- our ability to obtain regulatory approvals or permits, on a timely basis or at all;
- our ability to comply with any conditions imposed by regulatory approvals or permits, maintain such approvals and permits, or obtain any required amendments to existing regulatory approvals or permits;
- accuracy of reserve and resource estimates;
- accuracy of engineering and changes in scope;
- adverse regulatory developments, including the imposition of new regulations;
- significant fluctuation in prevailing prices for copper and other metals, oil, other petroleum products and natural gas, which may affect the profitability of the projects;
- community action or other disruptive activities by stakeholders;
- adequacy and availability of a skilled workforce;
- difficulties in acquiring and maintaining land and mineral titles;
- difficulties in procuring or a failure to procure required supplies and resources to construct and operate a mine;
- the fact that we do not own 100% of many of our projects and certain decisions will require the agreement of one or more of our partners (See "*Risk Factors — "We face risks associated with our joint venture operations and projects"*);

- availability, supply and cost of water and power;
- weather or severe climate impacts;
- litigation;
- our dependence on third parties for services and utilities;
- development of required infrastructure;
- a failure to develop or manage a project in accordance with our planning expectations or to properly manage the transition to an operating mine;
- the ability of our partners to finance their respective shares of project expenditures;
- the reliance on contractors and other third parties for management, engineering, construction and other services, and the risk that they may not perform as anticipated and that unanticipated disputes may arise between them and us;
- our ability to finance our share of project costs or obtain financing for these projects on commercially reasonable terms, or at all;
- changes in regulatory regimes in the jurisdictions in which our projects are located; and
- the effects of the COVID-19 pandemic or other potential pandemics, including regulatory measures intended to address the pandemic or operating restrictions imposed to protect workers, supply chain impacts and other factors.

The economic feasibility analysis with respect to each project is based upon, among other things, the interpretation of geological data obtained from drillholes and other sampling techniques, feasibility studies, pricing assumptions for inputs and products produced, the configuration of the orebody, expected recovery rates, anticipated climate conditions, and estimates of labour, productivity, royalty and tax rates. Actual operating results may differ materially from those anticipated.

Regulatory efforts to control or reduce greenhouse gas emissions or societal pressures in relation to climate change could materially negatively affect our business.

Our businesses include several operations that emit large quantities of greenhouse gases, or that produce products that emit large quantities of greenhouse gases when consumed by end users. This is particularly the case with our steelmaking coal operations. Carbon dioxide and other greenhouse gases are the subject of increasing public concern and regulatory scrutiny. See "*Health, Safety, Community and Environmental Protection — Carbon Pricing and Decarbonization*".

Climate change may result in increased regulations for our operations or those of our customers and/or restrict the development of our projects, which may increase costs and/or limit production. Changes in carbon regulation or taxation may decrease demand for our products, particularly steelmaking coal.

Our operations depend significantly on hydrocarbon energy sources to conduct daily operations, and there are typically no economic substitutes for these forms of energy. While carbon tax legislation has been adopted in several jurisdictions where we operate, and while we expect that carbon taxes will increase over time, it is not possible to reasonably estimate the nature, extent, timing, cost or other impacts of any future taxes or other programs that may be enacted.

Most of our steelmaking coal products are sold outside of Canada, and sales are not expected to be significantly affected by the greenhouse gas emissions targets that Canada committed to under the Paris Agreement or the resulting provincial and federal carbon tax legislation; however related

government action may restrict development of new steelmaking coal projects and increase production and transportation costs. The adoption of emission limitations or other regulatory efforts to control or reduce greenhouse gas emissions by other countries could materially negatively affect the demand for steelmaking coal.

As a result of public concern regarding climate change, natural resource companies like Teck face increasing public scrutiny of our activities and our impacts. Societal pressures in relation to climate change may adversely affect our social licence to operate and may impair our ability to obtain required permits, increase regulatory action or result in litigation against us, and negatively affect our reputation and our relationships with stakeholders. Concerns around climate change may also affect the market price of our shares, as institutional investors and others may divest interests in carbon-intensive industries due to societal pressures, and may also affect our ability to borrow money or obtain insurance for our carbon-intensive assets on reasonable terms. See "*Risk Factors — Damage to our reputation may result in decreased investor confidence, challenges in maintaining positive community relations and increased risks in obtaining permits or financing for our development properties and expansions to our existing operations*."

Climate change may have an adverse effect on demand for our products or on our operations.

As the world transitions to a lower-carbon economy, there is increasing focus on low-carbon technologies to replace carbon-intensive ones. This is increasing the pressure on steel producers to develop less carbon-intensive production processes that do not rely on high-quality hard coking coal. Government action to address climate change and societal pressures towards a lower-carbon economy may reduce the demand for our products. Concerns regarding climate change may lead to technological development of alternatives to certain of our products, such as steelmaking coal. Climate change and policy responses to climate change may have similar impacts on our customers, reducing demand for our products.

A decrease in demand for our products, particularly of one or more of our principal products, could have a significant adverse effect on our operations, business and financial condition.

Climate change may, among other things, cause or result in increases in extreme weather events, sea level increases, changes in precipitation, changes in fresh water levels, melting permafrost in the Arctic, and resource shortages. Extreme weather events have the potential to disrupt operations at our mines and to impact our transportation infrastructure. In recent years, we have experienced significant disruptions to our operations and our logistics chains in British Columbia caused by wildfires, extreme flooding and extreme cold. Extreme weather events may also affect the length of our shipping season at our Red Dog mine. The frequency and severity of extreme weather events across our operations has been increasing, and these events will likely continue to impact our operations and our logistics and supply chains, which may require additional spending to mitigate weather-related impacts and potential constraints on production in the future. Any increase in the frequency or severity of extreme weather events could have a material impact on our ability to produce and deliver our products and a material impact on the cost of operations, which may result in a material adverse effect on our business and financial position.

Our Red Dog mine is located in the Arctic and could be materially impacted by melting permafrost. In recent years the mine has been impacted by changes in water quality in the receiving environment caused by melting permafrost, which has limited the discharge of mine-affected water and has required us to incur additional water treatment costs. Melting permafrost continues to impact background water quality in the area. While our mining and refining operations are located well above sea level, an increase in sea level could affect our ocean transportation and shipping facilities.

Climate change may also result in shortages in certain consumables and other products required to sustain our operations, and any such shortage could impact our production capacity.

Although we make efforts to anticipate potential costs to mitigate the physical risks of climate change, and work with governments to influence regulatory requirements regarding climate change, there can be no assurance that these efforts will be effective or that climate change or associated governmental action will not have an adverse impact on our operations and therefore our profitability.

Failure to comply with environmental, health and safety laws may have a material adverse effect on our operations, our projects and our business.

Environmental, health and safety legislation affects nearly all aspects of our operations, including mine development, worker health and safety, waste disposal, emissions controls, and protection of endangered and protected species. Compliance with environmental, health and safety legislation can require significant expenditures and can restrict the manner in which mining and other operations can be conducted.

Failure to comply with environmental, health or safety legislation may result in the imposition of significant fines and/or penalties; the temporary or permanent suspension of operations or other regulatory sanctions including cleanup costs arising out of contaminated properties; damages; damage to reputation; the loss of existing permits or inability to obtain future permits; and civil suits or criminal charges. Exposure to these liabilities arises not only from our existing operations, but also from operations that have been closed or sold to third parties. Some of our historical operations have generated significant environmental contamination and other issues in the context of current regulation. We could also be held liable for worker or public exposure to hazardous substances. There can be no assurance that we will at all times be in compliance with all environmental, health and safety regulations or that steps to achieve compliance would not materially adversely affect our operations, business and financial condition.

The *Fisheries Act* and its current associated regulations do not contain a specific authorization mechanism that applies to the non-point source discharges from our coal mines and we have been prosecuted and subject to fines and penalties for non-compliance. Given this uncertainty, we face challenges with compliance and may be subject to prosecution and/or fines or penalties in the future. In addition, we could be subject to regulatory orders or directions requiring mitigation measures be taken, the costs of which may be material. Such fines, penalties or regulatory orders or directions could have a material adverse effect on our operations, business and financial condition. See "*Individual Operations – Steelmaking Coal – Elk Valley Water Quality Management* " for a description of our water quality management measures and associated costs.

Changes in environmental, health and safety laws may have a material adverse effect on our operations and projects.

In February 2018, the Government of Canada proposed new regulations under the *Fisheries Act* relating to coal mining effluent, which have subsequently been revised. While these regulations are still in development, they could impose significant costs and operating limitations on our steelmaking coal operations. In the absence of these new regulations, the *Fisheries Act* does not contain any mechanisms to authorize non-point source discharges from our coal mines. There can be no assurance that the new regulations will remedy this situation.

In 2019, the Canadian *Impact Assessment Act* came into force with significant changes to the federal government's current environmental assessment and regulatory processes for resource development projects. While the new legislation does not affect Teck's projects that are already in regulatory approval processes, it will apply to new projects that meet certain criteria. For example,

the federal government announced in 2020 that our Fording River Extension Project (formerly named Castle Project) required a federal review under the new *Impact Assessment Act*. Similarly, in 2018, the British Columbia government reformed the province's environmental assessment process for resource projects, introducing significant new changes into the environmental assessment process for industrial and resource projects in British Columbia, including new rules surrounding project notifications, early engagement and increased public participation, along with new timelines dictating when certain steps must be taken throughout the environmental assessment process. These changes and any other new legislation may affect our ability to obtain or renew permits for our operations and projects in an efficient and cost-effective manner or at all.

In addition, in 2019 the Government of British Columbia passed the *Declaration of the Rights of Indigenous Peoples Act* , to implement the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) in British Columbia. The legislation commits to a systematic review of the province's laws with respect to UNDRIP while also encouraging new agreements with Indigenous nations that are intended to address outstanding governance questions around the nature of Indigenous rights and title interests in B.C. In 2021, the Canadian federal government enacted comparable legislation. We are seeing federal and provincial government agencies increasingly defer to First Nations concerns in the course of the permitting process which is adding cost and uncertainty to our permitting efforts.

In 2021, the *Canadian Net-Zero Emissions Accountability Act* came into force, setting out the government's long-term objective of achieving net-zero emissions by 2050. The Act defers the specific measures and strategies to meet this target to regular emissions reductions plans, the first of which was released in March 2022. These measures may have a material adverse impact on our existing operations or our ability to obtain permits for new projects or expanded operations.

Environmental, health and safety laws and regulations are evolving in all jurisdictions where we have activities. We are not able to determine the specific impact that future changes in laws and regulations may have on our operations and activities, and our resulting financial position; however, we anticipate that capital expenditures and operating expenses will increase in the future as a result of the implementation of new and increasingly stringent environmental, health and safety regulations. For example, emissions standards for carbon dioxide and sulphur dioxide are becoming increasingly stringent, as are laws relating to the use and production of regulated chemical substances and the consumption of water by industrial activities. Further changes in environmental, health and safety laws; new information on existing environmental, health and safety conditions or other events, including legal proceedings based upon such conditions; or an inability to obtain necessary permits, could require increased financial reserves or compliance expenditures, or otherwise have a material adverse effect on us. Changes in environmental, health and safety legislation could also have a material adverse effect on product demand, product quality, and methods of production and distribution. In the event that any of our products were demonstrated to have negative health effects, we could be exposed to workers' compensation and product liability claims, which could have a material adverse effect on our business.

Product alternatives may reduce demand for our products.

Most of our products are primarily used in specific applications, such as the use of copper in electrical wiring and electronic applications, the use of refined zinc to galvanize steel and the use of steelmaking coal in steel production. Alternative technologies are continually being investigated and developed with a view to reducing production costs or for other reasons, such as minimizing environmental or social impact. If competitive technologies emerge that use other materials in place of our products, demand and price for our commodities might fall.

For example, the large majority of our coal production is high-quality hard coking coal, which commands a significant price premium over other forms of coal because of its value in use in blast furnaces for steel production. High-quality hard coking coal is globally scarce, and has specific physical and chemical properties that are necessary for efficient blast furnace operation. Steel producers are continually investigating alternative steel production technologies with a view to reducing production costs. Many of those alternative technologies are designed to use lower-quality coals or other sources of carbon instead of higher-cost high-quality hard coking coal, and increasingly efforts are focused on development of technologies to eliminate or dramatically reduce carbon emissions from the steelmaking process. While conventional blast furnace technology has been the most economic large-scale steel production technology for decades, and while emergent technologies typically take many years to commercialize, there can be no assurance that, over the longer term, competitive technologies not reliant on hard coking coal could emerge, which could reduce demand and price premiums for hard coking coal.

Damage to our reputation may result in decreased investor confidence, challenges in maintaining positive community relations, and increased risks in obtaining permits or financing for our development properties and expansions of our existing operations.

Damage to our reputation can occur from our actual or perceived actions or inactions and a variety of events and circumstances, many of which are out of our control. The growing use of social media to generate, publish and discuss community news and issues and to connect with others has made it significantly easier for individuals and groups to share their opinions of us and our activities, whether accurate or not. We do not directly control how we are perceived by others. Loss of reputation could result in, among other things, a decrease in the price of our shares, decreased investor confidence, challenges in maintaining positive relationships with the communities in which we operate and other important stakeholders, and increased risks in obtaining permits or financing for our development properties or expansions to our existing operations, any of which could have a material adverse effect on our operations, development projects, business and financial position.

In recent years, an increasing number of investors, financial institutions and insurance providers have adopted positions, or been encouraged to adopt positions, to restrict investment in, lending to or insurance of, projects or companies associated with carbon-intensive activities, such as fossil fuels or coal production. Large institutional investors are also adopting investment policies that take environmental, social and governance or “ESG” criteria, such as the carbon footprint of assets under management, into consideration when making investment decisions.

We face risks associated with our reclamation obligations.

We are required to reclaim properties as mining progresses and after mining is completed and specific requirements vary among jurisdictions. We are required by various governments in the jurisdictions in which we operate to provide financial assurances to cover any reclamation obligations we may have at our mine sites. The amount of these financial assurances is significant and is subject to change from time to time by the governments in the jurisdictions in which we operate, and may exceed our estimates for such costs. The amount and nature of our financial assurance obligations depend on a number of factors, including our financial condition and reclamation cost estimates.

Reclamation cost estimates can escalate because of new regulatory requirements, changes in site conditions or conditions in the receiving environment, or changes in analytical methods or scientific understanding of the impacts of various constituents in the environment. Since 2016, the B.C. government has been carrying out a review of its financial assurance requirements for reclamation obligations. In April 2022, the B.C. government released an interim reclamation security policy. The

interim policy and future changes are expected to result in an increase to our financial assurance requirements, for both our ongoing operations and our projects in B.C.

Changes to the form or amount of our financial assurance obligations in respect of reclamation obligations could significantly increase our costs, making the maintenance and development of existing or new mines less economically feasible. Increases in financial assurance requirements could severely impact our credit capacity and our ability to raise capital for other projects or acquisitions. We may be unable to obtain letters of credit or surety bonds to satisfy these requirements, in which case we may be required to deposit cash as financial assurance. If we are unable to satisfy these requirements, we may face loss of permits, fines and other material and negative consequences.

Although we currently make provisions for our reclamation obligations, there can be no assurance that these provisions will be accurate in the future. Any underestimated or unanticipated reclamation costs could materially affect our business, operations and financial condition. Failure to provide regulatory authorities with the required financial assurances could potentially result in the closure of one or more of our operations, which could result in a material adverse effect on our operations and therefore our profitability.

Failure to secure water rights or restrictions or loss of existing water rights could have negative effects on our operations and financial condition.

Water rights are an area of significant and increasing focus for our foreign operations, and community relations are significantly impacted by access and sourcing of water. Our mining operations require significant quantities of water for mining, ore processing and related support facilities. Certain of our operations and projects are located in areas where water is scarce and competition among users for access to water is significant. If water supplies become scarce or are negatively affected by environmental events or factors such as drought, water supplies to our operations might be reduced in order to maintain supply to the local communities in which we operate or for ecological purposes, whether or not we have legal rights to draw water. Laws and regulations may be introduced in certain jurisdictions that could limit our access to water resources. Newer projects may rely on desalination for water supply as has been included in the design of the QB2 project. Desalination facilities are capital-intensive, subject to process upsets, operational and labour issues, and environmental compliance requirements.

Any reduction or interruption in the availability of water may preclude development of otherwise potentially economic mineral deposits or may negatively affect costs, production and/or sales from our affected operations.

We are subject to legal proceedings, the outcome of which may affect our business.

The nature of our business subjects us to numerous regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of our business. The results of these legal proceedings cannot be predicted with certainty and the costs of these legal proceedings can be significant. Additionally, although largely unsuccessful to date, natural resource issuers are facing a significant increase in climate change related litigation. There can be no assurances that these matters will not have a material adverse effect on our reputation, our support by various stakeholders, our ability to secure permits, the market price of our shares, or on our operations, business or financial condition generally. See “*Legal Proceedings and Regulatory Actions”* below.

We face risks associated with our joint venture operations and projects.

A number of our projects and operations are developed and operated through joint venture or shared ownership arrangements with third parties. These joint arrangements include, among others, Quebrada Blanca, Antamina, NuevaUnión, Zafranal, Galore Creek, Schaft Creek, Elkview, Greenhills, NewRange Copper Nickel LLC and, following closing of the previously announced transaction with Agnico Eagle Mines Limited, San Nicolás. We face risks from the fact that at certain of our operations, like Antamina, we are a minority partner and certain major decisions may be made without our consent, meaning we may not have control over a number of factors, including, timing and amount of capital and operating expenditures, operation and production decisions, risk management and other operational practices.

We also face risks from the fact that at certain other projects in which we hold a 50% interest, like NuevaUnión, Galore Creek, NewRange Copper Nickel LLC and, following closing of the previously announced transaction with Agnico Eagle Mines Limited, San Nicolás, many decisions require the consent of our partner, and, even at projects or operations where we hold a majority interest, such as Quebrada Blanca, Zafranal, Schaft Creek, Elkview and Greenhills, major decisions affecting the project or operation may require agreement with our partners. Dispute resolution provisions with respect to major decisions in the relevant agreements may result in major decisions being made without our consent, or may trigger other remedies.

The success and timing of these operations and projects depend on a number of factors that may be outside our control, including the financial resources of our partners and the objectives and interests of our partners. While joint venture partners may generally reach consensus regarding the direction and operation of the operation or project, there are no assurances that this will always be the case or that future demands and expectations will continue to align. Failure of joint venture partners to agree on matters requiring consensus may lead to development or operational delays, failure to obtain necessary permits or approvals in an efficient manner or at all, remedies under dispute resolution mechanisms, or the inability to progress with production at the relevant operation or development of the relevant project in accordance with expectations or at all, which could materially affect the operation or development of such projects or operations and our business and financial condition.

Volatility in commodity markets and financial markets may adversely affect our ability to operate and our financial condition, and may cause the market price of our shares to fluctuate significantly.

Recent global financial conditions and commodity markets have been volatile. From time to time, access to financing has been negatively affected by many factors, including the financial distress of banks and other credit market participants and global market uncertainty. This volatility has from time to time affected and may in the future affect our ability to obtain equity or debt financing on acceptable terms, and may make it more difficult to plan our operations and to operate effectively. If volatility or market disruption affects our access to financing on reasonable terms, our operations and financial condition could be adversely affected.

Furthermore, the market price of our shares may fluctuate significantly in response to a number of factors, including, without limitation, variations in our operating results; changes in market conditions; announcements by us of strategic developments, acquisitions and other material events; speculation about us in the press or investment community; changes in market valuation of similar companies; developments in the mining business generally; activism; widespread adoption of investment policies that seek to reduce investment in companies involved in certain carbon-intensive activities, such as coal; regulatory changes; and changes in political environments and changes in global financial markets generally. Any of these events could result in a material decline in the price of our shares.

Many of these and other events and factors that impact the market price of our shares are beyond our control.

We operate in foreign jurisdictions and face added risks and uncertainties due to different economic, cultural and political environments.

Our business operates in a number of foreign countries where there are added risks and uncertainties due to the different economic, cultural and political environments. Some of these risks include nationalization and expropriation; social unrest and political instability; uncertainties in perfecting mineral titles; delays or inability to obtain permits; trade barriers and exchange controls; limitations on repatriation of funds; and material changes in taxation. Further, developing country status or an unfavourable political climate may make it difficult for us to obtain financing for projects in some countries.

A substantial portion of our base metals business is in Chile, which has been subject to significant social unrest over the past four years and is undergoing a constitutional reform process. Uncertainty surrounding whether the Chilean government will implement changes in taxation, policy or regulation may contribute to economic uncertainty in Chile. While our QB2 project has the benefit of a mining tax stability agreement that protects us against changes in mining, but not income, taxes, social conditions or political developments in Chile may result in tax increases, additional costs or other disruptions to our business, and the impact may be material. Peru has also recently experienced political unrest which may impact our Antamina operations and Zafranal project development.

In addition, global economic uncertainty and any decrease to resource prices may adversely affect Chile's economy and those of other emerging markets in which we operate or are developing projects, including Chile, México and Peru. Such events could materially and adversely affect our business, financial position and operations.

Our dual class share structure may limit our access to capital and affect our ability to enter into certain transactions.

Teck's share structure currently consists of Class A common shares, which carry 100 votes per share, and Class B subordinate voting shares, which carry one vote per share. There is consequently a large disparity between the voting and equity economic ownership interests of holders of Class A common shares. The Class A common shares are listed on the Toronto Stock Exchange, and over 25% of them are held by shareholders other than Temagami Mining Company Limited and related parties. See "*Ownership by Directors and Officers"* for further information on Temagami. Holders of our Class A common shares will have significant influence over a number of matters requiring shareholder approval, including the election of directors. This may affect the composition of the Board.

In addition, certain investors have limited appetite to invest in companies with dual-class share structures that feature differential voting rights, which could adversely affect the market price of our shares. There is a risk that our dual-class share structure may result in our exclusion from certain stock indices, or may limit our ability to list our Class B subordinate voting shares on certain stock exchanges. Potential strategic transaction counterparties may not be willing to accept Class B subordinate voting shares as consideration in acquisition transactions, which could limit our ability to acquire significant assets or otherwise engage in beneficial strategic transactions. Certain strategic transactions may require the approval of Class A common shareholders and Class B subordinate voting shareholders, in some cases voting separately as a class. There is a risk that the interests of the two classes of shareholders are not aligned in respect of any specific transaction or other corporate matter.

Completion of the Dual Class Amendment may be delayed or may not occur at all

On February 21, 2023, we announced the Dual Class Amendment. Pursuant to the Dual Class Amendment, each Teck Class A common share will be exchanged for one new Class A common share and 0.67 of a Class B subordinate voting share, such that the multiple voting rights of the Class A common shares will be eliminated on the sixth anniversary of implementation. The completion of the Dual Class Amendment is subject to certain conditions precedent, some of which are outside of Teck's control, including various shareholder, court and stock exchange approvals. We may be unable to satisfy these conditions in a timely manner or at all. In addition, Teck has the right to terminate the arrangement agreement for the Dual Class Amendment and the Class A shareholders who have entered into voting support agreements in connection with the Dual Class Amendment have the right to terminate those agreements in certain circumstances. Accordingly, there is no certainty, nor can Teck provide any assurance, that the Dual Class Amendment will be completed.

If the Dual Class Amendment is completed, there will be dilution to the holders of Class B subordinate voting shares.

If the Dual Class Amendment is implemented, it is expected that approximately 5,202,887 additional Class B subordinate voting shares will be issued to holders of Class A common shares, representing approximately 1.0% of the Class B subordinate voting shares as of the date of this Annual Information Form.

The consummation of the Dual Class Amendment will eventually eliminate Teck's dual class share structure. As a result, voting power would be spread out amongst a wider shareholder base with no significant shareholders and the inherent protection from an unsolicited take-over bid afforded by a dual-class share structure will no longer exist. Accordingly, Teck may become more vulnerable to a take-over bid or a tender offer.

We have indebtedness to service and repay.

As of December 31, 2022, we and our consolidated subsidiaries had total debt of $7.738 billion. We must generate sufficient amounts of cash to service and repay our debt, and our ability to generate cash will be affected by general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

Our material financing agreements contain financial and other covenants that may impose restrictions on our business and, if breached by us, may require us to redeem, repay, repurchase or refinance our existing debt obligations prior to their scheduled maturity.

We are party to a number of financing agreements, including our credit facilities and the indentures governing our various public indebtedness, that contain financial and other covenants, including restrictive covenants. If we breach covenants contained in our financing agreements, we may be required to redeem, repay, repurchase or refinance our existing debt obligations prior to their scheduled maturity, and our ability to do so may be restricted or limited by the prevailing conditions in the capital markets, interest rates, available liquidity and other factors. If we are unable to refinance any of our debt obligations in such circumstances at all or on reasonable terms, our ability to make capital expenditures and our financial condition and cash flows could be adversely impacted. In addition, our ability to borrow under our credit facilities is subject to our compliance with certain covenants, and the making of certain representations and warranties at the time of a borrowing request. See "*Description of Capital Structure - General Description of Capital Structure - Credit Facilities* " and "*Description of Capital Structure - General Description of Capital Structure - Public*

Indebtedness" for further information regarding, and a further discussion of the covenants in, our financing arrangements.

In addition, from time to time, new accounting rules, pronouncements and interpretations are enacted or promulgated that may require us, depending on the nature of those new accounting rules, pronouncements and interpretations, to reclassify or restate certain elements of our financing agreements and other debt instruments, which may in turn cause us to be in breach of the financial or other covenants contained in our financing agreements and other debt instruments.

Future funding requirements may affect our business and we may not have access to credit in the future.

Future investments, including development projects, acquisitions and other investments, may require significant capital expenditures. Our operating cash flow may not be sufficient to meet all of these expenditures depending on the timing and costs of development. As a result, new sources of capital may be needed to fund acquisitions or these investments. Additional sources of capital may not be available when required or on acceptable terms and, as a result, we may be unable to grow our business, finance our projects, take advantage of business opportunities, fund our ongoing business activities, respond to competitive pressure, retire or service outstanding debt, or refinance maturing debt.

We have significant financial support in the form of outstanding letters of credit issued by banks, which reduces the amount of other credit, including loans, that issuing banks may be willing to extend to us by way of debt financing. We also have a significant amount of surety bonds issued by insurance companies. These letters of credit and surety bonds are required for a number of purposes, mainly as security for reclamation obligations. If we are no longer rated investment grade, we may be required to deliver a significant amount of letters of credit to support our parent guarantees of the take-or-pay commitments in respect of our Quebrada Blanca Phase 2 power arrangements.

The surety bonds and the credit facilities that support our letters of credit do not currently require us to deliver cash collateral or other security, although we may elect to do so from time to time to reduce borrowing costs. If letters of credit, surety bonds or other acceptable financial assurance are not available to us on an unsecured basis, we may be required to deliver cash collateral to a financial institution that will issue the financial assurance, which would reduce our cash available for use in our business.

In addition, certain of our letters of credit are issued under uncommitted standby facilities. Our standby letter of credit facilities may be terminated at the election of the bank counterparty upon at least 90 days' notice. In the event that a standby letter of credit facility is terminated, we would be required to deliver cash collateral to the bank counterparty if we were unable to terminate the letter of credit issued by the bank. Providers of our surety bonds also have the right to require the delivery of cash collateral upon 60 days' notice.

Investor or general societal pressures may limit the appetite of certain institutions to lend to companies in carbon-intensive industries, or industries with a track record of social and environmental controversy, despite our efforts to adhere to leading industry practices regarding social and environmental matters. This trend appears to be accelerating. Certain financial institutions have announced that they will no longer provide funding to companies involved in oil sands or other projects, due to environmental concerns, and more financial institutions may do so in the future.

Our credit ratings have been subject to change over the years. There can be no assurance that the credit ratings currently assigned to Teck's debt securities will not be lowered. A downgrade by any

rating agency could adversely affect the value of our outstanding debt securities, the value of our existing debt and our ability to obtain new financing on favourable terms, if at all, and may increase our borrowing costs and require us to provide additional financial support in respect of certain obligations relating to our operations, which in turn could have a material adverse effect on our operations, business and financial position.

We may be adversely affected by interest rate changes.

Global economies are currently experiencing high levels of inflation. In response to inflation, governments have and may continue to raise interest rates. Our exposure to changes in interest rates results from investing and borrowing activities undertaken to manage our liquidity and capital requirements. We have incurred indebtedness that bears interest at fixed and floating rates, and we may from time to time enter into interest rate swap agreements to effectively convert some fixed rate exposure to floating rate exposure. There can be no assurance that interest rates will not continue to increase, perhaps materially, and if they do they may have a material adverse effect on our operations, business and financial position. In addition, our use of interest rate swaps exposes us to the risk of default by the counterparties to those arrangements. Any default by a counterparty could have a material adverse effect on our operations, business and financial position

We may be adversely affected by currency fluctuations.

Our operating results and cash flow are affected by changes in currency exchange rates relative to the currencies of other countries. Exchange rate movements can have a significant impact on results, as a significant portion of our operating costs are incurred in Canadian and other currencies, most revenues are earned in U.S. dollars, and a significant portion of the operating and remaining capital costs for our QB2 project are incurred in Chilean pesos. To reduce the exposure to currency fluctuations, we enter into foreign exchange contracts from time to time, but these hedges do not eliminate the potential that those fluctuations may have an adverse effect on us. In addition, foreign exchange contracts expose us to the risk of default by the counterparties to those contracts, which could have a material adverse effect on our business. In addition, our operating costs are influenced by the strength of the currencies of those countries where our operations are located, such as Chile, Peru and the United States.

Our general policy has been not to hedge currency exchange rates. From time to time, however, we have in the past and may in the future undertake currency hedging activities in specific circumstances. There can be no assurance that we will enter into these currency hedging activities or that these currency hedging activities will not cause us to experience less favourable economic outcomes than we would have experienced if we did not engage in such activities.

We face competition in product markets and from other natural resource companies.

The mining industry in general is intensely competitive and even if commercial quantities of mineral resources are developed, a profitable market may not exist for the sale of the minerals. We must sell base metals, metal concentrates, by-product metals and concentrate and steelmaking coal at prices determined by world markets over which we have no influence or control. Our competitive position is determined by our costs in comparison to those of other producers in the world. If our costs increase for any reason, including, due to our locations, climate change impacts, inflation, COVID-19 impacts, grade and nature of orebodies, foreign exchange rates, government policy changes, permitting costs or our operating and management skills, our profitability may be affected. We have to compete with larger companies that have greater assets and financial and human resources than us, and that may be able to sustain larger losses than us.

We also compete with other natural resource companies to hire and retain skilled employees, and obtain specialized equipment, components and supplies to develop our projects or operate our mines. Competition in these areas could result in significant delays or increased costs to us in the development of our projects or the operation of our mines.

In addition, we face strong competition for exploration and producing properties. Competition in this area could impede our ability to acquire suitable exploration or producing properties on reasonable terms or at all in order to offset the depletion of our current reserves.

Fluctuations in the price and availability of consumed commodities affect our costs of production.

Prices and availability of commodities consumed or used in connection with exploration, development, mining, smelting, refining and blending, such as natural gas, diesel, oil and electricity, as well as reagents such as copper sulphate, fluctuate and these fluctuations affect the costs of production at our various operations. Our smelting and refining operations at Trail require concentrates, some of which are produced at our Red Dog mine and some of which we purchase from third parties. The availability of those concentrates and the treatment charges we can negotiate fluctuate depending on market conditions. Costs of these inputs continue to increase due to inflation and other pressures. Any increase or fluctuations in such prices may have a material adverse impact on our operating costs or on the timing and costs of various projects. Our general policy is not to hedge our exposure to changes in prices of the commodities we use in our business.

Our operations depend on information technology systems, which may be disrupted or may not operate as desired.

We rely on information technology systems and networks in our operations. This reliance is increasing as we continue to incorporate more advanced technology in our operations, including autonomous haulage and automated process controls. Our information technology systems are subject to disruption, damage or failure from a variety of sources, including, without limitation, security breaches, cybersecurity attacks, computer viruses, malicious software, natural disasters or defects in software, human error or hardware systems. Our system and procedures for protecting against such attacks and mitigating such risks may prove to be insufficient in the future and such disruption, damage or failure could result in, among other things, production downtime, operational delays, theft of information or funds, destruction or corruption of data, damage to reputation, environmental or physical damage to our operations or surrounding areas, or legal or regulatory consequences, any of which could have a material adverse effect on our financial condition, operations, production, sales and business. We could also be adversely affected in a similar manner by system or network disruptions if new or upgraded information technology systems are defective, not installed properly or not properly integrated into our operations.

Our systems may be targeted for cyberattack or other information technology security events.

As technologies evolve and cybersecurity attacks become more sophisticated, we may incur significant costs to upgrade or enhance our security measures to mitigate potential harm. Our exposure to these risks is increasing as we take steps to further integrate information technology in our operations through the adoption of technologies through our RACE program. We continue to invest in increasing our cybersecurity capability in line with our other technology investments and changes in the risk landscape. Despite this investment, our security systems and procedures may be inadequate and we may be impacted by a cyber event resulting in, among other things, production downtime, destruction or corruption of data, reputational damage, physical damage to our

operations, theft of information or funds, environmental impact, or legal and regulatory consequences.

In addition to risks we face from cybersecurity incidents directed against our systems, we also face risks from cybersecurity incidents impacting third-parties, including but not limited to contractors, consultants and suppliers directly or indirectly involved in our business and operations. We are vulnerable to damage and interruptions from incidents involving these third-parties, and are exposed to consequences that could have a material adverse effect on our financial condition, operations, production, sales and business.

We may face market access restrictions or tariffs.

Access to our markets may be subject to ongoing interruptions or trade barriers due to policies and tariffs of individual countries, and the actions of certain interest groups to restrict the import of certain commodities. Our products may also be subject to tariffs that do not apply to producers based in other countries. In 2018, the Chinese government imposed tariffs on our zinc and lead concentrates produced in the U.S. While these tariffs do not currently materially affect our business or our access to Chinese markets, there is no assurance that they will not do so in the future or that those tariffs will not increase in the future. The Chinese government has also from time to time placed restrictions on imports of steelmaking coal. Restrictions imposed by the Chinese government on the import of Australian coal in late 2020 had a major impact on global steelmaking coal markets and, although China appears to be starting to lift these restrictions and while we do not currently expect increased coal trade between China and Australia to have a material impact on steelmaking coal prices, there may in fact be significant further impacts as and when those restrictions are lifted. Under the Free Trade Agreement between Australia and India, Australian coal imports into India are tariff exempt since December 2022 while Canadian coal imports are still subject to a tariff.

Other than the foregoing, there are currently no significant trade barriers existing or impending of which we are aware that do, or could, materially affect our access to certain markets; however, there can be no assurance that our access to these markets will not be restricted in the future, or that tariffs or similar measures will not impair the competitiveness of our products.

We may not be able to hire enough skilled employees to support our operations.

We compete with other mining companies to attract and retain key executives and skilled and experienced employees. The mining industry is labour-intensive and our success depends to a significant extent on our ability to attract, hire, train and retain qualified employees, including our ability to attract employees with needed skills in the geographic areas in which we operate. We face competition for limited candidates in many trades and professions, and may see current employees leave to pursue other opportunities. We could experience increases in our recruiting and training costs, and decreases in our operating efficiency, productivity and profit margins if we are not able to attract, hire and retain a sufficient number of skilled employees to support our operations. The impact of COVID-19 could also result in labour or employee shortages if employees fall ill or are required to self-isolate.

Our reserve and resource estimates may prove to be incorrect.

Disclosed reserve and mine life estimates should not be interpreted as assurances of mine life or of the profitability of current or future operations. We estimate and report our mineral reserves and resources in accordance with the requirements of the applicable Canadian securities regulatory authorities and industry practice.

We disclose both mineral reserves and mineral resources. Mineral resources are concentrations or occurrences of minerals that are judged to have reasonable prospects for economic extraction, but for which the economics of extraction cannot be assessed, whether because of insufficiency of geological information or lack of feasibility analysis, or for which economic extraction cannot be justified at the time of reporting. Consequently, mineral resources are of a higher risk and are less likely to be accurately estimated or recovered than mineral reserves.

In general, our mineral and coal reserves and resources are estimated by persons who are, or were at the time of their report, employees of the respective operating company for each of our operations. These individuals are not “independent” for purposes of applicable securities legislation. Generally, we do not use outside sources to verify mineral reserves or resources; however, we may do so at the initial feasibility stage and through periodic external audits.

The reserve and resource figures included in this disclosure document are estimates based on the interpretation of limited sampling and subjective judgments regarding the grade, continuity and existence of mineralization, as well as the application of economic assumptions, including assumptions as to operating costs, production costs, mining and processing recoveries, cut-off grades, long-term commodity prices and, in some cases, exchange rates, inflation rates, capital costs, and applicable taxes and royalties. As a result, changes in estimates or inaccuracy of estimates may affect our reserves and resources. The sampling, interpretations or assumptions underlying any reserve or resource estimate may be incorrect, and the impact on reserves or resources may be material.

Should the mineralization and/or configuration of a deposit ultimately turn out to be significantly different from that implied by our estimates, or should regulatory standards or enforcement change, then the proposed mining plan may have to be altered in a way that could affect the tonnage and grade of the reserves mined and rates of production and, consequently, could adversely affect the profitability of the mining operations. In addition, short-term operating factors relating to the reserves, such as the need for orderly development of orebodies or the processing of new or different ores, may cause reserve and resource estimates to be modified or operations to be unprofitable in any particular fiscal period.

There can be no assurance that our projects or operations will be, or will continue to be, economically viable, that the indicated amount of minerals will be recovered, or that they can be recovered profitably at the prices assumed for purposes of estimating reserves.

The depletion of our mineral reserves may not be offset by future discoveries or acquisitions of mineral reserves.

We must continually replace mineral reserves depleted by production to maintain production levels over the long term. This is done by expanding known mineral reserves or by locating or acquiring new mineral deposits.

There is, however, a risk that depletion of reserves will not be offset by future discoveries or acquisitions of mineral reserves. Exploration for minerals is highly speculative and involves many risks. Few properties that are explored are ultimately developed into producing mines. The reasons why a mineral property may be non-productive often cannot be anticipated in advance. Further, significant costs are incurred to establish mineral and to construct mining and processing facilities. Development projects have no operating history upon which to base estimates of future cash flow and are subject to the successful completion of feasibility studies, obtaining necessary government permits, obtaining title or other land rights, and availability of financing, among other things. In addition, assuming discovery of an economic orebody, depending on the type of mining operation

involved, many years may elapse from the initial phases of drilling until commercial operations are commenced. Accordingly, there can be no assurances that our current work programs will result in any new commercial mining operations or yield new reserves to replace and/or expand current reserves in a timely manner.

Title defects or claims may affect our existing operations as well as our development projects and future acquisitions.

Title to our properties may be challenged or impugned. Our mining properties may be subject to prior unregistered agreements, transfers or subject to challenge by governments or private parties. Claims and title may be affected by, among other things, undetected defects. A determination of defective title or a challenge to title rights could impact our existing operations as well as exploration and development projects and future acquisitions, which may have a material adverse effect on our operations, business and financial position.

Indigenous Peoples' claims and rights to consultation and accommodation may affect our existing operations worldwide, as well as development projects and future acquisitions.

Governments in many jurisdictions must consult and enter into consensus seeking with Indigenous Peoples with respect to grants of mineral rights and the issuance or amendment of project authorizations. These requirements are subject to change from time to time. As examples, the Government of British Columbia and the Canadian federal government have introduced legislation to implement the United Nations Declaration on the Rights of Indigenous Peoples, which legislation requires further legislative changes to ensure that other acts are consistent with the Declaration. See "*Risk Factors - Changes in environmental, health and safety laws may have a material adverse effect on our operations and projects*" for more information. Teck aims to achieve free, prior and informed consent from Indigenous Peoples and understands that in order to respect their rights, this may require accommodations, including undertakings regarding financial compensation, employment and other matters in impact and benefit agreements. This may affect our ability to acquire within a reasonable time frame effective mineral titles or environmental permits in these jurisdictions, including in some parts of Canada in which Aboriginal title is claimed or recognized, and may affect the timetable and costs of development of mineral properties in these jurisdictions. The recognition of Indigenous Peoples' rights and the potential liability of private parties in respect of the infringement of those rights is evolving in Canada and other jurisdictions. Unforeseen Indigenous Peoples' claims or grievances could affect existing operations as well as development projects and future acquisitions, as well as give risk to liability for alleged historical infringements. These legal requirements and the risk of Indigenous Peoples' opposition may increase our operating costs and affect our ability to expand or transfer existing operations or to develop new projects.

We are subject to changes in law or policy in relation to taxes, fees and royalties.

We are subject to taxes (including income taxes, mineral taxes and carbon taxes), various fees and royalties imposed by various levels of government across the jurisdictions in which we operate. The laws imposing these taxes, fees and royalties and the manner in which they are administered may in the future be changed or interpreted in a manner that materially and adversely affects our business, financial position and results of operations.

Our business is subject to the Canadian *Corruption of Foreign Public Officials Act*, the U.S. *Foreign Corrupt Practices Act* and similar anti-bribery laws in other jurisdictions, a breach or violation of which could lead to civil and criminal fines and penalties, loss of licences or permits, and reputational harm.

We operate in certain jurisdictions that have experienced governmental and private sector corruption to some degree, and, in certain circumstances, strict compliance with anti-bribery laws may conflict with certain local customs and practices. For example, the Canadian *Corruption of Foreign Public Officials Act*, the U.S. *Foreign Corrupt Practices Act*, and anti-corruption and anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business or other commercial advantage. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny of and punishment of companies convicted of violating anti-corruption and anti-bribery laws. Furthermore, a company may be found liable for violations not only by its employees, but also by its contractors and third-party agents.

Our Code of Ethics, our Anti-Bribery and Corruption Policy and other corporate policies mandate compliance with these anti-corruption and anti-bribery laws, and we have implemented training programs, internal monitoring and controls, and reviews and audits to ensure compliance with such laws. However, there can be no assurance that our internal control policies and procedures will always protect us from recklessness, fraudulent behaviour, dishonesty or other inappropriate acts committed by our affiliates, employees, contractors or agents. Violations of these laws, or allegations of such violations, could lead to civil and criminal convictions, fines and penalties, litigation, loss of operating licences or permits, or withdrawal of mining tenements, termination of contracts and prohibitions from entering into certain contracts and may damage our reputation, which could have a material adverse effect on our business, financial position and results of operations, or cause the market value of our shares to decline. We may face disruption in our permitting, exploration or other activities resulting from our refusal to make “facilitation payments” in certain jurisdictions where such payments are otherwise prevalent.

We are highly dependent on third parties for the provision of transportation services and are subject to government action regarding production.

Due to the geographical location of many of our mining properties and operations, we are highly dependent on third parties for the provision of transportation services, including rail and port services. We negotiate prices for the provision of these services in circumstances where we may not have viable alternatives to using specific providers, or have access to regulated rate setting mechanisms. Contractual disputes; demurrage charges; rail and port capacity issues; availability of vessels and railcars; extreme weather events; or other factors can have a material adverse effect on our ability to transport materials according to schedules and contractual commitments, and result in lower-than-anticipated sales volumes and revenue. In recent years we have experienced a loss of revenue and an increase in the cost of coal product due, in part, to logistics issues with our transportation service providers and extreme weather events.

A number of our concentrate products include varying amounts of minor elements that are subject to increasing environment regulation, which may expose us to higher smelter treatment charges, penalties or limit our ability to sell certain products.

Our customer smelters are subject to increasingly stringent environmental regulation, in particular with respect to minor elements such as arsenic, mercury, cadmium and thallium, which could adversely affect their ability to treat copper, zinc and lead concentrates from certain of our operations. We rely on customer smelters to process our concentrates into metals for sale. We are

already restricted in our ability to sell certain products in certain jurisdictions for regulatory reasons. We may be required to pay higher smelter treatment charges or specific penalties relating to minor elements present in our concentrates, we may incur additional costs to blend certain products, or we may not be able to sell certain products at all in certain jurisdictions, depending on the regulatory environment.

The profitability of our Trail Operations depends in part on our ability to sell various products that may face more stringent environmental regulation.

In addition to zinc and lead, Trail Operations produces various minor metals and other compounds, which are sold into specialized markets. Changes in market demand for these products, or changes in export regulations or other regulatory restrictions, may limit our ability to sell these products. If we are unable to sell certain products at a profit, we may incur significant storage and disposal costs, or costs to change our production facilities or processes.

Our arrangements relating to our relationship with BC Hydro regarding the Waneta hydroelectric plant may require us to incur substantial costs.

In connection with the sale of our interest in the Waneta hydroelectric plant in 2018, we entered into a 20-year arrangement with BC Hydro, with the ability to renew for an additional 10 years, to use a portion of the energy derived from the Waneta hydroelectric plant for our Trail Operations. Under our arrangement with BC Hydro, Teck Metals is required to provide firm delivery of a portion of the energy from the Waneta hydroelectric plant to BC Hydro until 2036. If Teck Metals does not deliver power as required, it could be required to purchase replacement power in the open market or to pay liquidated damages to BC Hydro based on the market rate for power at the time of the shortfall. These costs are generally not covered by our insurance policies and we could incur substantial costs, especially if the shortfall is protracted.

In addition, BC Hydro has contracted to make power available to Teck Metals at favourable rates in amounts sufficient to meet the current and anticipated future requirements of our Trail Operations. If our entitlement to power from the Waneta hydroelectric plant (taking into account our arrangements with BC Hydro) is not sufficient to supply the requirements of our Trail Operations, we may be required to reduce production at our Trail Operations, or purchase power in the open market, in order to address any shortfall. Following expiry of this arrangement, we may be required to purchase power in the open market to power our Trail Operations, which may require us to incur substantial additional costs to operate our Trail Operations.

Our Red Dog Operations are subject to a limited annual shipping window, which increases the consequences of restrictions on our ability to ship concentrate from the operation.

Like our other mines, our Red Dog mine operates year-round on a 24-hour-per-day basis. Due to sea ice and weather conditions, the annual production of the mine must be stored at the port site and shipped within an approximate 100-day window when sea ice and weather conditions permit. Two purpose-designed shallow draft barges transport the concentrates to deep-water moorings. The barges cannot operate in severe swell conditions.

Unusual ice or weather conditions, or damage to the barges or ship loading equipment could restrict our ability to ship all of the stored concentrate. Failure to ship the concentrate during the shipping season could have a material adverse effect on our sales, as well as on our Trail Operations, and could materially restrict mine production subsequent to the shipping season.

We could be subject to labour unrest or other labour disturbances as a result of the failure of negotiations in respect of our collective agreements.

Approximately 6,200 of our approximately 12,100 regular employees (as of December 31, 2022) are employed under collective bargaining agreements. We could be subject to labour unrest or other labour disturbances as a result of delays in or the failure of negotiations in respect of our collective agreements, which could, while ongoing, have a material adverse effect on our business. See "*Description of the Business — Human Resources*" for a description of our regular employee category and the expiry dates of the collective bargaining agreements covering unionized employees at our material projects.

Although we believe our financial statements are prepared with reasonable safeguards to ensure reliability, we cannot provide absolute assurance.

We prepare our financial reports in accordance with accounting policies and methods prescribed by International Financial Reporting Standards as issued by the International Accounting Standards Board. In the preparation of financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of Teck. Significant accounting policies are described in more detail in the notes to our annual consolidated financial statements for the year ended December 31, 2022. In order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported, we have implemented and continue to analyze our internal control systems for financial reporting. Although we believe our financial reporting and financial statements are prepared with reasonable safeguards to ensure reliability, we cannot provide absolute assurance in that regard.

Our insurance may not provide adequate coverage.

We maintain large self-insured retentions and insure against most risks up to reasonably high limits through captive insurance companies. Our property, business interruption and liability insurance may not provide sufficient coverage for losses related to certain hazards, and large losses within our captive insurers could have an effect on our consolidated financial position. We may elect not to maintain insurance for certain risks due to the high premiums associated with insuring those risks and for various other reasons. In other cases, insurance against certain risks, including certain liabilities for environmental pollution, may not be available to us or to other companies within the industry. Insurance availability at any time is driven by a number of factors, and availability will be further pressured by the announced intentions of certain providers to restrict underwriting of certain industries, assets or projects, such as oil sands. In addition, our insurance coverage may not continue to be available at economically feasible premiums, or at all. Any such event could have a material adverse effect on our business, operations or financial position.

Our pension and other post-retirement liabilities and the assets available to fund them could change materially.

We have substantial assets in defined benefit pension plans, which arise through employer contributions and returns on investments made by the plans. The returns on investments are subject to fluctuations, depending upon market conditions, and we are responsible for funding any shortfall of pension assets compared to our pension obligations under these plans.

We also have certain obligations to current and former employees with respect to post-retirement benefits. The cost of providing these benefits can fluctuate and the fluctuations can be material.

Our liabilities under defined benefit pension plans and in respect of other post-retirement benefits are estimated based on actuarial and other assumptions. These assumptions may prove to be incorrect and may change over time, and the effect of these changes can be material.

Dividends

Our Class A common shares and Class B subordinate voting shares rank equally as to the payment of dividends. Total dividends per share declared and paid in the past three years were:

Year ended December 31	2022	2021	2020
Dividends paid per share	$1.00	$0.20	$0.20

Our dividend policy contemplates the payment of an annual base dividend of $0.50 per share, paid quarterly, and annual consideration of a supplemental dividend. Each year, the Board reviews the free cash flow generated by the business, the outlook for business conditions and priorities regarding capital allocation in accordance with our capital allocation framework, and determines whether a supplemental dividend should be paid. If declared, supplemental dividends may be highly variable from year to year, given the volatility of commodity prices and the potential need to conserve cash for certain project capital expenditures or other corporate policies. In accordance with the policy, in 2022 we declared and paid an aggregate $0.50 per share base dividend and a supplemental dividend of $0.50 per share.

On February 18, 2023, the Board declared an eligible dividend of $0.625 per share, to be paid on March 31, 2023, to shareholders of record at the close of business on March 15, 2023, consisting of the $0.125 per share quarterly base dividend and a supplemental dividend of $0.50 per share.

The payment of dividends is at the discretion of the Board, who will review the dividend policy regularly in the context of our capital allocation framework.

All dividends paid on our Class A common shares and Class B subordinate voting shares after 2005 are eligible dividends for purposes of the federal and provincial enhanced dividend tax credit that may be claimed by Canadian resident individuals.

We may not pay dividends on the Class A common shares and Class B subordinate voting shares unless all dividends on any preferred shares outstanding have been paid to date. We do not currently have any preferred shares outstanding.

Description of Capital Structure

General Description of Capital Structure

SHARE CAPITAL

Teck is authorized to issue an unlimited number of Class A common shares and Class B subordinate voting shares and an unlimited number of preference shares, issuable in series.

Class A common shares carry the right to 100 votes per share. Class B subordinate voting shares carry the right to one vote per share. Each Class A common share is convertible, at the option of the holder, into one Class B subordinate voting share. In all other respects, including dividend rights and the distribution of property upon dissolution or winding-up of Teck, the Class A common shares and Class B subordinate voting shares rank equally.

The attributes of the Class B subordinate voting shares contain so called “coattail” provisions, which provide that, in the event that an offer (an Exclusionary Offer) to purchase Class A common shares, which is required to be made to all or substantially all holders thereof, is not made concurrently with an offer to purchase Class B subordinate voting shares on identical terms, then each Class B subordinate voting share will be convertible into one Class A common share at the option of the holder during a certain period, provided that any Class A common shares received upon such conversion are deposited to the Exclusionary Offer. Any Class B subordinate voting shares converted into Class A common shares pursuant to such conversion right will automatically convert back to Class B subordinate voting shares in the event that any such shares are withdrawn from the Exclusionary Offer or are not otherwise ultimately taken up and paid for under the Exclusionary Offer.

The Class B subordinate voting shares will not be convertible in the event that holders of a majority of the Class A common shares (excluding those shares held by the offeror making the Exclusionary Offer) certify to Teck that they will not, among other things, tender their Class A common shares to the Exclusionary Offer.

If an offer to purchase Class A common shares does not, under applicable securities legislation or the requirements of any stock exchange having jurisdiction, constitute a “takeover bid” or is otherwise exempt from any requirement that such offer be made to all or substantially all holders of Class A common shares, the coattail provisions will not apply.

The above is a summary only as of the date of this Annual Information Form. Reference should be made to the articles of Teck, a copy of which may be obtained on SEDAR at www.sedar.com or by writing to the Corporate Secretary.

Securities subject to contractual restriction on transfer

On July 15, 2009, Teck issued 101.3 million Class B subordinate voting shares to Fullbloom Investment Corporation (Fullbloom), a wholly owned subsidiary of China Investment Corporation (CIC). Each of Fullbloom and CIC have agreed that neither of them will, without the prior written consent of Teck, knowingly dispose or agree to dispose (directly or indirectly) of all or a significant portion of their Class B subordinate voting shares to any person that at the time of the disposition is (i) either itself, or through its affiliates, a direct participant in the mining, metals or minerals industries with respect to a substantial portion of the business of itself and its affiliates taken together, (ii) a material customer of Teck, or (iii) a person who, based on Fullbloom and CIC’s actual knowledge without inquiry, is not dealing at arm’s-length with any of the persons referred to in (i) or (ii) in connection with securities of Teck, in each case anywhere in the world. These transfer restrictions are subject to certain exceptions.

In September 2017, Fullbloom sold 42 million of its Class B subordinate voting shares and over the course of 2022 they sold an additional 7 million Class B subordinate voting shares. As a result, 52.3 million shares remain subject to the restrictions described above, representing 10.3% of Teck’s outstanding Class B subordinate voting shares as at February 21, 2023.

CREDIT FACILITIES

We maintain various committed and uncommitted credit facilities for liquidity and for the issuance of letters of credit. As at December 31, 2022, we or our subsidiaries were party to various credit agreements establishing the following credit facilities (collectively, the credit facilities):

- A US$4 billion revolving credit facility provided by a syndicate of lenders, which matures on October 15, 2026. As at December 31, 2022 the facility was undrawn.
- A $200 million uncommitted standby letter of credit facility with Bank of Montreal. As at December 31, 2022, $183 million of letters of credit under the facility were outstanding.
- A $150 million uncommitted credit facility with Royal Bank of Canada. As at December 31, 2022, $126 million of letters of credit under the facility were outstanding.
- A $200 million uncommitted standby letter of credit facility with Canadian Imperial Bank of Commerce. As at December 31, 2022, $145 million of letters of credit under the facility were outstanding.
- A $150 million uncommitted standby letter of credit facility with the Toronto-Dominion Bank. As at December 31, 2022, $148 million of letters of credit under the facility were outstanding.
- A $145 million uncommitted standby letter of credit facility with BNP Paribas. As at December 31, 2022, $145 million of letters of credit under the facility were outstanding.
- A $125 million uncommitted standby letter of credit facility with United Overseas Bank. As at December 31, 2022, $115 million of letters of credit under the facility were outstanding.
- A $150 million uncommitted standby letter of credit facility with National Bank of Canada. As at December 31, 2022, $145 million of letters of credit under the facility were outstanding.
- A $75 million uncommitted standby letter of credit facility with Sumitomo Mitsui Banking Corporation. As at December 31, 2022, $67 million of letters of credit under the facility were outstanding.
- A $50 million uncommitted standby letter of credit facility with MUFG Bank Ltd. As at December 31, 2022, $50 million of letters of credit under the facility were outstanding.
- A $50 million uncommitted standby letter of credit facility with MIZUHO Bank Ltd. As at December 31, 2022, $50 million of letters of credit under the facility were outstanding.
- A $110 million uncommitted standby letter of credit facility with Credit Agricole. As at December 31, 2022, $94 million of letters of credit under the facility were outstanding.
- A $100 million uncommitted standby letter of credit facility with China Construction Bank. As at December 31, 2022, $80 million of letters of credit under the facility were outstanding.
- A US$100 million uncommitted standby letter of credit facility with Standard Chartered Bank. As at December 31, 2022, US$48 million of letters of credit under the facility were outstanding.
- A US$450 million Performance Security Guarantee Issuance and Indemnity Agreement with Export Development Canada (EDC), regarding our Red Dog mine. As at December 31, 2022, US$419 million of letters of credit, issued by third-party banks but secured by EDC under this arrangement, were outstanding.

- A $150 million Performance Security Guarantee Issuance and Indemnity Agreement with EDC, regarding our coal operations. As at December 31, 2022, $144 million of letters of credit, issued by third-party banks but secured by EDC under this arrangement, were outstanding.
- A credit facility with Goldman Sachs Mortgage Company for up to US$100 million of letters of credit. As at December 31, 2022, US$30 million of letters of credit under the facility were outstanding.

In addition to the letters of credit outstanding under the facilities listed above, we also had, as at December 31, 2022, $512 million of various other letters of credit and $849 million of surety bonds outstanding. The letters of credit are issued by financial institutions on an as-negotiated basis mainly to support our reclamation obligations. While a variety of banks issue these letters of credit, approximately $111 million were issued on a stand-alone basis by Scotiabank Chile and approximately $193 million were issued on a stand-alone basis by the Bank of Nova Scotia. The surety bonds are provided by insurance companies and support our reclamation obligations.

Our uncommitted standby letter of credit facilities may be terminated at the election of the bank counterparty upon at least 90 days' notice, and we would be required to deliver cash collateral to the bank counterparty if we were unable to replace any outstanding letters of credit prior to termination. From time to time, at our election, we may reduce the fees paid to banks issuing letters of credit by making short-term cash deposits with those banks. The deposits earn a competitive rate of interest and are generally refundable on demand. At December 31, 2022, we had US$526 million on deposit with those banks. Our surety bonds provide the insurance issuer with the right, on between 30 and 60 days' notice, to require Teck to obtain the return of a surety bond or to deliver cash collateral if we are unable to return the bond.

In addition to the above, Compañía Minera Teck Quebrada Blanca, S.A. (CMTQB) is a party to a US$2.5 billion limited recourse project financing facility in respect of the QB2 project. As at December 31, 2022, US$2.5 billion was outstanding under this facility. Project finance loans issued under this facility are secured against the assets of CMTQB and are guaranteed pre-completion on a several basis by Teck, Sumitomo Metal Mining Co., Ltd. and Sumitomo Corporation *pro rata* to their respective interests in the Series A shares of CMTQB. Borrowing by CMTQB under the project finance arrangements is subject to a number of conditions, including there being no event of default under the arrangements.

The owner of the Antamina project, CMA, is party to credit facilities. We hold a 22.5% interest in CMA. As at December 31, 2022, our proportionate share of CMA's borrowings under its credit facilities was US$225 million. The Antamina facilities are non-recourse to us and the other Antamina project sponsors.

Our US$4.0 billion revolving credit facility is a sustainability linked facility, which involves pricing adjustments that are aligned with our sustainability performance and strategy. Our sustainability performance over the term of the facility is measured by greenhouse gas intensity, percentage of women in Teck's workforce and safety. Our revolving credit facility contains restrictive and financial covenants, including:

- a requirement to maintain a net debt to total capitalization (net debt over debt-plus-equity) ratio of not more than 0.60:1.0;
- a restriction on certain of our subsidiaries incurring indebtedness of more than an aggregate of US$675 million unless the relevant subsidiary guarantees the credit facility;
- a provision requiring prepayment in the event of a change of control at Teck; and
- a prohibition on agreements that might restrict certain subsidiaries from issuing dividends or other distributions to, or making or repayment of loans to, Teck.

Borrowing under our primary committed credit facility is subject to our compliance with the covenants in the relevant agreement and our ability to make certain representations and warranties at the time of the borrowing request.

Our reclamation obligations are included in the “Provisions and other liabilities” line item on our balance sheet. Associated letters of credit and surety bonds would not become a liability unless the letter of credit or surety bond is drawn by the beneficiary, which drawing would be triggered if we did not perform our obligations under the relevant contract or permit. In the event of a drawing, we would be required to reimburse the issuing bank or surety bond provider for the amount drawn on the letter of credit or surety bond, respectively.

There are no restrictions on borrowing, or additional covenants, triggered under our credit facilities as a result of ratings downgrades, although the pricing under certain of our credit facilities varies with our credit rating. Teck’s indebtedness outstanding under each of the credit facilities ranks *pari passu* in right of payment with the indebtedness under each of the other credit facilities and with all of Teck’s other indebtedness for borrowed money, except that which is secured by liens permitted by the credit facilities and indentures.

PUBLIC INDEBTEDNESS

As of December 31, 2022, our public indebtedness consisted of seven series of outstanding notes.

We have issued notes under an indenture dated September 12, 2002, an indenture dated August 17, 2010 (as supplemented from time to time in connection with an offering of notes) and an indenture dated June 20, 2020. The Bank of New York Mellon acts as trustee under each indenture. All of our notes are issued under the 2010 indenture, except for our 6.125% notes due October 1, 2035, which were issued under the 2002 indenture, and our 3.900% notes due 2030, which were issued under the 2020 indenture.

The details of the outstanding principal amount, coupon and maturity date of each of our outstanding series of notes as of December 31, 2022 follows:

- US$108 million of 3.750% notes due 2023;
- US$503 million of 3.900% notes due 2030;
- US$336 million of 6.125% notes due 2035;
- US$481 million of 6.000% notes due 2040;
- US$396 million of 6.250% notes due 2041;
- US$395 million of 5.200% notes due 2042; and
- US$367 million of 5.400% notes due 2043.

On February 1, 2023, we redeemed our 3.75% notes at maturity.

The 2020 indenture and indentures supplementing the 2010 indenture include a covenant requiring us to offer to purchase the notes in the event of a change in control (as defined in the related supplemental indentures), and all of the bond indentures include restrictive covenants regarding liens on certain assets of Teck and certain restricted subsidiaries (as defined in the indentures). The indentures also provide for customary events of default, which include non-payment of principal or interest, failure to comply with covenants, the bankruptcy or insolvency of Teck or a material subsidiary, final judgments against Teck or a material subsidiary in excess of US$100 million, failure to pay other indebtedness in excess of US$100 million, or an acceleration of other indebtedness in excess of US$100 million.
The above is a summary of the terms of our public notes and is qualified in its entirety by reference to the indentures under which the notes were issued. A copy of the indentures can be found under Teck’s profile on SEDAR at www.sedar.com.

RATINGS

The following table sets forth the current ratings that we have received from rating agencies in respect of our outstanding securities. The cost of funds under our credit facilities depend in part on our credit ratings from time to time, and our obligation to deliver letters of credit to support certain obligations also depends on our credit ratings. In addition, credit ratings affect our ability to obtain other short-term and long-term financing and the cost of such financing. The drawn and undrawn costs under some of our credit facilities are based upon our credit ratings, and could increase, or decrease, if Teck's credit ratings are downgraded, or upgraded, respectively.

Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor. Credit ratings may not reflect the potential impact of all risks on the value of securities and may be revised or withdrawn at any time by the credit rating organization. In addition, real or anticipated changes in the ratings assigned to a security will generally affect the market value of that security. We cannot guarantee that a rating will remain in effect for any given period of time or that a rating will not be revised or withdrawn entirely by a rating agency in the future.

Our current credit ratings are as follows:

	Moody's	Standard & Poor's	Fitch	DBRS
Senior unsecured notes [(1)]	Baa3	BBB-	BBB-	BBB

[(1)] All of our outstanding notes are senior unsecured notes.

A description of the rating categories of each of the rating agencies is set out below.

MOODY'S INVESTOR SERVICE (MOODY'S)

Moody's long-term credit ratings are on a rating scale that ranges from Aaa to C, which represents the range from highest to lowest quality of securities rated. Moody's "Baa3" rating assigned to our senior unsecured notes is the fourth-highest major rating of 10 major rating categories. Under Moody's definitions, an obligation rated "Baa3" is subject to moderate credit risk and is considered medium-grade and as such, may possess certain speculative characteristics. Moody's appends numerical modifiers from 1 to 3 to its long-term debt ratings, which indicates where the obligation ranks within its ranking category, with 1 being the highest.

STANDARD & POOR'S (S&P)

S&P's long-term issue credit ratings are on a rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of securities rated. S&P's "BBB-" rating assigned to our senior unsecured notes is the fourth-highest major rating of 10 major rating categories. Under S&P's definitions, an obligation rated "BBB-" exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation. S&P uses "+" or "-" designations to indicate the relative standing of securities within a particular rating category.

FITCH RATINGS (FITCH)

Fitch's long-term credit ratings are on a scale ranging from AAA to D, representing the range from highest to lowest quality of securities rated. Fitch's "BBB-" rating assigned to our senior unsecured notes is the fourth-highest of nine major rating categories. Under Fitch's definitions, an obligation rated "BBB-" is in the category of good credit quality. The rating indicates that expectations of default risk are currently low and the capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity. Fitch may append the modifier "+" or "-" to a rating to denote the relative status of a security within a major rating category.

MORNINGSTAR DOMINION BOND RATING SERVICE (DBRS)

DBRS's long-term credit ratings are on a rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of securities rated. DBRS's "BBB" rating assigned to our senior unsecured notes is the fourth-highest major rating of the eight major rating categories. Under DBRS' definitions, an obligation rated "BBB" is of adequate credit quality with the capacity for payment of financial obligations considered acceptable; however, may be vulnerable to future events. A reference to "high" or "low" reflects the relative strength within the rating category.

PAYMENTS TO AGENCIES

We have made payments in respect of certain services provided to us by each of Moody's, S&P and Fitch during the last two years.

Market for Securities

Trading Price and Volume

Our Class A common shares are listed on the Toronto Stock Exchange under the ticker symbol TECK.A. Our Class B subordinate voting shares are listed on the Toronto Stock Exchange under the ticker symbol TECK.B and on the New York Stock Exchange under the symbol TECK. The following tables set out the monthly price ranges and volumes traded on The Toronto Stock Exchange during 2022 for the Class A common shares and Class B subordinate voting shares.

	Teck Resources A			Teck Resources B		
Date	**High ($)**	**Low ($)**	**Volume**	**High ($)**	**Low ($)**	**Volume**
January	$44.93	$37.75	81,843	$44.15	$36.82	36,127,319
February	$49.99	$41.50	46,961	$47.07	$39.97	34,953,204
March	$56.95	$47.74	97,641	$54.03	$45.61	59,931,421
April	$62.75	$49.88	94,058	$56.67	$43.62	49,033,358
May	$59.87	$49.75	91,179	$56.15	$45.52	40,734,449
June	$58.74	$39.00	197,143	$57.50	$37.97	48,922,705
July	$40.99	$33.31	81,592	$39.93	$32.68	42,115,870
August	$49.99	$37.40	41,994	$48.67	$35.42	42,191,462
September	$47.00	$38.50	36,781	$46.09	$38.85	32,869,474
October	$49.00	$42.80	32,080	$48.79	$41.43	28,332,593
November	$50.00	$43.06	28,884	$49.95	$41.08	32,655,340
December	$53.94	$49.26	22,547	$53.12	$49.02	28,556,763

Source: TSX

Directors and Officers

Directors

As at February 21, 2023, the Directors of Teck are as follows:

Name, City, Province/State and Country of Residence	Principal Occupations within Previous Five Years	Director Since
Mayank M. Ashar[1][5] Calgary, Alberta, Canada	Corporate Director; previously, principal of Bison Refining LLC and CanOilX LLC and an advisor for Reliance Industries Limited. Director of Enbridge Inc.	November 2007
Quan Chong Beijing, China	Chair of the China Society for World Trade Organization Studies; previously, Deputy China International Trade Representative (Vice-Ministerial level) from 2010 to 2018.	April 2016
Harry M. Conger, IV Santa Fe, New Mexico, United States	President and Chief Operating Officer of Teck since September 2022; previously, Executive Vice President and Chief Operating Officer since September 2020; previously, President and Chief Operating Officer, Americas with Freeport McMoRan, Inc.	September 2022
Edward C. Dowling[2][3][5] Mattapoisett, Massachusetts, United States	Corporate Director; Chairman, Copper Mountain Mining Company and a director of Compass Minerals International Inc.	September 2012
Norman B. Keevil, III Victoria, British Columbia, Canada	Vice Chair of Teck, CEO of Valence Water Inc. (formerly Boydel Wastewater Technologies Inc.) and a Director of Lupaka Gold Corp.	April 1997
Tracey L. McVicar[1][2][6] Vancouver, British Columbia, Canada	Partner of CAI Capital Partners since 2003.	November 2014
Sheila A. Murray Toronto, Ontario, Canada	Chair of the Board since February 2020. Corporate Director; previously, President, Executive Vice-President and General Counsel and Secretary of CI Financial Corp. Director of BCE Inc. and a Trustee of Granite REIT.	April 2018
Una M. Power[1][2] Vancouver, British Columbia, Canada	Corporate Director; previously, Chief Financial Officer of Nexen Energy ULC from 2009 to 2016. Director of Bank of Nova Scotia and TC Energy Corporation.	April 2017
Jonathan H. Price Vancouver, British Columbia, Canada	Chief Executive Officer of Teck since September 2022; previously, Executive Vice President and Chief Financial Officer of Teck since October 2020; previously Chief Transformation Officer at BHP.	July 2022
Yoshihiro Sagawa[4] Tokyo, Japan	General Manager, Exploration & Business Development Departments, Sumitomo Metal Mining Co., Ltd.	May 2022
Paul G. Schiodtz[1][4] Santiago, Chile	Chairman of the Asociación Chilena de Seguridad since 2017.	February 2022
Timothy R. Snider[3][4][5] Tucson, Arizona, United States	Chairman of Cupric Canyon Capital LP/GP since 2010.	April 2015
Sarah A. Strunk[3][4] California, United States	Chair and Director of Fennemore Craig P.C. since 2000. Director of Arizona Sonoran Copper Company.	February 2022
Masaru Tani[4] Vancouver, British Columbia, Canada	President and Director, Sumitomo Metal Mining Canada Ltd. since 2021; previously, Executive Officer and General Manager, Administration Department, Mineral Reserves Division, at Sumitomo Metal Mining Co. Ltd. from 2016 to 2021.	December 2021

(1) Member of the Audit Committee
(2) Member of the Compensation & Talent Committee

(3) Member of the Corporate Governance & Nominating Committee
(4) Member of the Safety & Sustainability Committee
(5) Member of the Technical Committee
(6) Ms. McVicar was a director of G.L.M. Industries LP (GLM), a portfolio company of CAI Capital Management Co. In July 2015, at the time Ms. McVicar was a director of GLM, a court order granted by the Court of Queen's Bench of Alberta placed GLM into receivership and appointed a receiver of GLM. Ms. McVicar was a director of Tervita Corporation until December 2016. In December 2016, Tervita completed a recapitalization by way of a court-approved plan of arrangement reducing Terivita's total debt.

In addition to the above committees, directors may participate in subcommittees of the Board from time to time formed on an ad hoc basis to review certain matters in further detail. Each of the Directors is elected to hold office until our next annual meeting or until a successor is duly elected or appointed. Our next annual meeting is scheduled to be held on April 26, 2023.

Officers

As at February 21, 2023, the officers of Teck are as follows:

Name, City, Province/State and Country of Residence	Office Held with Teck and Principal Occupations within Previous Five Years
Sheila A. Murray Toronto, Ontario, Canada	Chair of the Board since February 2020; Corporate Director; previously, President, Executive Vice-President and General Counsel and Secretary of CI Financial Corp. Director of BCE Inc. and a Trustee of Granite REIT.
Norman B. Keevil, III Victoria, British Columbia, Canada	Vice Chair of Teck and CEO of Valence Water Inc. (formerly Boydel Wastewater Technologies Inc.), Director of Lupaka Gold Corp.
Jonathan H. Price Vancouver, British Columbia, Canada	Chief Executive Officer of Teck since September 2022; previously, Executive Vice President and Chief Financial Officer of Teck since October 2020; previously, Chief Transformation Officer at BHP.
Harry M. Conger, IV Santa Fe, New Mexico, United States	President and Chief Operating Officer of Teck since September 2022; previously, Executive Vice President and Chief Operating Officer since September 2020; previously, President and Chief Operating Officer, Americas with Freeport McMoRan, Inc.
Shehzad Bharmal West Vancouver, British Columbia, Canada	Senior Vice President, Base Metals, since December 2021; previously, Senior Vice President, Base Metals, North America and Peru, Vice President, North American Operations, Base Metals, Vice President, Planning & Development, Base Metals, and Vice President, Strategy & Development, Copper.
Greg J. Brouwer North Vancouver, British Columbia, Canada	Senior Vice President, Technology and Innovation since December 2022; previously, Vice President, Transformation, and General Manager, Technology and Innovation.
Alex N. Christopher Vancouver, British Columbia, Canada	Senior Vice President, Projects and Technical Services, since January 2022; previously, Senior Vice President, Exploration, Projects and Technical Services.
Réal Foley Calgary, Alberta, Canada	Senior Vice President, Marketing and Logistics, since January 2020; previously, Vice President, Marketing, Coal and Base Metals, and Vice President, Coal Marketing.
C. Jeffrey Hanman Vancouver, British Columbia, Canada	Senior Vice President, Sustainability and External Affairs, since July 2022; previously, Vice President, Sustainable Development, Coal and Vice President, Corporate Affairs.
Nicholas P.M. Hooper Toronto, Ontario, Canada	Senior Vice President, Corporate Development & Exploration, since January 2022; previously, Senior Vice President, Corporate Development, since September 2020; previously, Managing Director, Rothschild & Co.
Ralph J. Lutes London, United Kingdom	Senior Vice President Asia and Europe, since December 2021; previously, Vice President, Asia.

Name, City, Province/State and Country of Residence	Office Held with Teck and Principal Occupations within Previous Five Years
Kieron McFadyen Calgary, Alberta, Canada	Senior Vice President, Energy, since March 2018; previously, Executive Vice President and President, Upstream Oil and Gas, Cenovus Energy Inc.
Tyler S. Mitchelson, Hawthorne, Queensland, Australia	Senior Vice President, Copper Growth, since July 2022; previously, Chief Executive Officer, Anglo American Metallurgical Coal, and Group Head, Business Planning, Anglo American.
H. Fraser Phillips Vancouver, British Columbia, Canada	Senior Vice President, Investor Relations and Strategic Analysis, since March 2017.
Crystal J. Prystai North Vancouver, British Columbia, Canada	Senior Vice President and Chief Financial Officer since November 2022; previously, Vice President and Corporate Controller since December 2018.
Charlene A. Ripley Vancouver, British Columbia, Canada	Senior Vice President and General Counsel since January 2023; previously, Executive Vice President and General Counsel, SNC-Lavalin Group Inc. and Executive Vice President and General Counsel Goldcorp. Inc.
Peter C. Rozee West Vancouver, British Columbia, Canada	Senior Vice President, Commercial and Legal Affairs, since April 2010.
Robin B. Sheremeta Fernie, British Columbia, Canada	Senior Vice President, Coal, since May 2016.
Marcia M. Smith Vancouver, British Columbia, Canada	Senior Vice President and Advisor to the President and CEO since July 2022; previously, Senior Vice President, Sustainability and External Affairs.
Dean C. Winsor West Vancouver, British Columbia, Canada	Senior Vice President and Chief Human Resources Officer since November 2018; previously, Vice President, Human Resources.
Ian K. Anderson Calgary, Alberta, Canada	Vice President, Logistics, since October 2019; previously, General Manager, Fording River Operations and General Manager, Line Creek Operations.
Douglas B. Brown Vancouver, British Columbia, Canada	Vice President, Corporate Affairs, since September 2020; previously, Director, Public Affairs.
Anne J. Chalmers Vancouver, British Columbia, Canada	Vice President, Risk and Security, and Chair, Materials Stewardship Committee, since September 2009
Amparo Cornejo Santiago, Chile	Vice President, South America, since November 2022; previously, Vice President, Corporate Affairs and Sustainability, South America, Vice President, Chile Sustainability and Corporate Affairs, and Director, Social Responsibility and Corporate Affairs.
Larry M. Davey Tobiano, British Columbia, Canada	Vice President, Maintenance, since December 2020; previously, Vice President, Planning & Development, Coal.
Sepanta Dorri Toronto, Ontario, Canada	Vice President, Decarbonization, since January 2022; previously, Vice President, Corporate Development, since December 2018; previously, Vice President, Corporate and Stakeholder Development, Teranga Gold Corporation.
Justine B. Fisher Vancouver, British Columbia, Canada	Vice President and Treasurer since June 2020; previously, Vice President, Goldman Sachs Group Inc.
Sarah A. Hughes North Vancouver, British Columbia, Canada	Vice President, Assurance and Advisory, since September 2021; previously, Vice President, Audit and Improvement, since April 2021; previously, Vice President, Risk & Assurance, Trevali Mining Corporation and Director, Finance Improvement & Control, Goldcorp Inc.
K. Scott Jeffery Vancouver, British Columbia, Canada	Vice President, Tax; previously, Partner at KPMG LLP

Name, City, Province/State and Country of Residence	Office Held with Teck and Principal Occupations within Previous Five Years
Amber C. Johnston-Billings Vancouver, British Columbia, Canada	Vice President, Communities, Government Affairs and HSEC Systems, since October 2020; previously, Chief Sustainability Officer, Trevali Mining Corporation, Director, Sustainability Strategy and Climate Change, KPMG Australia, and Head of Sustainability and Reporting, South32 Limited.
M. Colin Joudrie North Vancouver, British Columbia, Canada	Vice President, Business Development, since July 2012.
Scott E. Maloney Vancouver, British Columbia, Canada	Vice President, Environment, since September 2017.
Stuart R. McCracken, Vancouver, British Columbia, Canada	Vice President, Exploration and Geoscience, since April 2020; previously, Regional Head of Discovery Africa, Europe and Australasia, Anglo American plc.
Brianne L. Metzger-Doran Vancouver, British Columbia, Canada	Vice President, Health and Safety, since June 2021; previously, Vice President, Safety and Reliability, Enbridge Inc. and Director, Programs, Enbridge Inc.
Karla L. Mills Anmore, British Columbia, Canada	Vice President, Project Development, since November 2018; previously, Director, Project Development and Engineering.
Amanda R. Robinson Vancouver, British Columbia, Canada	Corporate Secretary since February 2018; previously, Partner at Fasken Martineau DuMoulin LLP
Donald J. Sander Fernie, British Columbia, Canada	Vice President, Planning and Innovation, Coal, since December 2020; previously, General Manager, Elkview Operations.
Jason S. Sangha North Vancouver, British Columbia, Canada	Vice President, Planning and Strategy, Base Metals since November 2022; previously, General Manager, Base Metals Strategy & Development.
André D. Stark Toronto, Ontario, Canada	Vice President, Marketing, since January 2020; previously Head of Marketing, Coal, and Director, Marketing, Coal.
Nikola Uzelac North Vancouver, British Columbia, Canada	Vice President, Legal, since December 2020; previously, Senior Counsel and Corporate Counsel.
Justin M. Webb North Vancouver, British Columbia, Canada	Vice President and Chief Information Officer since November 2022; previously, Head of Teck Digital Systems and Program Director, Renew Business Systems.

Audit Committee Information

MANDATE OF AUDIT COMMITTEE

The full text of our Audit Committee's mandate is included as Schedule A to this Annual Information Form.

COMPOSITION OF THE AUDIT COMMITTEE

Our Audit Committee consists of three members. All of the members of the Committee are independent and financially literate. The names, relevant education and experience of each Audit Committee member are outlined below:

Una M. Power (Chair)

Ms. Power is a graduate of Memorial University B.Comm (Honours), and also holds CPA, CA and CFA designations. Ms. Power is the former Chief Financial Officer of Nexen Energy ULC, and held various other executive positions covering financial reporting, financial management, investor relations, business development, strategic planning and investment at Nexen. She is also a director of the Bank of Nova Scotia and TC Energy Corporation.

Tracey L. McVicar

Ms. McVicar is a graduate of the Sauder School of Business (B.Comm, Finance). She has over 20 years of experience in finance and investment banking. She is a Chartered Financial Analyst (CFA Institute) and Institute Certified Director (Institute of Corporate Directors). She served as the audit committee chair of BC Hydro Corporation from 2009 to 2014, and served as Teck's audit committee chair from 2015 to 2020.

Mayank M. Ashar

Mr. Ashar is a graduate of the University of Toronto, holding multiple degrees, including a Master of Engineering and a Master of Business Administration. Mr. Ashar has extensive experience in the international oil and gas industry through various senior executive roles, including as Managing Director and Chief Executive Officer at Cairn India Limited from October 2014 to June 2016, as President and Chief Executive Officer of Irving Oil Limited from 2008 to 2013, and in various executive roles at Suncor Energy Inc., from 1991 to 2008.

Paul G. Schiodtz

Mr. Schiodtz is a graduate of the University of Santiago (Mechanical Engineering) and the Massachusetts Institute of Technology with M.Sc. degrees in Management and in Operations Research. He is currently the Chairman of the Board of the Asociacion Chilena de Seguridad since 2017 and a Council Member of the Sociedad de Fomento Fabril. Mr. Schiodtz served on the Board of Codelco until May 2021 and is the former Chairman of the Canada-Chile Chamber of Commerce and the Chilean Chemical Industry Association. His last executive position was Senior Vice President, Latin America of Methanex Corporation after a 27-year career in natural resource based industries.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has adopted policies and procedures with respect to the pre-approval of audit and permitted non-audit services to be provided by PricewaterhouseCoopers LLP. All non-audit services are pre-approved by the Committee prior to commencement. In addition, the Committee has prohibited the use of the external auditors for the following non-audit services:

- bookkeeping or other services related to the accounting records or financial statements;
- financial information systems design and implementation;
- appraisal or valuation services, fairness opinions or contribution-in-kind reports;
- actuarial services;
- internal audit outsourcing services;
- management functions or human resources functions;
- broker or dealer, investment advisor, or investment banking services;
- legal services;
- expert services unrelated to the audit; and
- all other non-audit services unless there is a strong financial or other reason for external auditors to provide those services.

AUDITOR'S FEES

For the years ended December 31, 2022 and 2021, we paid the external auditors $7.3 million and $6.9 million, respectively, as detailed below:

	Year Ended 2022 ($000)	Year Ended 2021 ($000)
Audit Services[(1)]	5,413	4,992
Audit-Related Services[(2)]	1,045	1,106
Tax Fees[(3)]	255	350
All Other Fees[(4)]	626	479

Notes:
(1) Includes services that are provided by Teck's external auditors in connection with the audit of the financial statements and internal controls over financial reporting.
(2) Includes assurance and related services that are related to the performance of the audit, pension plan and special purpose audits.
(3) Fees are for corporate and international expatriate tax services.
(4) Amounts relate to a number of projects, including greenhouse gas verification and sustainability assurance, as well as subscriptions to online accounting guidance and publications.

Ownership by Directors and Officers

As at February 21, 2023, the Directors and executive officers as a group beneficially own or exercise control or direction, directly or indirectly, over the following shares issued by Teck:

	Shares beneficially owned or over which control or direction is exercised	As a % of the total outstanding of the class
Class A common shares	-	-
Class B subordinate voting shares	277,730	0.05%

In addition, Keevil Holding Corporation owns 51.16% of the outstanding shares of Temagami Mining Company Limited (Temagami) that, as at February 21, 2023, beneficially owned or exercised direction or control, directly or indirectly, over 4,300,000 Class A common shares, representing 55.4% of the Class A common shares outstanding and 525,000 Class B subordinate voting shares, representing 0.1% of the Class B subordinate voting shares outstanding. Norman Keevil, III is a director of Keevil Holding Corporation and 98% of the votes attached to the outstanding shares of Keevil Holding Corporation are held by a trust for the benefit of certain members of the Keevil family. The other 48.84% of the outstanding Temagami shares are owned by Sumitomo Metal Mining Co., Ltd. (SMM). Two of our directors, Masaru Tani and Yoshihiro Sagawa, are directors or officers of certain entities that are affiliated with SMM. Messrs. Keevil, III, Tani and Sagawa are also directors of Temagami.

Interest of Management and Others in Material Transactions

On February 21, 2023, Teck announced the Separation, pursuant to which Teck would separate into two independent, publicly-listed companies: Teck Metals Corp. and Elk Valley Resources Ltd. In connection with the Separation, certain of the executive officers of Teck are expected to become employees or directors of Elk Valley Resources Ltd. and the long term incentive plan awards held by Teck's officers and directors are expected to be adjusted. See "*General Development of the Business - Three Year History - Recent Developments* " for more details.

Legal Proceedings and Regulatory Actions

Upper Columbia River Basin (Lake Roosevelt)

Prior to our acquisition in 2000 of a majority interest in Cominco Ltd. (now Teck Metals Ltd.), the Trail smelter discharged smelter slag into the Columbia River. These discharges commenced prior to Teck Metals' acquisition of the Trail smelter in 1906 and continued until 1996. Slag was discharged pursuant to permits issued in British Columbia subsequent to the enactment of relevant environmental legislation in 1967.

Slag is a glass-like compound consisting primarily of silica, calcium and iron that also contains small amounts of base metals including zinc, lead, copper and cadmium. It is sufficiently inert that it is not characterized as a hazardous waste under applicable Canadian or U.S. regulations and is sold to the cement industry.

While slag has been deposited into the river, further study is required to assess what effect the presence of metals in the river has had and whether it poses an unacceptable risk to human health or the environment.

A large number of studies regarding slag deposition and its effects have been conducted by various governmental agencies on both sides of the border. The historical studies of which we are aware have not identified unacceptable risks resulting from the presence of slag in the river. In June 2006, Teck Metals and its affiliate, Teck American Incorporated (TAI), entered into a Settlement Agreement with the U.S. Environmental Protection Agency (the EPA) and the United States under which TAI is paying for and conducting a remedial investigation and feasibility study (RI/FS) of contamination in the Upper Columbia River under the oversight of the EPA.

The RI/FS is being prepared by independent consultants approved by the EPA and retained by TAI. TAI is paying the EPA's oversight costs and providing funding for the participation of other governmental parties: the Department of Interior, the state of Washington, and two native tribes, the Confederated Tribes of the Colville Nation (the Colville Tribe) and the Spokane Tribe. Teck Metals has guaranteed TAI's performance of the Settlement Agreement. TAI has also placed US$20 million in escrow as financial assurance for its obligations under the Settlement Agreement. We have accrued our estimate of the costs of the RI/FS.

Two citizens of Washington State and members of the Colville Tribe commenced an enforcement proceeding under the *Comprehensive Environmental Response, Compensation and Liability Act* (CERCLA) to enforce an EPA administrative order against Teck and to seek fines and penalties against Teck Metals for non-compliance. Subsequently, an amended complaint was filed in District Court adding the Colville Tribe as a plaintiff and seeking natural resource damages and costs. Teck Metals sought to have the claims dismissed on the basis that the court lacked jurisdiction because the CERCLA statute, in Teck Metals' view, was not intended to govern the discharges of a facility in another country. That case proceeded through the U.S. Federal District Court and the Federal Court of Appeals for the 9th Circuit.

The 9th Circuit found that CERCLA could be applied to Teck Metals' disposal practices in British Columbia because they may have resulted in a release of toxic materials from a facility in Washington State.

The litigation continues. In September 2012, Teck Metals entered into an agreement with the plaintiffs, agreeing that certain facts were established for purposes of the litigation. The agreement stipulates that some portion of the slag discharged from our Trail Operations into the Columbia River between 1896 and 1995, and some portion of the effluent discharged from Trail Operations, has been transported to and is present in the Upper Columbia River in the United States, and that some hazardous substances from the slag and effluent have been released into the environment within the United States. In December 2012, the District Court found in favour of the plaintiffs in phase one of the case, issuing a declaratory judgment that Teck Metals is liable under CERCLA for response costs, the amount of which will be determined in a subsequent phase of the case.

In October 2013, the Colville Tribe filed an omnibus motion with the District Court seeking an order stating that it is permitted to seek recovery from Teck Metals for environmental response costs and, in a subsequent proceeding, natural resource damages and assessment costs arising from the alleged deposition of hazardous substances in the United States from aerial emissions from Teck Metals' Trail Operations. Prior allegations by the Tribes related solely to solid and liquid materials discharged to the Columbia River. The motion does not state the amount of response costs allegedly attributable to aerial emissions, nor did it attempt to define the extent of natural resource damages, if any, attributable to past smelter operations. In December 2013, the District Court ruled in favour of plaintiffs. The plaintiffs subsequently filed amended pleadings in relation to air emissions. The Court dismissed a motion to strike the air claims on the basis that CERCLA does not apply to air emissions in the manner proposed by the plaintiffs, and a subsequent Teck Metals motion seeking reconsideration of the dismissal. Teck Metals sought leave to appeal both of these decisions in the Ninth Circuit on an interlocutory basis, and in July 2016 the Ninth Circuit unanimously ruled in favour of Teck Metals on its appeal of the District Court decision. Plaintiffs sought an *en banc* review of the decision in the Ninth Circuit, which was denied in October 2016. As a result, alleged damages associated with air emissions are no longer part of the case. In early 2022, the state of Washington sought leave to add back to the case air-related claims under the State law equivalent of CERCLA. In January 2023, the District Court dismissed the state of Washington's leave application. The state of Washington has filed a further motion challenging parts of this decision and seeking clarification of other parts.

A hearing with respect to past response costs took place in December 2015. In August 2016, the trial court judge ruled in favour of the plaintiffs. Teck Metals appealed that decision, along with certain other findings in the first phase of this case, in the Ninth Circuit Court of Appeals, which upheld the trial court ruling in September 2018. Teck Metals applied for rehearing of the Ninth Circuit ruling, which application was denied. Teck Metals sought leave to appeal certain findings in the U.S. Supreme Court, which was denied.

A hearing with respect to claims for natural resource damages and assessment costs is expected to occur in 2024.

Natural resource damages are assessed for injury to, destruction of, or loss of natural resources including the reasonable cost of a damage assessment. Teck Metals estimates that the compensable value of such damage will not be material.

TAI intends to fulfill its obligations under the Settlement Agreement reached with the United States and the EPA in June 2006 and to complete the RI/FS mentioned above. The Settlement Agreement is not affected by the litigation.

There can be no assurance that we will ultimately be successful in our defence of the litigation or that we or our affiliates will not be faced with further liability in relation to this matter. Until the studies contemplated by the Settlement Agreement and additional damage assessments are completed, it is not possible to estimate the extent and cost, if any, of any additional remediation or restoration that may be required or to assess our potential liability for damages. The studies may conclude, on the basis of risk, cost, technical feasibility or other grounds, that no remediation other than some residential soil removal should be undertaken. If other remediation is required and damage to resources found, the cost of that remediation may be material.

Transfer Agents and Registrars

TSX Trust Company is the transfer agent and registrar for the Class A common and Class B subordinate voting shares and maintains registers in Vancouver, British Columbia and Toronto, Ontario.

Material Contracts

The following are the only contracts entered into by Teck that are material, still in effect and not entered into in the ordinary course of business:

- Waneta Transmission Agreement, dated as of July 26, 2018, between Teck Metals Ltd. and British Columbia Hydro and Power Authority (See "*Description of the Business — Individual Operations — Zinc — Refining and Smelting — Trail Operations* " for more details)
- Indenture, dated as of June 30, 2020, between Teck and The Bank of New York Mellon (See " *Description of Capital Structure — General Description of Capital Structure — Public Indebtedness*" for more details)
- Indenture, dated as of August 17, 2010, between Teck and The Bank of New York Mellon, as trustee, and the first, second, third, fourth and fifth supplemental indentures thereto (See "*Description of Capital Structure — General Description of Capital Structure — Public Indebtedness*" for more details)
- Indenture, dated as of September 12, 2002, between Teck and The Bank of New York Mellon, as trustee (See " *Description of Capital Structure — General Description of Capital Structure — Public Indebtedness*" for more details)
- Arrangement Agreement, dated as of February 21, 2023 between Teck Resources Limited and Elk Valley Resources Ltd. (See "*General Development of the Business - Three Year History - Recent Developments* " for more details)

Interests of Experts

PricewaterhouseCoopers LLP, Chartered Professional Accountants, are Teck's independent auditors and have issued an independent auditor's report dated February 18, 2023 with respect to Teck's consolidated financial statements as at and for the years ended December 31, 2022 and December 31, 2021 and the effectiveness of Teck's internal control over financial reporting as at December 31, 2022. PricewaterhouseCoopers LLP report that they are independent with respect to Teck within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct and the rules of the Public Company Accounting Oversight Board.

Rodrigo Marinho, P.Geo., Jo-Anna Singleton, P.Geo., Cameron Feltin, P.Eng., Fernando Angeles P.Eng., Lucio Canchis, SME Registered Member, Carlos Aguirre, FAusIMM and Hernando Valdivia, FAusIMM have acted as Qualified Persons in connection with the estimates of mineral reserves and resources

presented in this Annual Information Form. Mr. Marinho is an employee of Teck. Ms. Singleton and Mr. Feltin are employees of Teck Coal Limited, which is directly and indirectly wholly owned by Teck. Messrs. Angeles, Canchis, Aquirre and Valdivia are employees of Compañía Minera Antamina S.A., in which Teck holds a 22.5% share interest.

Messrs. Marinho, Feltin, Angeles, Canchis, Aguirre and Valdivia and Ms. Singleton each respectively, hold beneficially, directly or indirectly, less than 1% of any class of Teck's securities.

Disclosure Pursuant to the Requirements of the New York Stock Exchange

The Board and management are committed to leadership in corporate governance. As a Canadian reporting issuer with securities listed on the Toronto Stock Exchange, we have in place a system of corporate governance practices that meets or exceeds all applicable Canadian requirements.

Notwithstanding that Teck is a "foreign private issuer" for purposes of its New York Stock Exchange (NYSE) listing and, as such, the NYSE director independence requirements that are applicable to U.S. domestic issuers do not apply to Teck, the Board has established a policy that at least a majority of its directors must satisfy the director independence requirements under Section 303A.02 of the NYSE corporate governance rules. The Board annually reviews and makes such determination as to the independence of each director for both Canadian and NYSE purposes.

The NYSE requires that, as a foreign private issuer that is not required to comply with all of the NYSE's corporate governance rules applicable to U.S. domestic issuers, Teck disclose any significant ways in which its corporate governance practices differ from those followed by NYSE listed U.S. domestic issuers. Aside from the exception listed below, the differences between our practices and the NYSE rules are not material and are more of a matter of form than substance.

Additional Information

Additional information relating to Teck may be found under our profile on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Teck's securities, securities authorized for issuance under equity compensation plans, options to purchase securities and interests of insiders in material transactions, is contained in the Management Proxy Circular to be issued for our Annual Meeting of Shareholders to be held on April 26, 2023. Additional financial information is also provided in our comparative financial statements and in the Management's Discussion and Analysis for the year ended December 31, 2022. Copies of these documents are available upon request from our Corporate Secretary.

Unless otherwise stated, information contained herein is as at December 31, 2022.

Schedule A – Audit Committee Charter

TECK RESOURCES LIMITED
AUDIT COMMITTEE CHARTER

A. GENERAL

1. Purpose

The Audit Committee (the "Committee") is established by the Board of Directors (the "Board") of Teck Resources Limited ("Teck") to:

(i) provide an open avenue of communication between Teck's management, external auditors and advisors, internal auditors, and the Board;

(ii) assist the Board in its oversight of the:

(a) integrity, adequacy and timeliness of Teck's financial reporting and disclosure practices;

(b) processes for identifying Teck's principal financial risks and reviewing Teck's internal control systems to ensure that they are adequate to ensure fair, complete and accurate financial reporting;

(c) compliance with legal and regulatory requirements related to financial reporting;

(d) accounting principles, policies and procedures used by management in determining significant estimates;

(e) antifraud programs and controls, including management's identification of fraud risks and implementation of antifraud measures;

(f) mechanisms for employees to report concerns about accounting policies and financial reporting;

(g) engagement, independence and performance of Teck's external and internal auditors and any other advisors; and

(h) internal audit mandate, internal audit plans, audits and assessments of Internal Control over Financial Reporting related to the Sarbanes-Oxley Act of 2002 ("SOX"), and results of internal audits and SOX compliance audits performed by the internal auditors;

(iv) assist the Board in fulfilling its responsibilities to oversee and monitor the management and governance of Teck's various pension plans ("Pension Matters"); and

(v) perform any other activities consistent with this Charter, Teck's by-laws and applicable laws as the Committee or Board deems necessary or appropriate.

2. Responsibilities

The Committee's role is one of oversight and it is to act in an advisory capacity to the Board.

Management is responsible for preparing Teck's financial statements and other financial information, for the fair presentation of the information set forth in the financial statements in accordance with Canadian generally accepted accounting principles ("GAAP", which for Teck is International Financial Reporting Standards), for establishing, documenting, maintaining and reviewing systems of internal control and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations. The external financial auditors' responsibility is to audit Teck's financial statements and provide an opinion, based on their audit conducted in accordance with Canadian generally accepted auditing standards, that the financial statements present fairly, in all material respects, Teck's financial position, results of operations and cash flows in accordance with GAAP.

In accordance with the SOX Section 404, the external auditors are also responsible for providing an opinion on the effectiveness of Teck's internal controls over financial reporting.

The Committee is responsible for recommending to the Board for recommendation to Teck's shareholders the appointment of the external auditor and for approving the external auditor's remuneration. The external auditor shall report directly to the Committee, as the external auditor is accountable to the Board as representatives of Teck's shareholders. The Committee is responsible for the evaluation and oversight of the work of the external auditor and the resolution of any disagreements between management and the external auditor regarding financial reporting and SOX assessment. It is not the duty or responsibility of the Committee or any of its members to plan or conduct any type of audit or accounting review or procedure.

With respect to Pension Matters, management is responsible for the day-to-day administrative and sponsorship responsibilities with respect to pension matters. The Committee is responsible for overseeing the activities of the Executive Pension Committee and the senior management personnel responsible for pension-related matters.

B. AUTHORITY AND RESPONSIBILITIES WITH RESPECT TO FINANCIAL REPORTING AND RELATED MATTERS

In performing its oversight responsibilities, the Committee shall:

1. Review the appointments of Teck's chief financial officer ("CFO") and any other key financial executives involved in the financial reporting process.
2. Review with management, the external auditor, and the chief audit executive the adequacy and effectiveness of Teck's systems of internal control, the status of management's implementation of internal audit recommendations and the remediation status of any reported control deficiencies. Particular emphasis will be placed on those deficiencies evaluated as either a significant deficiency or a material weakness, which have been identified as a result of audits and/or during annual controls compliance testing as required under SOX legislation.
3. Review Teck's process for the CEO and CFO certifications required by applicable securities regulations with respect to Teck's financial statements, disclosure and internal controls, including any significant changes or deficiencies in such controls.
4. Review with management and the external auditor the annual audited financial statements and management's discussion and analysis and recommend their approval by the full Board prior to their release and/or filing with the applicable regulatory agencies.
5. Review with management and the external auditor the unaudited quarterly financial statements, associated management's discussion and analysis and interim earnings news releases and approve them on behalf of the Board, prior to their release and/or filing with the applicable regulatory agencies.
6. As appropriate, review other news releases and reporting documents that include material non-public financial information prior to their public disclosure by filing or distribution of these documents as may be referred to the Committee by management's Disclosure Committee based on the level of materiality of the information or concerns previously expressed by the Committee related to the subject matter of the information. Such review includes financial matters required to be reported under applicable legal or regulatory requirements, but does not necessarily include news releases that contain financial information incidental to the announcement of acquisitions, financings or other transactions. Where practicable, the Committee will be given at least two business days to review and provide comments on such news releases and reporting documents and management will provide notice to Committee members as soon as possible that their review will be required.

7. Ensure that adequate procedures are in place for the review of Teck's public disclosure of financial information extracted or derived from Teck's financial statements, other than the disclosure documents referred to above, and periodically assess the adequacy of these procedures.
8. Review Teck's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
9. Review the quality and appropriateness, not just the acceptability, of the accounting policies and the clarity of financial information and disclosure practices adopted by Teck, including consideration of the external auditor's judgments about the quality and appropriateness of Teck's accounting policies. This review shall include discussions with the external auditor without the presence of management.
10. Review with management, the external auditor, and the internal auditors significant related party transactions and potential conflicts of interest.
11. Review with management Teck's tax policy and material developments in Teck's tax affairs.
12. Review with management Teck's privacy and cyber security risk exposure and the policies, procedures, and mitigation plans in place to protect the security and integrity of Teck's information systems and data, including crisis management and business continuity plans.
13. To assist the Board with its recommendations to shareholders, recommend (a) the external auditor to be nominated to examine Teck's accounts and financial statements and prepare and issue an auditor's report on them or perform other audit, review or attest services for Teck, and (b) the compensation of the external auditor.
14. Approve all audit engagement terms and fees.
15. Review with management and the external auditor and approve the annual external audit plan and results of and any problems or difficulties encountered during any external audits and management's responses thereto.
16. Receive the reports of the external auditor on completion of the quarterly reviews and the annual audit.
17. Monitor the independence of the external auditors by reviewing all relationships between Teck's external auditor and all audit, non-audit and assurance work performed for Teck by the external auditor on at least a quarterly basis. The Committee will receive an annual written confirmation of independence from the external auditor.
18. Pre-approve all audit, non-audit and assurance services provided by the independent auditor prior to the commencement of any such engagement. The Committee may delegate the responsibility for approving non-audit services to the Chair or another member of the Committee appointed by the Chair where the fee does not exceed $50,000. The Committee will review a summary of all audit, non-audit and assurance work performed for Teck at least twice per year.
19. Review and approve hiring policies regarding partners, employees or former partners and employees of the present or former external auditor of Teck, including:
    (a) the appointment of any employee or former employee of the present and former external auditor to a senior financial management position with Teck; and
    (b) management's reports of the profiles of all individuals hired during the past year who were employed by the present and former external auditor at any time during the two years prior to being hired by Teck.

20. Review and evaluate the qualifications and performance of the external auditor annually. In conducting its review and evaluation, the Committee should:
    (a) obtain and review any report by the external auditor describing any material issues raised by the most recent internal quality control review, or peer review, of the firm, or by any inquiry or investigation with respect to the firm by professional or regulatory authorities, and any steps taken to deal with any such issues;
    (b) review and evaluate the performance of the lead audit partners and the engagement team as a whole; and
    (c) take into account the opinions of management, the internal auditors (or other personnel involved with the annual audit and quarterly reviews) and committee members.
21. Review and approve the internal audit function's:
    (a) mandate, authority and organizational reporting lines;
    (b) annual and longer term internal audit plans, budgets and staffing;
    (c) performance; and
    (d) the appointment, reassignment, or replacement of the chief audit executive.

    This review will include discussions with chief audit executive without the presence of management or the external auditor.
22. Review Teck's procedures and establish procedures for the Committee for the:
    (a) receipt, retention and resolution of complaints regarding accounting, internal accounting controls, financial disclosure or auditing matters; and
    (b) confidential, anonymous submission by employees regarding questionable accounting, auditing or financial reporting and disclosure matters or violations of Teck's Code of Ethics or associated policies.
23. Review material treasury matters, including liquidity management, the adequacy of Teck's bank lines of credit, guidelines for the investment of cash and other short term investments.
24. Review with senior financial management, the external auditor, the chief audit executive, and such others as the Committee deems appropriate, the results of operational reviews, audits, SOX controls compliance audits, risk-based reviews, and any problems or difficulties encountered during the audits.

C. AUTHORITY AND RESPONSIBILITIES WITH RESPECT TO PENSION MATTERS

In assisting the Board in fulfilling its responsibilities with respect to the management and governance of Teck's pension plans, the Committee shall:

1. With respect to Teck's role as plan sponsor:
    (a) review and oversee the implementation of the design of Teck's pension plans, the coverage afforded by the plans and changes to the plans;
    (b) review the funding policies for Teck's defined benefit plans and where appropriate, recommend the Board's approval of these policies;
    (c) review the level of Teck's contributions to its defined contribution plans and any proposed changes thereto and where appropriate recommend approval of such changes to the Board; and

(d) review proposals for the wind-up or partial wind-up of any of Teck's pension plans, having regard to any collective bargaining and regulatory requirements and making appropriate recommendations in respect thereof to the Board.

2. With respect to Teck's role as plan administrator:

   (a) oversee and monitor the authority delegated to management's Executive Pension Committee to administer each of the pension plans in accordance with relevant pension legislation, the terms of the plans and all other requirements of law;

   (b) review compliance with minimum funding requirements (if any) prescribed by applicable pension legislation and the policies and procedures in place in respect thereof, including requisitioning and reviewing actuarial reports;

   (c) review and monitor the investment of pension fund assets (in the case of a defined benefit plan), including the policies and procedures in place in respect thereof;

   (d) review and monitor the sufficiency and appropriateness of the investment choices available to plan members of the defined contribution plans and the communication and educational materials provided to plan members; and

   (e) review and monitor the performance of the investment managers chosen by management for Teck's pension plans, including the process established for the selection, retention or replacement of any investment manager or advisors.

D. COMMITTEE COMPOSITION

1. Member Qualifications

   The Committee shall consist of at least three directors. All members of the Committee shall be independent directors and shall be sufficiently financially literate to enable them to discharge their responsibilities in accordance with any applicable corporate, securities, or other legislation or any applicable rule, regulation, instrument, policy, guideline, or interpretation under such legislation and the requirements of the stock exchanges on which Teck's securities trade, including National Instrument 52-110. Financial literacy means the ability to read and understand a balance sheet, income statement, cash flow statement and associated notes, which represent a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Teck's consolidated financial statements.

   At least one member of the Committee shall have accounting or related financial management expertise that allows that member to read and understand financial statements and the related notes attached thereto in accordance with GAAP and shall otherwise qualify as an audit committee financial expert as required by SOX Section 407.

2. Member Appointment and Removal

   The members of the Committee shall be appointed annually at the time of each annual meeting of shareholders and shall hold office until the next annual meeting or until they cease to be directors of Teck.

3. Quorum

   A quorum for the Committee shall be a majority of the members.

E. PROCEDURES AND OTHER MATTERS

1. Structure and Operations

   The Board shall appoint a Chair of the Committee who, in consultation with the Committee members, shall determine the schedule and frequency of Committee meetings, provided that

the Committee shall meet at least five times per year. The Committee may invite any person to attend meetings to assist in the discussion of the matters under consideration by the Committee. Decisions at meetings of the Committee will be made by simple majority vote and the Chair shall not have a casting vote. The Committee may also take action evidenced by a written consent resolution signed by all members of the Committee, which resolution may be signed in counterparts.

2. In-Camera Meetings

   In performing its oversight responsibilities, the Committee shall meet separately with the CFO, other senior financial management requested by the Committee, the external auditor, and the chief audit executive at least four times per year, or more frequently as required, to discuss matters that the Committee or these individuals or groups believe should be discussed privately with the Committee.

3. Litigation and Ethics Matters

   On a quarterly basis, Teck's general counsel and the chief audit executive shall report any litigation, claim or other contingency that could have a significant effect on Teck's financial results or disclosure and any real or suspected incidents of fraud, theft or violations of Teck's Code of Ethics or associated policies that have been reported to management or to the internal audit department. The Committee shall review any such reports or similar reports submitted by other employees or members of management and if deemed necessary, report such matters related to auditing, accounting and financial reporting and/or disclosure to the full Board.

4. Management Committee Minutes

   Copies of the minutes of meetings of management's Disclosure Committee and Executive Pension Committee shall be provided to the Committee upon their request.

5. Investigations and Advisors

   The Committee shall conduct or authorize investigations into any matter that the Committee believes is within the scope of its responsibilities. The Committee has the authority to (a) retain independent counsel, accountants, auditors or other advisors to assist it in the conduct of any investigation or otherwise to assist it in the discharge of its duties, at the expense of Teck, (b) set and pay the compensation of and engagement terms for any such advisors retained by it, and (c) communicate directly with the internal and external auditors and advisors.

6. Manner of Reporting to the Board

   The Committee shall fix its own procedures, keep records of its proceedings, and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board). The Board shall be promptly advised of any decisions taken by the Committee, and minutes of any Committee meeting will be provided to the Board.

7. Review of the Charter

   The Committee shall annually assess the adequacy of this Charter and recommend any changes to the Board for approval, taking into account any applicable legislative and regulatory requirements and best practice guidelines.

8. Annual Review and Assessment

   The Committee's performance, including its compliance with this Charter, shall be evaluated annually in accordance with a process approved by the Board and the results of that evaluation shall be reported to the Committee and to the Board.

9. Committee Reports

(a) Advise the Board, either orally or in writing, of any:

i. accounting, disclosure or finance related matters that the Committee believes have or could have a material effect on the financial condition or affairs of Teck;

ii. pension-related matters that the Committee believes have or could have a material effect on the financial condition or affairs of Teck and/or any of its pension plans; and

iii. make appropriate recommendations to the Board in respect of any matters requiring Board approval.

a. The Chair of the Committee shall prepare or cause to be prepared an audit committee report to be included in Teck's annual management proxy circular, which report shall be approved by the Committee.

Schedule B – List of Technical Reports

As required by Form 51-102F2 under National Instrument 51-102, the following table sets out the title, date and author(s) of the current National Instrument 43-101 technical report for each of Teck's material properties. Notwithstanding the authorship of the reports noted below, the scientific and technical information included in this Annual Information Form regarding Teck's mining properties is approved by, and prepared under the supervision of, Rodrigo Marinho, P.Geo., who is an employee of Teck Resources Limited, except for (a) the Antamina property, for which the reserve and resource estimates included in this Annual Information Form is approved by, and prepared under the supervision of Fernando Angeles, P.Eng,. Lucio Canchis, who is an SME Registered Member, Carlos Aguirre, FAusIMM and Hernando Valdivia, FAusIMM, all of whom are employees of Compañía Minera Antamina S.A., and (b) the Fording River, Elkview and Greenhills properties, for which the scientific and technical information included in this Annual Information Form is approved by, and prepared under the supervision of Jo-Anna Singleton, P.Geo., and Cameron Feltin, P.Eng., who are employees of Teck Coal Limited. Other than Mr. Marinho, the authors of the reports below have not prepared or approved the disclosure in this Annual Information Form, and the inclusion of their names below is not intended to imply that they have prepared or approved any such disclosure.

Property	Title, Date and Author of Report
Highland Valley Copper	NI 43-101 Technical Report Teck Highland Valley Copper; March 6, 2013; Ronald Graden
Antamina	Technical Report, Mineral Reserves and Resources, Antamina Deposit, Peru; January 31, 2011; Luis Lozada and Jhon Espinoza
Fording River	NI 43-101 Technical Report on Fording River Coal Operation; December 31, 2022; Peter Leriche, Paul Michaud, Jacqueline Pye
Elkview	NI 43-101 Technical Report on Elkview Coal Operation; December 31, 2022; Esaias (Bert) Schalekamp, Adam Bondi, Arran McAllister, Fiona Francis
Greenhills	NI 43-101 Technical Report on Greenhills Coal Operation; December 31, 2022; Alison Seward, Courtney Seeger, Tyler Nahirniak, Pierre Royer, Blaine Beranek
Red Dog	NI 43-101 Technical Report, Red Dog Mine, Alaska, USA; February 21, 2017; Thomas Krolak, Kevin Palmer, Brigitte Lacouture and Norman Paley
Quebrada Blanca	NI 43-101 Technical Report on Quebrada Blanca Phase 2, Región de Tarapacá, Chile; February 25, 2019; Rodrigo Marinho, Paul Kolisnyk, Bryan Rairdan and Eldwin Huls

Exhibit 99.2



Teck Resources Limited

Consolidated Financial Statements
For the Years Ended December 31, 2022 and 2021

Management's Responsibility for Financial Reporting

Management is responsible for the integrity and fair presentation of the financial information contained in this annual report. Where appropriate, the financial information, including financial statements, reflects amounts based on the best estimates and judgments of management. The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Financial information presented elsewhere in the annual report is consistent with that disclosed in the financial statements.

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well-designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. The system of controls is also supported by a professional staff of internal auditors who conduct periodic audits of many aspects of our operations and report their findings to management and the Audit Committee.

Management has a process in place to evaluate internal control over financial reporting based on the criteria established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework.

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee, which is composed entirely of independent directors. The Audit Committee meets periodically with management, our internal auditors and independent auditors to review the scope and results of the annual audit, and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders.

PricewaterhouseCoopers LLP, an independent registered public accounting firm, appointed by the shareholders, have audited our financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and have expressed their opinion in the Report of Independent Registered Public Accounting Firm.



Jonathan H. Price
Chief Executive Officer



Crystal J. Prystai
Senior Vice President and Chief Financial Officer
February 18, 2023



Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Teck Resources Limited

Opinions on the Financial Statements and Internal Control over Financial Reporting
We have audited the accompanying consolidated balance sheets of Teck Resources Limited and its subsidiaries (together, the Company) as of December 31, 2022 and 2021, and the related consolidated statements of income, comprehensive income, cash flows and changes in equity for the years then ended, including the related notes (collectively referred to as the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the COSO.

Basis for Opinions
The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting, appearing in Management's Discussion and Analysis. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting
A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters
The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Steelmaking Coal Goodwill Impairment Test
As described in Notes 3, 4, 8, and 17 to the consolidated financial statements, management performs its annual impairment test of its steelmaking coal goodwill as of October 31 of each year, or more frequently if events or circumstances indicate that the carrying value of goodwill may be impaired. The total carrying value of the steelmaking coal goodwill as of December 31, 2022 was $702 million. An impairment loss exists if the steelmaking coal operations group of cash generating units' (the steelmaking coal CGU) carrying amount, including goodwill, exceeds its recoverable amount. Management used a discounted cash flow model to determine the recoverable amount of the steelmaking coal CGU. The recoverable amount determined by management was approximately equal to the carrying value of the steelmaking



coal CGU, and as a result, no impairment loss was recognized. Significant assumptions are used in the discounted cash flow model, which include: commodity prices, mineral reserves and resources, mine production, operating costs, capital expenditures, the discount rate, and foreign exchange rates. The Company's mineral reserves and resources have been prepared by or under the supervision of qualified persons (management's specialists).

The principal considerations for our determination that performing procedures relating to the steelmaking coal goodwill impairment test is a critical audit matter are (i) significant judgment by management when determining the recoverable amount of the steelmaking coal CGU; (ii) management's specialists were used to prepare the mineral reserves and resources; (iii) a high degree of auditor judgment, subjectivity and effort was required in performing procedures to evaluate significant assumptions used in the discounted cash flow model, relating to commodity prices, mineral reserves and resources, mine production, operating costs, capital expenditures, the discount rate and foreign exchange rates; and (iv) the audit effort involved the use of professionals with specialized skills and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's steelmaking coal goodwill impairment test, including controls over the determination of the recoverable amount of the steelmaking coal CGU. These procedures also included, among others, testing management's process for determining the recoverable amount of the steelmaking coal CGU, including evaluating the appropriateness of the discounted cash flow model, testing the completeness and accuracy of underlying data and evaluating the reasonableness of the significant assumptions used in the discounted cash flow model. Evaluating the reasonableness of management's assumptions involved considering their consistency with (i) external market and industry data for commodity prices and foreign exchange rates and (ii) recent actual results, market data and, when available, other third party information, for mine production, operating costs and capital expenditures. The work of management's specialists was used in performing the procedures to evaluate the reasonableness of mineral reserves and resources. As a basis for using this work, management's specialists' qualifications were understood and the Company's relationship with management's specialists was assessed. The procedures performed also included evaluation of the methods and assumptions used by management's specialists, tests of the data used by management's specialists and an evaluation of their findings. Professionals with specialized skill and knowledge were used to assist in the evaluation of the discount rate.

Quebrada Blanca Goodwill Impairment Test
As described in Notes 3, 4, 8, and 17 to the consolidated financial statements, management performs its annual impairment test of its Quebrada Blanca goodwill as of October 31 of each year, or more frequently if events or circumstances indicate that the carrying value of goodwill may be impaired. The total carrying value of the Quebrada Blanca goodwill as of December 31, 2022 was $416 million. An impairment loss exists if the Quebrada Blanca cash generating unit's (QB CGU) carrying amount, including goodwill, exceeds its recoverable amount. Management used a discounted cash flow model to determine the recoverable amount of the QB CGU. The recoverable amount determined by management exceeded the carrying value of the QB CGU, and as a result, no impairment loss was recognized. Significant assumptions are used in the discounted cash flow model, which include: commodity prices, mineral



reserves and resources, mine production, operating costs, capital expenditures, and the discount rate. The Company's mineral reserves and resources and estimates of capital expenditures for the QB CGU have been prepared by or under the supervision of qualified persons and management's experts (management's specialists).

The principal considerations for our determination that performing procedures relating to the Quebrada Blanca goodwill impairment test is a critical audit matter are (i) significant judgment by management when determining the recoverable amount of the QB CGU; (ii) management's specialists were used to prepare the reserves and resources and estimates of capital expenditures; and (iii) a high degree of auditor judgment, subjectivity and effort was required in performing procedures to evaluate significant assumptions used in the discounted cash flow model, relating to commodity prices, mineral reserves and resources, mine production, operating costs, capital expenditures and the discount rate; and (iv) the audit effort involved the use of professionals with specialized skills and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's QB CGU goodwill impairment test, including controls over the determination of the recoverable amount of the QB CGU. These procedures also included, among others, testing management's process for determining the recoverable amount of the QB CGU, including evaluating the appropriateness of the discounted cash flow model, testing the completeness and accuracy of underlying data and evaluating the reasonableness of the significant assumptions used in the discounted cash flow model. Evaluating the reasonableness of management's assumptions involved considering their consistency with (i) external market and industry data for commodity prices; (ii) recent actual capital expenditures incurred and the work of management's specialists for capital expenditures; and (iii) market and industry data and, when available, other third party information for operating costs and mine production. The work of management's specialists was used in performing the procedures to evaluate the reasonableness of mineral reserves and resources, and management's estimates of capital expenditures. As a basis for using this work, management's specialists' qualifications were understood and the Company's relationship with management's specialists was assessed. The procedures performed also included evaluation of the methods and assumptions used by management's specialists, tests of the data used by management's specialists and an evaluation of their findings. Professionals with specialized skill and knowledge were used to assist in the evaluation of the discount rate.

Impairment Test of the Trail CGU
As described in Notes 3, 4, and 8 to the consolidated financial statements, the carrying amounts of non-current assets are reviewed for impairment whenever facts and circumstances indicate that the recoverable amounts may be less than the carrying amounts. Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash generating unit to which the asset belongs is determined. The recoverable amount of an asset or CGU is determined as the higher of its fair value less cost of disposal (FVLCD) and its value in use. As of December 31, 2022 management identified indicators of impairment related to the Trail cash generating unit (Trail CGU) and as a result, performed an impairment test. Management used a discounted cash flow model to determine the recoverable amount based on FVLCD of the Trail CGU. The recoverable amount as of December 31,

2022 of $1.2 billion approximated the carrying value, and as a result, no impairment loss was recorded for the year then ended. In determining the recoverable amount, management used significant assumptions such as: zinc prices, smelter production, operating costs, capital expenditures, treatment charges, zinc premiums, the discount rate and foreign exchange rates.

The principal considerations for our determination that performing procedures relating to the impairment test of the Trail CGU is a critical audit matter are (i) significant judgment by management when determining the recoverable amount of the Trail CGU; (ii) a high degree of auditor judgment, subjectivity and effort was required in performing procedures to evaluate significant assumptions used in the discounted cash flow model relating to zinc prices, smelter production, operating costs, capital expenditures, treatment charges, zinc premiums, the discount rate and foreign exchange rates; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's impairment test, including controls over the determination of the recoverable amount of the Trail CGU. These procedures also included, among others, testing management's process for determining the recoverable amount of the Trail CGU, including evaluating the appropriateness of the discounted cash flow model, testing the completeness and accuracy of underlying data and evaluating the reasonableness of the significant assumptions used in the discounted cash flow model. Evaluating the reasonableness of management's assumptions involved considering their consistency with (i) external market and industry data for zinc prices, treatment charges, zinc premiums and foreign exchange rates and (ii) recent actual results, market data and, when available, other third party information for smelter production, operating costs and capital expenditures. Professionals with specialized skill and knowledge were used to assist in the evaluation of the discount rate.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, Canada
February 18, 2023

We have served as the Company's auditor since 1964.

Teck Resources Limited

Consolidated Statements of Income

Years ended December 31

(CAD$ in millions, except for share data)		2022		2021
Revenue (Note 6)	**$**	**17,316**	$	12,766
Cost of sales		**(8,745)**		(7,552)
Gross profit		**8,571**		5,214
Other operating income (expenses)				
General and administration		**(236)**		(172)
Exploration		**(90)**		(65)
Research and innovation		**(157)**		(129)
Impairment reversal (Note 8(a))		**—**		215
Other operating income (expense) (Note 9)		**(1,102)**		(80)
Profit from operations		**6,986**		4,983
Finance income (Note 10)		**53**		5
Finance expense (Note 10)		**(203)**		(190)
Non-operating income (expense) (Note 11)		**(275)**		(107)
Share of profit (loss) of associates and joint ventures (Note 15)		**4**		(3)
Profit from continuing operations before taxes		**6,565**		4,688
Provision for income taxes (Note 22(a))		**(2,495)**		(1,518)
Profit from continuing operations		**4,070**		3,170
Loss from discontinued operations (Note 5(a))		**(772)**		(255)
Profit for the year	**$**	**3,298**	$	2,915
Profit attributable to:				
Shareholders of the company	**$**	**3,317**	$	2,868
Non-controlling interests		**(19)**		47
Profit for the year	**$**	**3,298**	$	2,915
Earnings per share from continuing operations				
Basic	**$**	**7.77**	$	5.87
Diluted	**$**	**7.63**	$	5.78
Earnings (loss) per share from discontinued operations				
Basic and diluted	**$**	**(1.47)**	$	(0.48)
Earnings per share (Note 25(f))				
Basic	**$**	**6.30**	$	5.39
Diluted	**$**	**6.19**	$	5.31
Weighted average shares outstanding (millions)		**526.7**		532.3
Weighted average diluted shares outstanding (millions)		**535.9**		540.3
Shares outstanding at end of year (millions)		**513.7**		534.2

The accompanying notes are an integral part of these financial statements.

Teck Resources Limited

Consolidated Statements of Comprehensive Income

Years ended December 31

(CAD$ in millions)		2022		2021
Profit for the year	**$**	**3,298**	$	2,915
Other comprehensive income for the year				
Items that may be reclassified to profit				
Currency translation differences (net of taxes of $ 9 and $(2))		**826**		(43)
Change in fair value of debt securities (net of taxes of $ nil and $nil)		**(3)**		(2)
Share of other comprehensive income of associates and joint ventures		**1**		—
		824		(45)
Items that will not be reclassified to profit				
Change in fair value of marketable equity securities (net of taxes of $(14) and $1)		**96**		(4)
Remeasurements of retirement benefit plans (net of taxes of $ 13 and $(91))		**(45)**		171
		51		167
Total other comprehensive income for the year		**875**		122
Total comprehensive income for the year	**$**	**4,173**	$	3,037
Total comprehensive income attributable to:				
Shareholders of the company		**4,132**		2,994
Non-controlling interests		**41**		43
	$	**4,173**	$	3,037
Total comprehensive income (loss) attributable to shareholders of the company from:				
Continuing operations		**4,904**		3,249
Discontinued operations		**(772)**		(255)
	$	**4,132**	$	2,994

The accompanying notes are an integral part of these financial statements.

Teck Resources Limited

Consolidated Statements of Cash Flows

Years ended December 31

(CAD$ in millions)	2022	2021
Operating activities		
Profit for the year from continuing operations	**$ 4,070**	$ 3,170
Depreciation and amortization	**1,674**	1,487
Provision for income taxes	**2,495**	1,518
Impairment reversal	**—**	(215)
Loss on debt redemption or purchase	**58**	—
Net finance expense	**150**	185
Income taxes paid	**(1,217)**	(849)
Remeasurement of decommissioning and restoration provisions for closed operations	**83**	35
QB2 variable consideration to IMSA and ENAMI	**188**	141
Other	**147**	185
Net change in non-cash working capital items	**(107)**	(884)
Net cash provided by continuing operating activities	**7,541**	4,773
Net cash provided by (used in) discontinued operating activities	**442**	(35)
	7,983	4,738
Investing activities		
Expenditures on property, plant and equipment	**(4,423)**	(3,966)
Capitalized production stripping costs	**(1,042)**	(667)
Expenditures on investments and other assets	**(199)**	(160)
Proceeds from investments and assets	**113**	54
Net cash used in continuing investing activities	**(5,551)**	(4,739)
Net cash used in discontinued investing activities	**(129)**	(80)
	(5,680)	(4,819)
Financing activities		
Proceeds from debt	**569**	1,639
Revolving credit facilities	**—**	(335)
Redemption, purchase or repayment of debt	**(1,323)**	(155)
Repayment of lease liabilities	**(138)**	(130)
QB2 advances from SMM/SC	**899**	326
Interest and finance charges paid	**(459)**	(380)
Issuance of Class B subordinate voting shares	**234**	50
Purchase and cancellation of Class B subordinate voting shares	**(1,392)**	—
Dividends paid	**(532)**	(106)
Contributions from non-controlling interests	**307**	113
Distributions to non-controlling interests	**(78)**	(57)
Other liabilities	**(46)**	120
Net cash provided by (used in) continuing financing activities	**(1,959)**	1,085
Net cash used in discontinued financing activities	**(31)**	(29)
	(1,990)	1,056
Increase in cash and cash equivalents	**313**	975
Cash balance related to assets held for sale	**(35)**	—
Effect of exchange rate changes on cash and cash equivalents	**178**	2
Cash and cash equivalents at beginning of year	**1,427**	450
Cash and cash equivalents at end of year	**$ 1,883**	$ 1,427

Supplemental cash flow information (Note 12)

The accompanying notes are an integral part of these financial statements.

Teck Resources Limited

Consolidated Balance Sheets

As at December 31

(CAD$ in millions)		2022		2021
ASSETS				
Current assets				
Cash and cash equivalents (Note 12)	**$**	**1,883**	$	1,427
Current income taxes receivable		**92**		6
Trade and settlement receivables		**1,527**		1,981
Inventories (Note 13)		**2,685**		2,390
Prepaids and other current assets		**540**		299
Assets held for sale (Note 5(a))		**1,566**		—
		8,293		6,103
Non-current assets held for sale (Note 5(b)(c))		**173**		—
Financial and other assets (Note 14)		**1,466**		1,571
Investments in associates and joint ventures (Note 15)		**1,139**		1,060
Property, plant and equipment (Note 16)		**40,095**		37,382
Deferred income tax assets (Note 22(b))		**75**		161
Goodwill (Note 17)		**1,118**		1,091
	$	**52,359**	$	47,368
LIABILITIES AND EQUITY				
Current liabilities				
Trade accounts payable and other liabilities (Note 18)	**$**	**4,367**	$	3,255
Current portion of debt (Note 19)		**616**		213
Current portion of lease liabilities (Note 20(c))		**132**		127
Current income taxes payable		**104**		165
Liabilities associated with assets held for sale (Note 5(a))		**645**		—
		5,864		3,760
Debt (Note 19)		**6,551**		7,161
Lease liabilities (Note 20(c))		**439**		567
QB2 advances from SMM/SC (Note 21)		**2,279**		1,263
Deferred income tax liabilities (Note 22(b))		**6,778**		5,973
Retirement benefit liabilities (Note 23(a))		**420**		517
Provisions and other liabilities (Note 24)		**3,517**		4,354
		25,848		23,595
Equity				
Attributable to shareholders of the company		**25,473**		23,005
Attributable to non-controlling interests (Note 26)		**1,038**		768
		26,511		23,773
	$	**52,359**	$	47,368

Contingencies (Note 27)
Commitments (Note 28)

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board of Directors

/s/Una M. Power
Una M. Power
Chair of the Audit Committee

/s/Tracey L. McVicar
Tracey L. McVicar
Director

Teck Resources Limited

Consolidated Statements of Changes in Equity

Years ended December 31

(CAD$ in millions)		2022		2021
Class A common shares	**$**	**6**	$	6
Class B subordinate voting shares				
Beginning of year		**6,201**		6,134
Share repurchases (Note 25(h))		**(374)**		—
Issued on exercise of options		**306**		67
End of year		**6,133**		6,201
Retained earnings				
Beginning of year		**16,343**		13,410
Profit for the year attributable to shareholders of the company		**3,317**		2,868
Dividends paid (Note 25(g))		**(532)**		(106)
Share repurchases (Note 25(h))		**(1,018)**		—
Remeasurements of retirement benefit plans		**(45)**		171
End of year		**18,065**		16,343
Contributed surplus				
Beginning of year		**253**		242
Share option compensation expense (Note 25(c))		**26**		28
Transfer to Class B subordinate voting shares on exercise of options		**(72)**		(17)
End of year		**207**		253
Accumulated other comprehensive income attributable to shareholders of the company (Note 25(e))				
Beginning of year		**202**		247
Other comprehensive income		**815**		126
Less remeasurements of retirement benefit plans recorded in retained earnings		**45**		(171)
End of year		**1,062**		202
Non-controlling interests (Note 26)				
Beginning of year		**768**		669
Profit (loss) for the year attributable to non-controlling interests		**(19)**		47
Other comprehensive income (loss) attributable to non-controlling interests		**60**		(4)
Contributions from non-controlling interests		**307**		113
Distributions to non-controlling interests		**(78)**		(57)
End of year		**1,038**		768
Total equity	**$**	**26,511**	$	23,773

The accompanying notes are an integral part of these financial statements.

1. Nature of Operations

Teck Resources Limited and its subsidiaries (Teck, we, us or our) are engaged in mining and related activities including research, exploration and development, processing, smelting, refining and reclamation. Our major products are copper, zinc, and steelmaking coal. We also produce lead, precious metals, molybdenum, fertilizers and other metals. Metal products are sold as refined metals or concentrates.

Teck is a Canadian corporation and our registered office is at Suite 3300, 550 Burrard Street, Vancouver, British Columbia, Canada, V6C 0B3.

2. Basis of Preparation and New IFRS Pronouncements

a) Basis of Preparation

These annual consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and were approved by the Board of Directors on February 18, 2023.

b) New IFRS Pronouncements

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2

In August 2020, the IASB issued amendments to IFRS 9, *Financial Instruments* (IFRS 9), IAS 39, *Financial Instruments: Recognition and Measurement* (IAS 39), IFRS 7, *Financial Instruments: Disclosures* (IFRS 7), IFRS 4, *Insurance Contracts* (IFRS 4) and IFRS 16, *Leases* (IFRS 16) as a result of Phase 2 of the IASB's Interest Rate Benchmark Reform project. The amendments address issues arising in connection with reform of benchmark interest rates, including the replacement of one benchmark rate with an alternative one. The amendments were effective January 1, 2021.

Term Secured Overnight Financing Rate (Term SOFR) was formally recommended by the Alternative Reference Rates Committee (a committee convened by the U.S. Federal Reserve Board) as the recommended fallback for USD London Interbank Offered Rate (LIBOR) based loans. Term SOFR is expected to be economically equivalent to LIBOR, allowing for use of the practical expedient under IFRS 9. Our QB2 project financing facility, Compañía Minera Antamina S.A. (Antamina) loan agreement and QB2 advances from Sumitomo Metal Mining Co., Ltd. and Sumitomo Corporation (together referred to as SMM/SC) are our most significant financial instruments that are exposed to LIBOR.

For the year ended December 31, 2022, we transitioned our sustainability-linked revolving credit facility to Term SOFR. This did not affect our financial statements as this credit facility remains undrawn. We have not yet transitioned the remaining financial instruments that use the LIBOR settings that are currently scheduled to cease publication after June 30, 2023. We continue to work with our lenders on the replacement of the affected rates for our other significant financial instruments, which is not expected to result in a significant change to our financial statements, our interest rate risk management strategy or our interest rate risk.

Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before Intended Use

We adopted the amendments to IAS 16, *Property, Plant and Equipment* on January 1, 2022 with retrospective application. The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related costs in profit (loss). On adoption, these amendments did not affect our financial results. These amendments will have an effect on the accounting related to the sale of products during the commissioning phase of QB2 in 2023.

2. Basis of Preparation and New IFRS Pronouncements (continued)

Amendments to IAS 1 – Presentation of Financial Statements

In October 2022, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* titled *Non-current liabilities with covenants.* These amendments sought to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override but incorporate the previous amendments, *Classification of liabilities as current or non-current,* issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption. We do not expect these amendments to have a material effect on our financial statements.

Amendment to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* and the IFRS Practice Statement 2 *Making Materiality Judgements* to provide guidance on the application of materiality judgments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Guidance and illustrative examples are added in the Practice Statement to assist in the application of materiality concept when making judgments about accounting policy disclosures. The amendments are effective January 1, 2023, with early adoption permitted. Prospective application is required on adoption. We do not expect these amendments to have a material effect on our financial statements.

3. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

Basis of Presentation

Our consolidated financial statements include the accounts of Teck and all of its subsidiaries. Our significant operating subsidiaries include Teck Metals Ltd. (TML), Teck Alaska Incorporated (TAK), Teck Highland Valley Copper Partnership (Highland Valley Copper), Teck Coal Partnership (Teck Coal), Compañía Minera Teck Quebrada Blanca S.A. (QBSA or Quebrada Blanca) and Compañía Minera Teck Carmen de Andacollo (Carmen de Andacollo).

All subsidiaries are entities that we control, either directly or indirectly. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when our existing rights give us the ability to direct the activities that significantly affect the investee's returns. This control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a company's share capital. All of our intra-group balances and transactions, including unrealized profits and losses arising from intra-group transactions, have been eliminated in full. For subsidiaries that we control but do not own 100% of, the net assets and net profit (loss) attributable to outside shareholders are presented as amounts attributable to non-controlling interests in the consolidated balance sheets and consolidated statements of income (loss) and comprehensive income (loss).

Certain of our business activities are conducted through joint arrangements. Our interests in joint operations include Galore Creek Partnership (Galore Creek, 50% share) and Fort Hills Energy L.P. (Fort Hills, 21.3% share), which operate in Canada and Antamina (22.5% share), which operates in Peru. We account for our interests in these joint operations by recording our share of the respective assets, liabilities, revenue, expenses and cash flows. We also have an interest in a joint venture, NuevaUnión SpA (NuevaUnión, 50% share), in Chile that we account for using the equity method (Note 15).

During the year ended December 31, 2022, we announced an agreement to sell our 21.3% interest in Fort Hills and associated downstream assets. As a result, we determined that Fort Hills met the criteria to be considered as assets held for sale. We have therefore classified the assets of Fort Hills as current assets held for sale, the liabilities of Fort Hills as current liabilities associated with assets held for sale and re-presented the operating results of Fort Hills as a single line item of loss from discontinued operations on the statement of income (Note 5(a)).

All dollar amounts are presented in Canadian dollars unless otherwise specified.

3. Summary of Significant Accounting Policies (continued)

Interests in Joint Arrangements

A joint arrangement can take the form of a joint venture or joint operation. All joint arrangements involve a contractual arrangement that establishes joint control, which exists only when decisions about the activities that significantly affect the returns of the investee require unanimous consent of the parties sharing control. A joint operation is a joint arrangement in which we have rights to the assets and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement in which we have rights to only the net assets of the arrangement.

Joint ventures are accounted for in accordance with the policy “Investments in Associates and Joint Ventures”. Joint operations are accounted for by recognizing our share of the assets, liabilities, revenue, expenses and cash flows of the joint operation in our consolidated financial statements.

Investments in Associates and Joint Ventures

Investments over which we exercise significant influence but do not control or jointly control are associates. Investments in associates are accounted for using the equity method, except when classified as held for sale. Investments in joint ventures, as determined in accordance with the policy “Interests in Joint Arrangements”, are also accounted for using the equity method.

The equity method involves recording the initial investment at cost and subsequently adjusting the carrying value of the investment for our proportionate share of the profit (loss), other comprehensive income (loss) and any other changes in the associate’s or joint venture’s net assets, such as further investments or dividends.

Our proportionate share of the associate’s or joint venture’s profit (loss) and other comprehensive income (loss) is based on its most recent financial statements. Adjustments are made to align any inconsistencies between our accounting policies and our associate’s or joint venture’s policies before applying the equity method. Adjustments are also made to account for depreciable assets based on their fair values at the acquisition date of the investment and for any impairment losses recognized by the associate or joint venture.

If our share of the associate’s or joint venture’s losses were equal to or exceeded our investment in the associate or joint venture, recognition of further losses would be discontinued. After our interest is reduced to zero, additional losses would be provided for and a liability recognized only to the extent that we have incurred legal or constructive obligations to provide additional funding or to make payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, we resume recognizing our share of those profits only when we have a positive interest in the entity.

At each balance sheet date, we consider whether there is objective evidence of impairment in associates and joint ventures. If there is such evidence, we determine the amount of impairment to record, if any, in relation to the associate or joint venture.

Foreign Currency Translation

The functional currency of each of our subsidiaries and our joint operations, joint ventures and associates is the currency of the primary economic environment in which the entity operates. Transactions in foreign currencies are translated to the functional currency of the entity at the exchange rate in existence at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the period end date exchange rates.

The functional currency of Teck, the parent entity, is the Canadian dollar, which is also the presentation currency of our consolidated financial statements.

Foreign operations are translated from their functional currencies, generally the U.S. dollar, into Canadian dollars on consolidation. Items in the statements of income (loss) and other comprehensive income (loss) are translated using weighted average exchange rates that reasonably approximate the exchange rate at the transaction date. Items on the balance sheet are translated at the closing spot exchange rate. Exchange differences on the translation of the net assets of entities with functional currencies other than the Canadian dollar, and any offsetting exchange differences on debt used to hedge those assets, are recognized in a separate component of equity through other comprehensive income (loss).

Exchange differences that arise relating to long-term intra-group balances that form part of the net investment in a foreign operation are also recognized in this separate component of equity through other comprehensive income (loss).

On disposition or partial disposition of a foreign operation, the cumulative amount of related exchange differences recorded in a separate component of equity is recognized in the statement of income (loss).

3. Summary of Significant Accounting Policies (continued)

Revenue

Our revenue consists of sales of copper, zinc and lead concentrates, steelmaking coal, refined zinc, lead and silver and blended bitumen. We also sell other by-products, including molybdenum concentrates, various refined specialty metals, chemicals and fertilizers. Our performance obligations relate primarily to the delivery of these products to our customers, with each separate shipment representing a separate performance obligation.

Revenue, including revenue from the sale of by-products, is recognized at the point in time when the customer obtains control of the product. Control is achieved when a product is delivered to the customer, we have a present right to payment for the product, significant risks and rewards of ownership have transferred to the customer according to contract terms and there is no unfulfilled obligation that could affect the customer's acceptance of the product.

Base metal concentrates

For copper, zinc and lead concentrates, control of the product generally transfers to the customer when an individual shipment parcel is loaded onto a carrier accepted by the customer. We sell a majority of our concentrates on commercial terms where we are responsible for providing freight services after the date at which control of the product passes to the customer. We are the principal to this freight performance obligation. A minority of zinc concentrate sales are made on consignment. For consignment transactions, control of the product transfers to the customer and revenue is recognized at the time the product is consumed in the customer's process.

The majority of our metal concentrates are sold under pricing arrangements where final prices are determined by quoted market prices in a period subsequent to the date of sale. For these sales, revenue is recorded based on the estimated consideration to be received at the date of sale, with reference to relevant commodity market prices. Adjustments are made to settlement receivables in subsequent periods based on movements in quoted commodity prices up to the date of final pricing. This adjustment mechanism is based on the market price of the commodity and, accordingly, the changes in value of the settlement receivables are not considered to be revenue from contracts with customers. The changes in fair value of settlement receivables are recorded in other operating income (expense).

Metal concentrate sales are billed based on provisional weights and assays upon the passage of control to the customer. The first provisional invoice is billed to the customer at the time of transfer of control. As final prices, weights and assays are received, additional invoices are issued and collected. In general, consideration is promptly collected from customers; however, the payment terms are customer-specific and subject to change based on market conditions and other factors. We generally retain title to these products until we receive the first contracted payment, which is typically received shortly after loading or shortly after arrival at the destination port, solely to manage the credit risk of the amounts due to us. This retention of title does not preclude the customer from obtaining control of the product.

Steelmaking coal

For steelmaking coal, control of the product generally transfers to the customer when an individual shipment parcel is loaded onto a carrier accepted by or directly contracted by the customer. For a majority of steelmaking coal sales, we are not responsible for the provision of shipping or product insurance after the transfer of control. For certain sales, we arrange shipping on behalf of our customers and are the agent to these shipping transactions.

Steelmaking coal is sold under spot or average pricing contracts. For spot price contracts, pricing is final when revenue is recognized. For average pricing contracts, the final pricing is determined based on quoted steelmaking coal price assessments over a specific period. Control of the goods may transfer and revenue may be recognized before, during or subsequent to the period in which final average pricing is determined. For all steelmaking coal sales under average pricing contracts where pricing is not finalized when revenue is recognized, revenue is recorded based on estimated consideration to be received at the date of sale with reference to steelmaking coal price assessments. For average pricing contracts, adjustments are made to settlement receivables in subsequent periods based on published price assessments up to the date of final pricing. This adjustment mechanism is based on the market price of the commodity and, accordingly, the changes in value of the settlement receivables are not considered to be revenue from contracts with customers. The changes in fair value of settlement receivables are recorded in other operating income (expense).

3. Summary of Significant Accounting Policies (continued)

Steelmaking coal sales are billed based on final quality and quantity measures upon the passage of control to the customer. If pricing is not finalized when control of the product is transferred, a subsequent invoice is issued when pricing is finalized. The payment terms generally require prompt collection from customers; however, payment terms are customer-specific and subject to change based on market conditions and other factors. We generally retain title to these products until we receive the first contracted payment, which is typically received shortly after loading, solely to manage the credit risk of the amounts due to us. This retention of title does not preclude the customer from obtaining control of the product.

Refined metals

For sales of refined metals, control of the product transfers to the customer when the product is loaded onto a carrier accepted by the customer. For these products, loading generally coincides with the transfer of title.

Our refined metals are sold under spot or average pricing contracts. For spot sales contracts, pricing is final when revenue is recognized. For refined metal sales contracts where pricing is not finalized when revenue is recognized, revenue is recorded based on the estimated consideration to be received at the date of sale with reference to commodity market prices. Adjustments are made to settlement receivables in subsequent periods based on movements in quoted commodity prices up to the date of final pricing. This adjustment mechanism is based on the market price of the commodity and, accordingly, the changes in value of the settlement receivables are not considered to be revenue from contracts with customers. The changes in fair value of settlement receivables are recorded in other operating income (expense).

We sell a portion of our refined metals on commercial terms where we are responsible for providing freight services after the date at which control of the product passes to the customer. We are the principal to this freight performance obligation.

Refined metal sales are billed based on final specification measures upon the passage of control to the customer. If pricing is not finalized when control of the product is transferred, a subsequent invoice is issued when pricing is finalized.

In general, consideration is promptly collected from customers; however, the payment terms are customer-specific and subject to change based on market conditions and other factors.

Blended bitumen

For blended bitumen, control of the product generally transfers to the customer when the product passes the delivery point as specified in the contract, which normally coincides with title and risk transfer to the customer. The majority of our blended bitumen is sold under pricing arrangements where final prices are determined based on commodity price indices that are finalized at or near the date of sale. Payments for blended bitumen sales are usually due and settled within 30 days. Our revenue for blended bitumen is net of royalty payments to governments.

Financial Instruments

We recognize financial assets and liabilities on the balance sheet when we become a party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents include cash on account, demand deposits and money market investments with maturities from the date of acquisition of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant changes in value. Cash is classified as a financial asset that is subsequently measured at amortized cost. Cash equivalents are classified as a financial asset that is subsequently measured at amortized cost, except for money market investments, which are classified as subsequently measured at fair value through profit (loss).

Trade receivables

Trade receivables relate to amounts owing from sales under our spot pricing contracts for steelmaking coal, refined metals, blended bitumen, chemicals and fertilizers. These receivables are non-interest bearing and are recognized at face amount, except when fair value is materially different, and are subsequently measured at amortized cost. Trade receivables recorded are net of lifetime expected credit losses.

3. Summary of Significant Accounting Policies (continued)

Settlement receivables

Settlement receivables arise from base metal concentrate sales contracts and average pricing steelmaking coal contracts, where amounts receivable vary based on underlying commodity prices or steelmaking coal price assessments. Settlement receivables are classified as fair value through profit (loss) and are recorded at fair value at each reporting period based on quoted commodity prices or published price assessments up to the date of final pricing. The changes in fair value are recorded in other operating income (expense).

Investments in marketable equity securities

Investments in marketable equity securities are classified, at our election, as subsequently measured at fair value through other comprehensive income (loss). For new investments in marketable equity securities, we can elect the same classification as subsequently measured at fair value through other comprehensive income (loss), or we can elect to classify an investment as at fair value through profit (loss). This election can be made on an investment-by-investment basis and is irrevocable. Investment transactions are recognized on the trade date, with transaction costs included in the underlying balance. Fair values are determined by reference to quoted market prices at the balance sheet date.

When investments in marketable equity securities subsequently measured at fair value through other comprehensive income (loss) are disposed of, the cumulative gains and losses recognized in other comprehensive income (loss) are not recycled to profit (loss) and remain within equity. Dividends are recognized in profit (loss). These investments are not assessed for impairment.

Investments in debt securities

Investments in debt securities are classified as subsequently measured at fair value through other comprehensive income (loss) and recorded at fair value. Investment transactions are recognized on the trade date, with transaction costs included in the underlying balance. Fair values are determined by reference to quoted market prices at the balance sheet date.

Unrealized gains and losses on debt securities are recognized in other comprehensive income (loss) until investments are disposed of and the cumulative gains and losses recognized in other comprehensive income (loss) are reclassified from equity to profit (loss) at that time. Loss allowances and interest income are recognized in profit (loss).

Trade payables

Trade payables are non-interest bearing if paid when due and are recognized at face amount, except when fair value is materially different. Trade payables are subsequently measured at amortized cost.

Debt

Debt is initially recorded at fair value, net of transaction costs. Debt is subsequently measured at amortized cost, calculated using the effective interest rate method.

Derivative instruments

Derivative instruments, including embedded derivatives in executory contracts or financial liability contracts, are classified as at fair value through profit (loss) and, accordingly, are recorded on the balance sheet at fair value. Unrealized gains and losses on derivatives not designated in a hedging relationship are recorded as part of other operating income (expense) or non-operating income (expense) in profit (loss) depending on the nature of the derivative. Fair values for derivative instruments are determined using inputs based on market conditions existing at the balance sheet date or settlement date of the derivative. Derivatives embedded in non-derivative contracts are recognized separately unless they are closely related to the host contract.

3. Summary of Significant Accounting Policies (continued)

Expected credit losses

For trade receivables, we apply the simplified approach to determining expected credit losses, which requires expected lifetime losses to be recognized upon initial recognition of the receivables.

Loss allowances on investments in debt securities are initially assessed based on the expected 12-month credit loss. At each reporting date, we assess whether the credit risk for our debt securities has increased significantly since initial recognition. If the credit risk has increased significantly since initial recognition, the loss allowance is adjusted to be based on the lifetime expected credit losses.

Hedging

Certain derivative investments may qualify for hedge accounting. At the inception of hedge relationships, we document the economic relationship between hedging instruments and hedged items and our risk management objective and strategy for undertaking the hedge transactions.

For hedges of net investments in foreign operations, any foreign exchange gains or losses on the hedging instrument relating to the effective portion of the hedge are initially recorded in other comprehensive income (loss). Gains and losses are recognized in profit (loss) on the ineffective portion of the hedge, or when there is a disposition or partial disposition of a foreign operation being hedged.

Inventories

Finished products, work in process, raw materials and supplies inventories are valued at the lower of weighted average cost and net realizable value. Work in process inventory includes inventory in the milling, smelting or refining process and stockpiled ore at mining operations. Raw materials include concentrates for use at smelting and refining operations. For our oil sands mining and processing operation, raw materials consist of diluent used in blending, work in process inventory consists of raw bitumen and finished products consist of blended bitumen.

For work in process and finished product inventories, cost includes all direct costs incurred in production, including direct labour and materials, freight, depreciation and amortization and directly attributable overhead costs. Production stripping costs that are not capitalized are included in the cost of inventories as incurred. Depreciation and amortization of capitalized production stripping costs are included in the cost of inventory. For supplies inventories, cost includes acquisition, freight and other directly attributable costs.

When our operations are producing at reduced levels, fixed overhead costs are only allocated to inventory based on normal production levels.

When inventories have been written down to net realizable value, we make a new assessment of net realizable value in each subsequent period. If the circumstances that caused the write-down no longer exist, the remaining amount of the write-down on inventory not yet sold is reversed.

We use both joint-product and by-product costing for work in process and finished product inventories. Joint-product costing is applied to primary products where the profitability of the operations is dependent upon the production of these products. Joint-product costing allocates total production costs based on the relative values of the products. By-product costing is used for products that are not the primary products produced by the operation. The by-products are allocated only the incremental costs of processes that are specific to the production of that product.

3. Summary of Significant Accounting Policies (continued)

Property, Plant and Equipment

Land, buildings, plant and equipment

Land is recorded at cost and buildings, plant and equipment are recorded at cost less accumulated depreciation and impairment losses. Cost includes the purchase price and the directly attributable costs to bring the assets to the location and condition necessary for them to be capable of operating in the manner intended by management.

Depreciation of mobile equipment, buildings used for production and plant and processing equipment at our mining operations is calculated on a units-of-production basis. Depreciation of buildings not used for production and of plant and equipment at our smelting operations is calculated on a straight-line basis over the assets' estimated useful lives. Where components of an asset have different useful lives, depreciation is calculated on each component separately. Depreciation commences when an asset is ready for its intended use. Estimates of remaining useful lives and residual values are reviewed annually. Changes in estimates are accounted for prospectively.

The expected useful lives of assets depreciated on a straight-line basis are as follows:

- Buildings and equipment (not used for production) 1–42 years
- Plant and equipment (smelting operations) 2–30 years

Mineral properties and mine development costs

The cost of acquiring and developing mineral properties or property rights, including pre-production waste rock stripping costs related to mine development and costs incurred during production to increase future output, are capitalized.

Waste rock stripping costs incurred in the production phase of a surface mine are recorded as capitalized production stripping costs within property, plant and equipment when it is probable that the stripping activity will improve access to the orebody, when the component of the orebody or pit to which access has been improved can be identified and when the costs relating to the stripping activity can be measured reliably. When the actual waste-to-ore stripping ratio in a period is greater than the expected life-of-component waste-to-ore stripping ratio for that component, the excess is recorded as capitalized production stripping costs.

Once available for use, mineral properties and mine development costs are depreciated on a units-of-production basis over the proven and probable reserves to which they relate. Since the stripping activity within a component of a mine improves access to the reserves of the same component, capitalized production stripping costs incurred during the production phase of a mine are depreciated on a units-of-production basis over the proven and probable reserves expected to be mined from the same component.

Exploration and evaluation costs

Property acquisition costs are capitalized. Other exploration and evaluation costs are capitalized if they relate to specific properties for which resources, as defined under National Instrument 43-101, *Standards of Disclosure for Mineral Projects* , exist or are near a specific property with a defined resource and it is expected that the expenditure can be recovered by future exploitation or sale. All other costs are charged to profit (loss) in the year in which they are incurred. Capitalized exploration and evaluation costs are considered to be tangible assets. These assets are not depreciated, as they are not currently available for use. When proven and probable reserves are determined and development is approved, capitalized exploration and evaluation costs are reclassified to mineral properties within property, plant and equipment.

Construction in progress

Assets in the course of construction are capitalized as construction in progress. On completion, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences when the asset is available for its intended use.

3. Summary of Significant Accounting Policies (continued)

Repairs and maintenance

Repairs and maintenance costs, including shutdown maintenance costs, are charged to expense as incurred, except when these repairs significantly extend the life of an asset or result in a significant operating improvement. In these instances, the portion of these repairs relating to the betterment is capitalized as part of plant and equipment.

Borrowing costs

We capitalize borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to construct or prepare for its intended use. We begin capitalizing borrowing costs when there are borrowings, expenditures are incurred and activities are undertaken to prepare the asset for its intended use. The amount of borrowing costs capitalized cannot exceed the actual amount of borrowing costs incurred during the period. All other borrowing costs are expensed as incurred.

We suspend the capitalization of borrowing costs when we suspend the active development of a qualifying asset for an extended period. Capitalization recommences when active development resumes. We discontinue the capitalization of borrowing costs when substantially all of the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Capitalized borrowing costs are amortized over the useful life of the related asset.

Impairment and impairment reversal of non-current assets

The carrying amounts of assets included in property, plant and equipment and intangible assets are reviewed for impairment whenever facts and circumstances indicate that the recoverable amounts may be less than the carrying amounts. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash-generating unit (CGU) to which the asset belongs is determined. The recoverable amount of an asset or CGU is determined as the higher of its fair value less costs of disposal (FVLCD) and its value in use. An impairment loss exists if the asset's or CGU's carrying amount exceeds the estimated recoverable amount and is recorded as an expense immediately.

Fair value is the price that would be received from selling an asset in an orderly transaction between market participants at the measurement date. Costs of disposal are incremental costs directly attributable to the disposal of an asset. For mining assets, when a binding sale agreement is not readily available, FVLCD is usually estimated using a discounted cash flow approach, unless comparable market transactions on which to estimate fair value are available. Estimated future cash flows are calculated using estimated future commodity prices, reserves and resources, and operating and capital costs. All inputs used are those that an independent market participant would consider appropriate. Value in use is determined as the present value of the future cash flows expected to be derived from continuing use of an asset or CGU in its present form. These estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which estimates of future cash flows have not been adjusted. A value in use calculation uses a pre-tax discount rate and a FVLCD calculation uses a post-tax discount rate.

Indicators of impairment for exploration and evaluation assets are assessed on a project-by-project basis or as part of the mining operation to which they relate.

Tangible or intangible assets that have been impaired in prior periods are tested for possible reversal of impairment whenever events or significant changes in circumstances indicate that the impairment may have reversed. Indicators of a potential reversal of an impairment loss mainly mirror the indicators present when the impairment was originally recorded. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount, but not beyond the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized in profit (loss) immediately.

3. Summary of Significant Accounting Policies (continued)

Intangible Assets

Intangible assets are mainly internally generated and primarily relate to our innovation and technology initiatives. Development costs for internally generated intangible assets are capitalized when the product or process is clearly defined, the technical feasibility and usefulness of the asset has been established, we are committed and have the resources to complete the project, and the costs can be reliably measured.

Intangible assets are recorded at cost less accumulated amortization and impairment losses. Cost includes directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Costs associated with maintaining our innovation and technology initiatives, once implemented, are recognized as an expense as incurred.

Finite life intangible assets are amortized on a straight-line basis over their useful lives. Amortization commences when an asset is ready for its intended use. Estimates of remaining useful lives are reviewed annually. Changes in estimates are accounted for prospectively. The expected useful lives of our finite life intangible assets are between 3 and 20 years.

Goodwill

We allocate goodwill arising from business combinations to each CGU or group of CGUs that are expected to receive the benefits from the business combination. The carrying amount of the CGU or group of CGUs to which goodwill has been allocated is tested annually for impairment or when there is an indication that the goodwill may be impaired. Any impairment is recognized as an expense immediately. Should there be a recovery in the value of a CGU or group of CGUs, any impairment of goodwill previously recorded is not subsequently reversed.

Leases

At the inception of a contract, we assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. We assess whether the contract involves the use of an identified asset, whether we have the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and whether we have the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, we allocate the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

As a lessee, we recognize a right-of-use asset, which is included in property, plant and equipment, and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease or, if that rate cannot be readily determined, our incremental borrowing rate. Lease liabilities include the net present value of lease payments, which are comprised of:

- Fixed payments, including in-substance fixed payments, less any lease incentives receivable
- Variable lease payments that depend on an index or a rate, initially measured using the index or a rate as at the commencement date
- Amounts expected to be payable under a residual value guarantee
- Exercise prices of purchase options if we are reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects us exercising an option to terminate the lease

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in our estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit (loss).

3. Summary of Significant Accounting Policies (continued)

We have elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit (loss) on a straight-line basis over the lease term.

Income Taxes

Taxes, comprising both income taxes and resource taxes, are accounted for as income taxes under IAS 12, *Income Taxes* and are recognized in the statement of income (loss), except where they relate to items recognized in other comprehensive income (loss) or directly in equity, in which case the related taxes are recognized in other comprehensive income (loss) or equity. Income taxes attributable to assets held for sale at December 31, 2022 are included as part of loss from discontinued operations.

Current taxes receivable or payable are based on estimated taxable income for the current year at the statutory tax rates enacted, or substantively enacted, less amounts paid or received on account.

Deferred tax assets and liabilities are recognized based on temporary differences (the difference between the tax and accounting values of assets and liabilities) and are calculated using enacted or substantively enacted tax rates for the periods in which the differences are expected to reverse. The effect of changes in tax legislation, including changes in tax rates, is recognized in the period of substantive enactment.

Deferred tax assets are recognized only to the extent where it is probable that the future taxable profits or capital gains of the relevant entity or group of entities in a particular jurisdiction will be available, against which the assets can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, joint ventures and associates. However, we do not recognize such deferred tax liabilities where the timing of the reversal of the temporary differences can be controlled without affecting our operations or business and where it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition of goodwill or an asset or liability in a transaction, other than in a business combination, which will affect neither accounting profit nor taxable profit. However, we recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

Deferred tax assets and liabilities related to assets held for sale are included as part of assets held for sale and liabilities associated with assets held for sale, as applicable.

We are subject to assessments by various taxation authorities, who may interpret tax legislation differently than we do. The final amount of taxes to be paid depends on a number of factors, including the outcomes of audits, appeals or negotiated settlements. We account for such differences based on our best estimate of the probable outcome of these matters.

Employee Benefits

Defined benefit pension plans

Defined benefit pension plan obligations are based on actuarial determinations. The projected unit credit method, which sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation, is used to determine the defined benefit obligations, the related current service costs and, where applicable, the past service costs. Actuarial assumptions used in the determination of defined benefit pension plan assets and liabilities are based upon our best estimates, including discount rates, salary escalation, expected healthcare costs and retirement dates of employees.

Vested and unvested costs arising from past service following the introduction of changes to a defined benefit plan are recognized immediately as an expense when the changes are made.

3. Summary of Significant Accounting Policies (continued)

Actuarial gains and losses can arise from differences between expected and actual outcomes or changes in actuarial assumptions. Actuarial gains and losses, changes in the effect of the asset ceiling and return on plan assets are collectively referred to as remeasurements of retirement benefit plans and are recognized immediately through other comprehensive income (loss) and directly into retained earnings. Measurement of our net defined benefit asset is limited to the lower of the surplus of assets less liabilities in the defined benefit plan and the asset ceiling less liabilities in the defined benefit plan. The asset ceiling is the present value of the expected economic benefit available to us in the form of refunds from the plan or reductions in future contributions to the plan.

We apply one discount rate to the net defined benefit asset or liability for the purposes of determining the interest component of the defined benefit cost. This interest component is recorded as part of finance expense. Depending on the classification of the salary of plan members, current service costs and past service costs are included in cost of sales, general and administration expenses, exploration expenses or research and innovation expenses.

Defined contribution pension plans

The cost of providing benefits through defined contribution plans is charged to profit (loss) as the obligation to contribute is incurred.

Non-pension post-retirement plans

We provide healthcare benefits for certain employees when they retire. Non-pension post-retirement plan obligations are based on actuarial determinations. The cost of these benefits is expensed over the period in which the employees render services. We fund these non-pension post-retirement benefits as they become due.

Termination benefits

We recognize a liability and an expense for termination benefits when we have demonstrably committed to terminate employees. We are demonstrably committed to a termination when, and only when, there is a formal plan for the termination with no realistic possibility of withdrawal. The plan should include, at a minimum, the location, function and approximate number of employees whose services are to be terminated, the termination benefits for each job classification or function and the time at which the plan will be implemented without significant changes.

Share-Based Payments

The fair value method of accounting is used for share-based payment transactions. Under this method, the cost of share options and other equity-settled share-based payment arrangements is recorded based on the estimated fair value at the grant date, including an estimate of the forfeiture rate, and charged to other operating income (expense) over the vesting period. For employees eligible for normal retirement prior to vesting, the expense is charged to other operating income (expense) over the period from the grant date to the date they are eligible for retirement.

Share-based payment expense relating to cash-settled awards, including deferred, restricted, performance and performance deferred share units, is accrued over the vesting period of the units based on the quoted market value of Class B subordinate voting shares. Performance share units (PSUs) and performance deferred share units (PDSUs) have two additional vesting factors determined by our total shareholder return in comparison to a group of specified companies and by the ratio of the change in our earnings before interest, taxes, depreciation and amortization (EBITDA) over the vesting period of the share unit to the change in a specified weighted commodity price index. As these awards will be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price as well as changes to the above-noted vesting factors, as applicable.

Share Repurchases

Where we repurchase any of our equity share capital, the excess of the consideration paid over book value is deducted from retained earnings.

3. Summary of Significant Accounting Policies (continued)

Provisions

Decommissioning and restoration provisions

Future obligations to retire an asset and to restore a site, including dismantling, remediation and ongoing treatment and monitoring of the site related to normal operations, are initially recognized and recorded as a provision based on estimated future cash flows discounted at a credit-adjusted risk-free rate. These decommissioning and restoration provisions are adjusted at each reporting period for changes to factors including the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the discount rate.

The provisions are also accreted to full value over time through periodic charges to profit (loss). This unwinding of the discount is charged to finance expense in the statement of income (loss).

The amount of the decommissioning and restoration provisions initially recognized is capitalized as part of the related asset's carrying value. The method of depreciation follows that of the underlying asset. For a closed site or where the asset that generated a decommissioning and restoration provision no longer exists, there is no longer any future benefit related to the costs and, as such, the amounts are expensed through other operating income (expense). For operating sites, a revision in estimates or a new disturbance will result in an adjustment to the provision with an offsetting adjustment to the capitalized asset retirement cost.

During the operating life of an asset, events such as infractions of environmental laws or regulations may occur. These events are not related to the normal operation of the asset. The costs associated with these provisions are accrued and charged to other operating income (expense) in the period in which the event giving rise to the liability occurs. Changes in the estimated liability resulting in an adjustment to these provisions are also charged to other operating income (expense) in the period in which the estimate changes.

Other provisions

Provisions are recognized when a present legal or constructive obligation exists as a result of past events and when it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate credit-adjusted risk-free rate.

Research and Innovation

Costs incurred during the research phase are expensed as part of research and innovation. Costs associated with the development of our innovation-driven transformation program, where the process is not clearly defined and technical feasibility is not established, are also expensed as incurred.

Earnings (Loss) per Share

Earnings (loss) per share is calculated based on the weighted average number of shares outstanding during the year. For diluted earnings per share, dilution is calculated based upon the net number of common shares issued, should "in-the-money" options and warrants be exercised and the proceeds be used to repurchase common shares at the average market price in the year. In periods of loss, the loss per share and diluted loss per share are the same since the effect of the issuance of additional common shares would be anti-dilutive.

4. Areas of Judgment and Estimation Uncertainty

In preparing our consolidated financial statements, we make judgments in applying our accounting policies. The judgments that have the most significant effect on the amounts recognized in our financial statements are outlined below. In addition, we make assumptions about the future in deriving estimates used in preparing our consolidated financial statements. We have outlined information below about assumptions and other sources of estimation uncertainty as at December 31, 2022 that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year.

a) Areas of Judgment

Assessment of Impairment and Impairment Reversal Indicators

Judgment is required in assessing whether certain factors would be considered an indicator of impairment or impairment reversal. We consider both internal and external information to determine whether there is an indicator of impairment or impairment reversal present and, accordingly, whether impairment testing is required. The information we consider in assessing whether there is an indicator of impairment or impairment reversal includes, but is not limited to, market transactions for similar assets, commodity prices, treatment charges, zinc premiums, discount rates, foreign exchange rates, our market capitalization, reserves and resources, mine plans, operating plans and operating results.

In the fourth quarter of 2022, as a result of increased costs and operating challenges at our Trail CGU, we performed an impairment test for our Trail CGU (Note 8(a)).

In the fourth quarter of 2021, as a result of higher market expectations for long-term copper prices, we performed an impairment reversal test for our Carmen de Andacollo CGU (Note 8(a)). In addition, mine plans with updated information for Fort Hills became available in the fourth quarter of 2021, which required us to perform an impairment test on our Fort Hills CGU (Note 5(a)).

Property, Plant and Equipment – Determination of Available for Use Date

Judgment is required in determining the date that property, plant and equipment is available for use. An asset is available for use when it is in the location and condition necessary to operate in the manner intended by management. We considered several factors in making the determination of when the Neptune port upgrade project was available for use including, but not limited to, design capacity of the asset, throughput levels achieved, capital spending remaining and commissioning status. As at September 30, 2021, based on assessment of relevant factors, the Neptune port upgrade project was considered available for use. We commenced depreciation of the asset and ceased capitalization of borrowing costs as of the date the asset was available for use.

Joint Arrangements

We are a party to a number of arrangements over which we do not have control. Judgment is required in determining whether joint control over these arrangements exists and, if so, which parties have joint control and whether each arrangement is a joint venture or a joint operation. In assessing whether we have joint control, we analyze the activities of each arrangement and determine which activities most significantly affect the returns of the arrangement over its life. These activities are determined to be the relevant activities of the arrangement. If unanimous consent is required over the decisions about the relevant activities, the parties whose consent is required would have joint control over the arrangement. The judgments around which activities are considered the relevant activities of the arrangement are subject to analysis by each of the parties to the arrangement and may be interpreted differently. When performing this assessment, we generally consider decisions about activities such as managing the asset while it is being designed, developed and constructed, during its operating life and during the closure period. We may also consider other activities, including the approval of budgets, expansion and disposition of assets, financing, significant operating and capital expenditures, appointment of key management personnel, representation on the board of directors and other items. When circumstances or contractual terms change, we reassess the control group and the relevant activities of the arrangement.

4. Areas of Judgment and Estimation Uncertainty (continued)

If we have joint control over the arrangement, an assessment of whether the arrangement is a joint venture or a joint operation is required. This assessment is based on whether we have rights to the assets, and obligations for the liabilities, relating to the arrangement or whether we have rights to the net assets of the arrangement. In making this determination, we review the legal form of the arrangement, the terms of the contractual arrangement and other facts and circumstances. In a situation where the legal form and the terms of the contractual arrangement do not give us rights to the assets and obligations for the liabilities, an assessment of other facts and circumstances is required, including whether the activities of the arrangement are primarily designed for the provision of output to the parties and whether the parties are substantially the only source of cash flows contributing to the arrangement. The consideration of other facts and circumstances may result in the conclusion that a joint arrangement is a joint operation. This conclusion requires judgment and is specific to each arrangement. Other facts and circumstances have led us to conclude that Antamina and Fort Hills are joint operations for the purposes of our consolidated financial statements. The other facts and circumstances considered for both of these arrangements include the provision of output to the parties of the joint arrangements and the funding obligations. For both Antamina and Fort Hills, we take our share of the output from the assets directly over the life of the arrangement. We have concluded that this gives us direct rights to the assets and obligations for the liabilities of these arrangements proportionate to our ownership interests.

Streaming Transactions

When we enter into a long-term streaming arrangement linked to production at specific operations, judgment is required in assessing the appropriate accounting treatment for the transaction on the closing date and in future periods. We consider the specific terms of each arrangement to determine whether we have disposed of an interest in the reserves and resources of the respective operation or executed some other form of arrangement. This assessment considers what the counterparty is entitled to and the associated risks and rewards attributable to them over the life of the operation. These include the contractual terms related to the total production over the life of the arrangement as compared to the expected production over the life of the mine, the percentage being sold, the percentage of payable metals produced, the commodity price referred to in the ongoing payment and any guarantee relating to the upfront payment if production ceases.

For our silver and gold streaming arrangements at Antamina and Carmen de Andacollo, respectively, there is no guarantee associated with the upfront payment. We have concluded that control of the rights to the silver and gold mineral interests were transferred to the buyers when the contracts came into effect. Therefore, we consider these arrangements a disposition of a mineral interest.

Based on our judgment, control of the interest in the reserves and resources transferred to the buyer when the contracts were executed. At that time, we recognized the amount of the gain related to the disposition of the reserves and resources, as we had the right to payment, the customer was entitled to the commodities, the buyer had no recourse in requiring Teck to mine the product and the buyer had significant risks and rewards of ownership of the reserves and resources.

We recognize the amount of consideration related to refining, mining and delivery services as the work is performed.

Deferred Tax Assets and Liabilities

Judgment is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognized on the balance sheet and what tax rate is expected to be applied in the year when the related temporary differences reverse. We also evaluate the recoverability of deferred tax assets based on an assessment of our ability to use the underlying future tax deductions before they expire against future taxable profits or capital gains. Deferred tax liabilities arising from temporary differences on investments in subsidiaries, joint ventures and associates are recognized unless the reversal of the temporary differences is not expected to occur in the foreseeable future and can be controlled. Judgment is also required on the application of income tax legislation. These judgments are subject to risk and uncertainty and could result in an adjustment to the deferred tax provision and a corresponding credit or charge to profit (loss).

Assets Held for Sale

Judgment is required in assessing whether certain of our assets are considered as held for sale as at December 31, 2022. For non-current assets and disposal groups to be considered as held for sale, the asset or disposal group must be available for immediate disposal, by sale or otherwise, in its present condition subject only to terms that are usual and customary for sales of such assets or disposal groups and its sale must be highly probable.

As at December 31, 2022, we have determined that the Fort Hills disposal group, the Quintette disposal group, the Mesaba property, plant and equipment assets, and the San Nicolás property, plant and equipment assets are considered as held for sale (Note 5).

4. Areas of Judgment and Estimation Uncertainty (continued)

b) Sources of Estimation Uncertainty

Impairment Testing

When impairment testing is required, discounted cash flow models are used to determine the recoverable amount of respective assets. These models are prepared internally or with assistance from third-party advisors when required. When relevant market transactions for comparable assets are available, these are considered in determining the recoverable amount of assets. Significant assumptions used in preparing discounted cash flow models for our goodwill impairment tests include commodity prices, reserves and resources, mine production, operating costs, capital expenditures, discount rates and foreign exchange rates. Significant assumptions used in preparing the discounted cash flow model for our Trail CGU impairment test include zinc prices, smelter production, operating costs, capital expenditures, treatment charges, zinc premiums, discount rate and foreign exchange rates. Note 8(c) outlines the significant inputs used when performing goodwill and other asset impairment testing. These inputs are based on management's best estimates of what an independent market participant would consider appropriate. Changes in these inputs may alter the results of impairment testing, the amount of the impairment charges or reversals recorded in the statement of income (loss) and the resulting carrying values of assets.

Estimated Recoverable Reserves and Resources

Mineral and oil reserve and resource estimates are based on various assumptions relating to operating matters as set forth in National Instrument 43-101, *Standards of Disclosure for Mineral Projects* and National Instrument 51-101, *Standards of Disclosure for Oil and Gas Activities*. Assumptions used include production costs, mining and processing recoveries, cut-off grades, sales volumes, long-term commodity prices, exchange rates, inflation rates, tax and royalty rates and capital costs. Cost estimates are based on prefeasibility or feasibility study estimates or operating history. Estimates are prepared by or under the supervision of appropriately qualified persons, or qualified reserves evaluators, but will be affected by forecasted commodity prices, inflation rates, exchange rates, capital and production costs and recoveries, among other factors. Estimated recoverable reserves and resources are used in performing impairment testing, to determine the depreciation of property, plant and equipment at operating mine sites, in accounting for capitalized production stripping costs and also in forecasting the timing of settlement of decommissioning and restoration costs. Changes in reserve and resource estimates are most significant to estimating the recoverable amount in impairment tests.

Decommissioning and Restoration Provisions

Decommissioning and restoration provisions (DRPs) are based on future cost estimates using information available at the balance sheet date that are developed by management's experts (Note 24(a)). DRPs represent the present value of estimated costs of future decommissioning and other site restoration activities, including costs associated with the management of water and water quality in and around each closed site. DRPs are adjusted at each reporting period for changes to factors such as the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the credit-adjusted discount rate. DRPs require significant estimates and assumptions, including the requirements of the relevant legal and regulatory framework and the timing, extent and costs of required decommissioning and restoration activities. Our estimates of the costs associated with the management of water and water quality in and around each closed site include assumptions with respect to the volume and location of water to be treated, the methods used to treat the water and the related water treatment costs. To the extent the actual costs differ from these estimates, adjustments will be recorded and the statement of income (loss) may be affected.

Provision for Income Taxes

We calculate current and deferred tax provisions for each of the jurisdictions in which we operate. Actual amounts of income tax expense are not final until tax returns are filed and accepted by the relevant authorities. This occurs subsequent to the issuance of our financial statements and the final determination of actual amounts may not be completed for a number of years. Therefore, profit (loss) in subsequent periods will be affected by the amount that estimates differ from the final tax assessment.

Deferred Tax Assets and Liabilities

Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future production and sales volumes, commodity prices, reserves and resources, operating costs, decommissioning and restoration costs, capital expenditures, dividends and other capital management transactions. These estimates could result in an adjustment to the deferred tax provision and a corresponding adjustment to profit (loss).

5. Assets Held for Sale and Discontinued Operations

a) Fort Hills and Quintette

i) Fort Hills sale transaction

On October 26, 2022, we announced an agreement to sell our 21.3% interest in Fort Hills and associated downstream assets to Suncor Energy Inc. (Suncor). Total Energies E&P Canada Ltd (TEPCA) exercised its right of first refusal to purchase its proportionate share of our Fort Hills interest. The transaction value is consistent with the outlook at the October 2022 announcement date for the Fort Hills business reflected in the then most recent in-depth review of Fort Hills conducted by Suncor and the resulting long-range plan for the project. The disposal group was classified as discontinued operations and assets held for sale beginning in the fourth quarter of 2022.

The transaction closed on February 2, 2023 and we received $ 1.0 billion in cash, subject to customary post-closing adjustments.

ii) Results of discontinued operations of the Fort Hills disposal group

(CAD$ in millions)		2022		2021
Revenue	**$**	**1,597**	$	715
Cost of sales		**(1,291)**		(848)
Gross profit (loss)		**306**		(133)
Asset impairment		**(1,243)**		—
Other operating income		**6**		—
Loss from discontinued operations	**$**	**(931)**	$	(133)
Net finance expense		**(25)**		(25)
Non-operating income		**—**		2
Loss from discontinued operations before taxes		**(956)**		(156)
Recovery of (provision for) income taxes		**184**		(99)
Loss from discontinued operations	**$**	**(772)**	$	(255)

Asset Impairment – Fort Hills

During 2022, we recorded a non-cash, pre-tax asset impairment of $ 1.2 billion (after-tax $961 million) as a result of the sale of our interest in Fort Hills. The aggregate cash proceeds received in the sale was approximately $1.0 billion. As part of the sale, we agreed to make scheduled payments to Suncor over the remaining term of the downstream contract in order to reduce the impact of certain pipeline tolls payable under that downstream contract indirectly assumed by Suncor. We will record a financial liability currently estimated at $264 million related to these downstream contracts on the closing date of February 2, 2023.

In the fourth quarter of 2021, as a result of updated mine plans for Fort Hills, we performed an impairment test on our Fort Hills CGU as at December 31, 2021. Using a long-term WCS heavy oil price of US$48 per barrel, a long-term Canadian to U.S. dollar foreign exchange rate of CAD$1.28 to US$1.00 and an 8% real, post-tax discount rate resulted in a recoverable amount of $ 2.1 billion, which approximated our carrying value as at December 31, 2021. Cash flow projections used in the analysis as at December 31, 2021 were based on a life of mine plan with cash flows covering a period of 37 years.

iii) Quintette sale transaction

On December 19, 2022, we announced an agreement with Conuma Resources Limited to sell all the assets and liabilities of the Quintette steelmaking coal mine in northeastern British Columbia. The disposal group did not meet the definition of discontinued operations. As at December 31, 2022, we have reclassified the assets and liabilities of Quintette as held for sale on the balance sheet. We have assessed the fair value of the Quintette assets and determined that the fair value exceeded the carrying value of the assets and accordingly, no impairment was recorded. The transaction subsequently closed on February 16, 2023.

5. Assets Held for Sale and Discontinued Operations (continued)

iv) Assets and liabilities of the Fort Hills disposal group and the Quintette disposal group held for sale as at December 31, 2022

(CAD$ in millions)	Fort Hills	Quintette	Total
Cash and cash equivalents	$ 34	$ —	$ 34
Inventories	53	—	53
Prepaid and other current assets	49	—	49
Financial and other assets	42	1	43
Property, plant and equipment	1,124	263	1,387
Total assets held for sale	**$ 1,302**	**$ 264**	**$ 1,566**
Trade accounts payable and other liabilities	$ 172	$ 5	$ 177
Current portion of lease liabilities	9	—	9
Current income taxes payable	46	—	46
Lease liabilities	200	—	200
Deferred income tax liabilities	18	50	68
Provisions and other liabilities	110	35	145
Total liabilities associated with assets held for sale	**$ 555**	**$ 90**	**$ 645**

Significant individual lease arrangement related to Fort Hills

Fort Hills entered into a service agreement in 2017 with TC Energy Corp. for the operation of the Northern Courier Pipeline and associated tanks to transport bitumen between Fort Hills and Fort McMurray, Alberta, for a period of 25 years with an option to renew for four additional five-year periods. We have assumed the extensions will be exercised in our determination of the lease liability. As at December 31, 2022, our share of the related lease liability was $191 million (2021 – $195 million). Our share of the total lease payments over the life of the lease is $ 488 million. This agreement has been assigned to Suncor and TEPCA in connection with the sale of our interest in the Fort Hills partnership.

b) Mesaba arrangement

On July 20, 2022 we announced an agreement with PolyMet Mining Corp. to form a 50:50 joint arrangement to advance PolyMet Mining Inc.'s NorthMet Project and Teck's Mesaba mineral deposit. The new joint arrangement will be named NewRange Copper Nickel LLC. As at December 31, 2022, we have reclassified property, plant and equipment and other assets of $ 14 million related to Mesaba to non-current assets held for sale. We have assessed the fair value of the Mesaba assets and determined that the fair value exceeded the carrying value of the assets and accordingly, no impairment was recorded. The transaction subsequently closed on February 15, 2023.

c) San Nicolás arrangement

On September 16, 2022, we announced an agreement with Agnico Eagle Mines Limited to form a 50:50 joint arrangement to advance the San Nicolás copper-zinc development project located in Zacatecas, Mexico. Closing of the transaction will be subject to customary closing conditions, including receipt of all required regulatory approvals. We expect that this transaction will close in the first half of 2023. We have reclassified property, plant and equipment and other assets of $159 million related to San Nicolás to non-current assets held for sale. We have assessed the fair value of the San Nicolás assets and determined that the fair value exceeded the carrying value of the assets and accordingly, no impairment was recorded.

6. Revenue

a) Total Revenue by Major Product Type and Business Unit

The following table shows our revenue disaggregated by major product type and by business unit. Our business units are reported based on the primary products that they produce and are consistent with our reportable segments (Note 29) that have revenue from contracts with customers. A business unit can have revenue from more than one commodity, as it can include an operation that produces more than one product. Intra-segment revenue is accounted for at current market prices as if the sales were made to arm's-length parties and are eliminated on consolidation. Revenue related to Fort Hills is disclosed as part of Note 5, Assets Held for Sale and Discontinued Operations.

(CAD$ in millions)	2022			
	Copper	**Zinc**	**Steelmaking Coal**	**Total**
Copper	**$ 2,925**	**$ —**	**$ —**	**$ 2,925**
Zinc	**331**	**3,101**	**—**	**3,432**
Steelmaking coal	**—**	**—**	**10,409**	**10,409**
Silver	**40**	**341**	**—**	**381**
Lead	**4**	**344**	**—**	**348**
Other	**81**	**395**	**—**	**476**
Intra-segment	**—**	**(655)**	**—**	**(655)**
	$ 3,381	**$ 3,526**	**$ 10,409**	**$ 17,316**

(CAD$ in millions)	2021			
	Copper	**Zinc**	**Steelmaking Coal**	**Total**
Copper	$ 3,066	$ —	$ —	$ 3,066
Zinc	286	2,336	—	2,622
Steelmaking coal	—	—	6,251	6,251
Silver	41	454	—	495
Lead	6	439	—	445
Other	53	345	—	398
Intra-segment	—	(511)	—	(511)
	$ 3,452	**$ 3,063**	**$ 6,251**	**$ 12,766**

6. Revenue (continued)

b) Total Revenue by Region

The following table shows our revenue disaggregated by geographical region. Revenue is attributed to regions based on the destination port or delivery location as designated by the customer.

(CAD$ in millions)		2022		2021
Asia				
China	**$**	**4,804**	$	4,643
Japan		**3,216**		1,437
South Korea		**2,178**		1,354
India		**1,306**		556
Other		**1,169**		894
Americas				
United States		**1,727**		1,404
Canada		**857**		839
Latin America		**192**		116
Europe				
Germany		**428**		731
Finland		**278**		182
Spain		**271**		123
Slovakia		**150**		72
Belgium		**134**		136
Other		**606**		279
	$	**17,316**	$	12,766

7. Expenses by Nature

(CAD$ in millions)	2022	2021
Employment-related costs:		
Wages and salaries	**$ 1,121**	$ 990
Employee benefits and other wage-related costs	**313**	255
Bonus payments	**350**	266
Post-employment benefits and pension costs	**154**	154
	1,938	1,665
Transportation	**1,515**	1,407
Depreciation and amortization	**1,674**	1,487
Raw material purchases	**655**	770
Fuel and energy	**1,103**	777
Operating supplies consumed	**782**	639
Maintenance and repair supplies	**845**	702
Contractors and consultants	**904**	684
Overhead costs	**559**	390
Royalties	**495**	373
Other operating costs	**(32)**	(21)
	10,438	8,873
Adjusted for:		
Capitalized production stripping costs	**(1,042)**	(667)
Change in inventory	**(168)**	(288)
Total cost of sales, general and administration, exploration and research and innovation expenses	**$ 9,228**	$ 7,918

8. Asset and Goodwill Impairment Testing

a) Impairment Reversal and Asset Impairment

As at December 31, 2022, we did not record impairment or impairment reversals relating to continuing operations. The following pre-tax impairment reversal was recorded in profit in 2021:

Impairment Reversal

(CAD$ in millions)	2022	2021
Carmen de Andacollo CGU	**$ —**	$ 215
Total	**$ —**	$ 215

Impairment Testing – 2022

During 2022, we assessed whether there were any indicators of impairment or impairment reversal for our assets and did not identify any matters requiring us to perform an impairment or impairment reversal test, with the exception of the Trail CGU, as outlined below. The results of our assessment of indicators of impairment related to assets held for sale are disclosed in Note 5.

Trail CGU

In the fourth quarter of 2022, as a result of increased costs and operating challenges at the Trail CGU, we performed an impairment test for our Trail CGU. Cash flow projections used in the analysis as at December 31, 2022 were based on an operating plan with cash flows covering a period of 80 years. The recoverable amount of our Trail CGU was approximately equal to the carrying amount of $ 1.2 billion at the date of testing. As a result, any changes in the key assumptions in Note 8(c) below could result in the carrying amount exceeding the recoverable amount.

8. Asset and Goodwill Impairment Testing (continued)

Impairment Reversal – 2021

Carmen de Andacollo CGU

In the fourth quarter of 2021, as a result of higher market expectations for long-term copper prices, we recorded a pre-tax impairment reversal of $215 million (after-tax $150 million) related to our Carmen de Andacollo CGU. The estimated post-tax recoverable amount was significantly higher than the carrying value. The impairment reversal affects the profit of our copper operating segment (Note 29).

b) Annual Goodwill Impairment Testing

The allocation of goodwill to CGUs or groups of CGUs reflects how goodwill is monitored for internal management purposes. Our Quebrada Blanca CGU and steelmaking coal group of CGUs have goodwill allocated to them (Note 17).

We did not identify any goodwill impairment indicators during 2022. We performed our annual goodwill impairment testing at October 31, 2022, calculating the recoverable amount on a FVLCD basis and did not identify any goodwill impairment losses.

Cash flow projections are based on expected mine life. For our steelmaking coal group of CGUs, the cash flows cover periods of 13 to 42 years, with an estimate of in situ value applied to the remaining resources. For Quebrada Blanca CGU, the cash flow covers the current 27-year expected mine life of the QB2 project and a projected expansion, totalling 40 years, with an estimate of in situ value applied to the remaining resources.

Given the nature of expected future cash flows used to determine the recoverable amount, a material change could occur over time as the cash flows are significantly affected by the key assumptions described below in Note 8(c).

Sensitivity Analysis for Annual Goodwill Impairment Testing

The recoverable amount of our steelmaking coal group of CGUs was approximately equal to the carrying amount at the date of the annual goodwill impairment testing. As a result, any changes in the key assumptions below could result in the carrying amount exceeding the recoverable amount.

The recoverable amount of our Quebrada Blanca CGU exceeded the carrying amount at the date of our annual goodwill impairment testing. There are no reasonably possible changes to any of the key assumptions below that would lead to the carrying amount exceeding the recoverable amount.

c) Key Assumptions

The following are the key assumptions used in our impairment testing calculations for the years ended December 31, 2022 and 2021:

	2022	**2021**
Steelmaking coal prices per tonne	**Long-term real price in 2027 of US$ 185**	Long-term real price in 2026 of US$ 150
Copper prices per pound	**Long-term real price in 2027 of US$ 3.60**	Long-term real price in 2026 of US$ 3.30
Post-tax real discount rates - Steelmaking Coal group of CGUs	**10.0%**	6.0%
Post-tax real discount rate - QB CGU	**6.5%**	6.0%
Long-term foreign exchange rates	**1 U.S. to 1.30 Canadian dollars**	1 U.S. to 1.28 Canadian dollars

In our impairment assessment of the Trail CGU, we used long-term assumptions of US$ 1.25 per pound for zinc, US$ 277 per pound for treatment charges, US$0.11 per pound for zinc premiums and a post-tax real discount rate of 5.5%.

8. Asset and Goodwill Impairment Testing (continued)

Interrelation of Key Assumptions

The key assumptions used in our determination of recoverable amounts interrelate significantly with each other and with our operating plans. For example, a decrease in long-term commodity prices could result in amendments to the mine plans that would partially offset the effect of lower prices through lower operating and capital costs. It is difficult to determine how all of these factors would interrelate, but in estimating the effect of changes in these assumptions on fair values, we believe that all of these factors need to be considered together. A linear extrapolation of these effects becomes less meaningful as the change in assumption increases.

Price Assumptions

Price assumptions use current prices in the initial year and trend to the long-term prices in the information referenced above. Prices are based on a number of factors, including historical data, analyst estimates and forward curves in the near term and are benchmarked with external sources of information, including information published by our peers and market transactions, where possible, to ensure they are within the range of values used by market participants.

Discount Rates

Discount rates are based on market participant mining and smelting weighted average costs of capital adjusted for risks specific to the operation or asset where appropriate.

Foreign Exchange Rates

Foreign exchange rates are benchmarked with external sources of information based on a range used by market participants.

Reserves and Resources, Mine Production and Smelter Production

Future mineral production is included in projected cash flows based on plant capacities and mineral reserve and resource estimates and related exploration and evaluation work undertaken by appropriately qualified persons.

Future smelter production is included in projected cash flows based on plant capacities.

Operating Costs and Capital Expenditures

Operating costs and capital expenditures are based on life of mine plans, operating plans and internal management forecasts, as applicable. Cost estimates incorporate management experience and expertise, current operating costs, the nature and location of each operation, and the risks associated with each operation. Future capital expenditures are based on management's best estimate of expected future capital requirements, with input from management's experts where appropriate. All committed and anticipated capital expenditures based on future cost estimates have been included in the projected cash flows. Operating cost and capital expenditure assumptions are subject to ongoing optimization and review by management.

Recoverable Amount Basis

In the absence of a relevant market transaction, we estimate the recoverable amount of our CGU or group of CGUs on a FVLCD basis using a discounted cash flow methodology, taking into account assumptions likely to be made by market participants unless it is expected that the value in use methodology would result in a higher recoverable amount. For the asset impairment, impairment reversal and goodwill impairment analyses performed in 2022 and 2021, we have applied the FVLCD basis. These estimates are classified as a Level 3 measurement within the fair value measurement hierarchy (Note 31).

9. Other Operating Income (Expense)

(CAD$ in millions)	2022	2021
Settlement pricing adjustments (Note 30(b))	**$ (371)**	$ 442
Share-based compensation	**(236)**	(125)
Environmental costs and remeasurement of decommissioning and restoration provisions for closed operations	**(128)**	(108)
Care and maintenance costs	**(59)**	(65)
Social responsibility and donations	**(65)**	(27)
Loss on sale of assets	**(13)**	(14)
Commodity derivatives	**35**	(22)
Take-or-pay contract costs	**(86)**	(97)
Other	**(179)**	(64)
	$ (1,102)	$ (80)

10. Finance Income and Finance Expense

(CAD$ in millions)	2022	2021
Finance income		
Investment income	**$ 53**	$ 5
Total finance income	**$ 53**	$ 5
Finance expense		
Debt interest	**$ 365**	$ 298
Interest on advances from SMM/SC	**89**	37
Interest on lease liabilities	**15**	15
Letters of credit and standby fees	**34**	44
Accretion on decommissioning and restoration provisions	**138**	146
Other	**51**	20
	692	560
Less capitalized borrowing costs (Note 16)	**(489)**	(370)
Total finance expense	**$ 203**	$ 190

11. Non-Operating Income (Expense)

(CAD$ in millions)	2022	2021
QB2 variable consideration to IMSA and ENAMI (a)	**$ (188)**	$ (141)
Foreign exchange gains	**15**	37
Loss on debt redemption or purchase (Note 19(a))	**(58)**	—
Other	**(44)**	(3)
	$ (275)	$ (107)

a) QB2 variable consideration to IMSA and ENAMI

During the year ended December 31, 2022, we recorded $5 million (2021 – $97 million) of expense (Note 30(b)) related to a derivative financial liability that arose from our 2018 acquisition of an additional 13.5% interest in QBSA through the purchase of Inversiones Mineras S.A. (IMSA), a private Chilean company. This derivative financial liability is carried at fair value, with changes in fair value being recognized in profit (loss). The purchase price at the date of acquisition included additional amounts that may become payable to the extent that average copper prices exceed US$3.15 per pound in each of the first three years following commencement of commercial production, as defined in the acquisition agreement, up to a cumulative maximum of US$100 million if commencement of commercial production occurs prior to January 21, 2024 or up to a lesser maximum in certain circumstances thereafter. At the date of the acquisition, a nominal value was attributed to the additional payments. As at December 31, 2022, the fair value of this financial liability is $114 million (2021 – $98 million) (Note 24), with estimated future average copper prices expected to exceed the US$3.15 per pound threshold, based on the expected timing of commencement of commercial production.

During the year ended December 31, 2022, we recorded $183 million (2021 – $44 million) of expense related to changes in the carrying value of the financial liability for the preferential dividend stream from QBSA to Empresa Nacional de Minería (ENAMI). As at December 31, 2022, the carrying value of this financial liability, which is measured at amortized cost, is $286 million (2021 – $78 million) (Note 24). This financial liability is most significantly affected by copper prices and the interest rate on the subordinated loans provided by us and SMM/SC to QBSA, which affects the timing of when QBSA repays the loans.

The fair values of the IMSA and ENAMI liabilities are both calculated using a discounted cash flow method based on quoted market prices and are considered Level 2 fair value measurements with significant other observable inputs on the fair value hierarchy (Note 31).

12. Supplemental Cash Flow Information

(CAD$ in millions)	December 31, 2022	December 31, 2021
Cash and cash equivalents		
Cash	**$ 259**	$ 637
Investments with maturities from the date of acquisition of three months or less	**1,624**	790
	$ 1,883	$ 1,427

(CAD$ in millions)	2022	2021
Net change in non-cash working capital items		
Trade and settlement receivables	**$ 478**	$ (670)
Inventories	**(421)**	(412)
Prepaids and other current assets	**(401)**	(105)
Trade accounts payable and other liabilities	**237**	303
	$ (107)	$ (884)

13. Inventories

(CAD$ in millions)	December 31, 2022	December 31, 2021
Supplies	**$ 1,045**	$ 797
Raw materials	**278**	250
Work in process	**857**	741
Finished products	**718**	728
	2,898	2,516
Less non-current portion (Note 14)	**(213)**	(126)
	$ 2,685	$ 2,390

Cost of sales of $8.7 billion (2021 – $7.6 billion) includes $7.7 billion (2021 – $6.7 billion) of production costs that were recognized as part of inventories and subsequently expensed when sold during the year.

Total inventories held at net realizable value amounted to $ 40 million at December 31, 2022 (2021 – $ 45 million). Total inventory write-downs in 2022 were $50 million (2021 – $nil) and were included as part of cost of sales.

Non-current inventories consist of ore stockpiles and other in-process materials that are not expected to be sold within one year.

14. Financial and Other Assets

(CAD$ in millions)	December 31, 2022	December 31, 2021
Non-current receivables and deposits	**$ 163**	$ 322
Marketable equity and debt securities carried at fair value	**364**	178
Pension plans in a net asset position (Note 23(a))	**224**	449
Derivative assets	**56**	63
Non-current portion of inventories (Note 13)	**213**	126
Finite life intangibles	**400**	395
Other	**46**	38
	$ 1,466	$ 1,571

15. Investments in Associates and Joint Ventures

(CAD$ in millions)	NuevaUnión	Other	Total
At January 1, 2021	$ 1,061	$ 6	$ 1,067
Contributions	5	—	5
Changes in foreign exchange rates	(4)	(1)	(5)
Share of loss	(3)	—	(3)
Other	—	(4)	(4)
At December 31, 2021	$ 1,059	$ 1	$ 1,060
Contributions	4	—	4
Changes in foreign exchange rates	73	—	73
Share of income	4	—	4
Disposal of investment in associate	—	(1)	(1)
Other	(1)	—	(1)
At December 31, 2022	**$ 1,139**	**$ —**	**$ 1,139**

16. Property, Plant and Equipment

(CAD$ in millions)	Exploration and Evaluation	Mineral Properties	Land, Buildings, Plant and Equipment	Capitalized Production Stripping Costs	Construction In Progress	Total
At December 31, 2020						
Cost	$ 903	$ 20,758	$ 16,722	$ 6,598	$ 7,919	$ 52,900
Accumulated depreciation	—	(6,223)	(9,145)	(3,954)	—	(19,322)
Net book value	**$ 903**	**$ 14,535**	**$ 7,577**	**$ 2,644**	**$ 7,919**	**$ 33,578**
Year ended December 31, 2021						
Opening net book value	$ 903	$ 14,535	$ 7,577	$ 2,644	$ 7,919	$ 33,578
Additions	45	—	181	740	3,877	4,843
Disposals	—	—	(6)	—	(18)	(24)
Impairment reversal	—	215	—	—	—	215
Depreciation and amortization	—	(373)	(802)	(694)	—	(1,869)
Transfers between classifications	—	(50)	2,162	—	(2,112)	—
Decommissioning and restoration provisions change in estimate	—	250	39	—	—	289
Capitalized borrowing costs	—	115	—	—	255	370
Changes in foreign exchange rates	(4)	(11)	(13)	(2)	10	(20)
Closing net book value	**$ 944**	**$ 14,681**	**$ 9,138**	**$ 2,688**	**$ 9,931**	**$ 37,382**
At December 31, 2021						
Cost	$ 944	$ 21,362	$ 18,716	$ 7,334	$ 9,931	$ 58,287
Accumulated depreciation	—	(6,681)	(9,578)	(4,646)	—	(20,905)
Net book value	**$ 944**	**$ 14,681**	**$ 9,138**	**$ 2,688**	**$ 9,931**	**$ 37,382**
Year ended December 31, 2022						
Opening net book value	$ 944	$ 14,681	$ 9,138	$ 2,688	$ 9,931	$ 37,382
Additions	102	—	389	1,138	4,964	6,593
Disposals	—	—	(25)	—	(5)	(30)
Asset impairment	(37)	(247)	(959)	—	—	(1,243)
Depreciation and amortization	—	(325)	(906)	(630)	—	(1,861)
Transfers between classifications	—	104	1,420	—	(1,524)	—
Decommissioning and restoration provisions change in estimate	—	(743)	(145)	—	—	(888)
Capitalized borrowing costs	—	131	—	—	358	489
Transfers to assets held for sale	(142)	(546)	(735)	—	(129)	(1,552)
Changes in foreign exchange rates	28	235	172	52	718	1,205
Closing net book value	**$ 895**	**$ 13,290**	**$ 8,349**	**$ 3,248**	**$ 14,313**	**$ 40,095**
At December 31, 2022						
Cost	$ 895	$ 20,364	$ 18,567	$ 8,596	$ 14,313	$ 62,735
Accumulated depreciation	—	(7,074)	(10,218)	(5,348)	—	(22,640)
Net book value	**$ 895**	**$ 13,290**	**$ 8,349**	**$ 3,248**	**$ 14,313**	**$ 40,095**

16. Property, Plant and Equipment (continued)

a) Exploration and Evaluation

Significant exploration and evaluation projects in property, plant and equipment include the Galore Creek and Zafranal projects. The San Nicolás and Mesaba projects were reclassified to assets held for sale in 2022 (Notes 5(b) and (c)).

b) Borrowing Costs

Borrowing costs are capitalized at a rate based on our weighted average cost of borrowing or at the rate on the project-specific debt, as applicable. Capitalized borrowing costs are classified with the asset they relate to within mineral properties, land, buildings, plant and equipment, or construction in progress. Our weighted average borrowing rate used for capitalization of borrowing costs in 2022 was 5.7% (2021 – 5.4%).

17. Goodwill

(CAD$ in millions)	Steelmaking Coal Operations	Quebrada Blanca	Total
January 1, 2021	$ 702	$ 391	$ 1,093
Changes in foreign exchange rates	—	(2)	(2)
December 31, 2021	$ 702	$ 389	$ 1,091
Changes in foreign exchange rates	—	27	27
December 31, 2022	**$ 702**	**$ 416**	**$ 1,118**

The results of our annual goodwill impairment analysis and key assumptions used in the analysis are outlined in Notes 8(b) and 8(c).

18. Trade Accounts Payable and Other Liabilities

(CAD$ in millions)	December 31, 2022	December 31, 2021
Trade accounts payable and accruals	**$ 1,897**	$ 1,653
Capital project accruals	**1,152**	546
Payroll-related liabilities	**374**	293
Accrued interest	**100**	100
Commercial and government royalties	**302**	325
Current portion of provisions (Note 24(a))	**361**	210
Settlement payables (Note 31)	**45**	39
Contract liabilities – consignment sales	**19**	30
Other IMSA payable	**68**	—
Other	**49**	59
	$ 4,367	$ 3,255

19. Debt

($ in millions)	December 31, 2022			December 31, 2021		
	Face Value (US$)	**Fair Value (CAD$)**	**Carrying Value (CAD$)**	Face Value (US$)	Fair Value (CAD$)	Carrying Value (CAD$)
4.75% notes due January 2022 (a)	**$ —**	**$ —**	**$ —**	$ 150	$ 190	$ 190
3.75% notes due February 2023 (a)	**108**	**147**	**147**	108	140	137
3.9% notes due July 2030 (a)	**503**	**614**	**673**	550	751	688
6.125% notes due October 2035 (a)	**336**	**452**	**449**	609	1,005	761
6.0% notes due August 2040 (a)	**480**	**631**	**648**	490	795	620
6.25% notes due July 2041 (a)	**396**	**531**	**531**	795	1,349	997
5.2% notes due March 2042 (a)	**395**	**471**	**529**	399	602	500
5.4% notes due February 2043 (a)	**367**	**448**	**492**	377	586	473
	2,585	**3,294**	**3,469**	3,478	5,418	4,366
QB2 project financing facility (b)	**2,500**	**3,419**	**3,322**	2,252	2,929	2,785
Carmen de Andacollo short-term loans (c)	**52**	**71**	**71**	—	—	—
Antamina loan agreements (d)	**225**	**305**	**305**	176	223	223
	$ 5,362	**$ 7,089**	**$ 7,167**	$ 5,906	$ 8,570	$ 7,374
Less current portion of debt	**(454)**	**(616)**	**(616)**	(168)	(213)	(213)
	$ 4,908	**$ 6,473**	**$ 6,551**	$ 5,738	$ 8,357	$ 7,161

The fair values of debt are determined using market values, if available, and discounted cash flows based on our cost of borrowing where market values are not available. The latter are considered Level 2 fair value measurements with significant other observable inputs on the fair value hierarchy (Note 31).

a) Notes Purchased or Redeemed

All of our outstanding notes are redeemable at any time by repaying the greater of the principal amount and the present value of the sum of the remaining scheduled principal and interest amounts discounted at a comparable treasury yield plus a stipulated spread, plus, in each case, accrued interest to, but not including, the date of redemption. In addition, all of our outstanding notes, except for notes due October 2035, are callable at 100% (plus accrued interest to, but not including, the date of redemption) within three to six months of maturity.

On February 1, 2023, we repaid the 3.75% notes due 2023 at maturity for $ 144 million (US$108 million) plus accrued interest.

In 2022, we purchased US$ 93 million aggregate principal amount of our outstanding notes pursuant to an open market purchase. The principal amount of the notes purchased comprised US$47 million of the 3.9% notes due 2030, US$ 24 million of the 6.125% notes due 2035, US$ 8 million of the 6.25% notes due 2041, US$ 4 million of the 5.2% notes due 2042 and US$ 10 million of the 5.4% notes due 2043. The total cost of the purchases, which was funded from cash on hand, including the discounts and accrued interest was $120 million (US$90 million).We recorded a pre-tax gain of $5 million in non-operating income (expense) (Note 11) in connection with these purchases.

In 2022, we also purchased US$ 650 million aggregate principal amount of our outstanding notes pursuant to cash tender offers. The principal amount of the notes purchased comprised US$249 million of the 6.125% notes due 2035, US$ 10 million of the 6.0% notes due 2040, and US$391 million of the 6.25% notes due 2041. The total cost of the purchases, which was funded from cash on hand, including the premiums and accrued interest was $909 million (US$703 million). We recorded a pre-tax expense of $63 million in non-operating income (expense) (Note 11) in connection with these purchases.

In January 2022, we redeemed the 4.75% notes due 2022 at maturity for $ 187 million (US$ 150 million) plus accrued interest.

19. Debt (continued)

b) QB2 Project Financing Facility

As at December 31, 2022, the US$2.5 billion limited recourse QB2 project financing facility was fully drawn. Amounts drawn under the facility bear interest at LIBOR plus applicable margins that vary over time and will be repaid in 17 semi-annual instalments starting the earlier of six months after project completion or June 2023. The facility is guaranteed pre-completion on several basis by Teck and SMM/SC *pro rata* to the respective equity interests in the Series A shares of QBSA. The facility is secured by pledges of Teck's and SMM/SC's interests in QBSA and by security over QBSA's assets, which consist primarily of QB2 project assets.

c) Carmen de Andacollo Short-Term Loans

As at December 31, 2022, we had $ 71 million (US$52 million) of debt outstanding in the form of fixed rate short-term bank loans with maturities of less than one year. The purpose of the loans is to fund short-term working capital requirements at Carmen de Andacollo.

d) Antamina Loan Agreements

On July 12, 2021, Antamina entered into a US$1.0 billion loan agreement which is fully drawn as at December 31, 2022. Our 22.5% share of the principal value of the loan is US$225 million. Amounts outstanding under this facility bear interest at LIBOR plus an applicable margin. The loan is non-recourse to us and the other Antamina owners and matures in 2026.

On December 24, 2021, Antamina entered into a US$80 million short-term loan agreement, which was repaid in January 2022. Our share of the amount drawn was US$18 million.

e) Revolving Credit Facilities

We maintain a US$4.0 billion sustainability-linked revolving credit facility maturing October 2026. The facility has pricing adjustments where the cost will increase, decrease or remain unchanged based on our sustainability performance. Our sustainability performance over the term of the facility is measured by non-financial variables that are specific to our greenhouse gas emissions intensity, the percentage of women in our workforce and our high-potential safety incidents.

As at December 31, 2022, the facility was undrawn. Any amounts drawn under this facility can be repaid at any time and are due in full at maturity. Amounts outstanding under the facility bear interest at Term SOFR plus an applicable margin based on credit ratings and our sustainability performance, as described above. This facility requires our total net debt-to-capitalization ratio, which was 0.19 to 1.0 at December 31, 2022, not exceed 0.60 to 1.0 (Note 32). This facility does not have an earnings or cash flow-based financial covenant, a credit rating trigger or a general material adverse effect borrowing condition.

We maintain uncommitted bilateral credit facilities primarily for the issuance of letters of credit to support our future reclamation obligations. As at December 31, 2022, we had $2.7 billion of letters of credit outstanding.

We also had $849 million in surety bonds outstanding at December 31, 2022 to support current and future reclamation obligations.

19. Debt (continued)

f) Scheduled Principal Payments

At December 31, 2022, scheduled principal payments during the next five years and thereafter are as follows:

($ in millions)	US$	CAD$ Equivalent
2023	$ 454	$ 616
2024	294	398
2025	294	398
2026	519	703
2027	294	398
Thereafter	3,507	4,749
	$ 5,362	$ 7,262

g) Debt Continuity

($ in millions)	US$		CAD$ Equivalent	
	2022	**2021**	**2022**	**2021**
As at January 1	**$ 5,816**	$ 4,913	**$ 7,374**	$ 6,255
Cash flows				
Proceeds from debt	**445**	1,305	**569**	1,639
Redemption, purchase or repayment of debt	**(1,026)**	(124)	**(1,323)**	(155)
Revolving credit facilities	**—**	(262)	**—**	(335)
Non-cash changes				
Loss on debt redemption or purchase	**45**	—	**58**	—
Changes in foreign exchange rates	**—**	—	**474**	(10)
Finance fees, discount amortization and other	**12**	(16)	**15**	(20)
As at December 31	**$ 5,292**	$ 5,816	**$ 7,167**	$ 7,374

20. Leases

a) Right-of-Use Assets

Our significant lease arrangements include contracts for leasing office premises, mining equipment, railcars and road and port facilities. As at December 31, 2022, $584 million (2021 – $704 million) of right-of-use assets are recorded as part of land, buildings, plant and equipment within property, plant and equipment.

(CAD$ in millions)	2022	2021
Opening net book value	**$ 704**	$ 730
Additions	**202**	141
Depreciation	**(142)**	(163)
Changes in foreign exchange rates and other	**39**	(4)
Transfer to assets held for sale	**(219)**	—
Closing net book value	**$ 584**	$ 704

20. Leases (continued)

b) Significant Individual Lease Arrangement

TAK leases road and port facilities from the Alaska Industrial Development and Export Authority, through which it ships all concentrates produced at the Red Dog mine. The lease requires TAK to pay a minimum annual user fee of US$6 million until 2040. As at December 31, 2022, the related lease liability was $91 million (2021 – $87 million).

c) Lease Liability Continuity

(CAD$ in millions)		2022	2021
As at January 1	**$**	**694**	$ 692
Cash flows			
Principal payments		**(149)**	(139)
Interest payments		**(38)**	(35)
Non-cash changes			
Additions		**210**	151
Interest expense		**38**	35
Changes in foreign exchange and other		**25**	(10)
Transfer to liabilities associated with assets held for sale		**(209)**	—
As at December 31	**$**	**571**	$ 694
Less current portion of lease liabilities		**(132)**	(127)
Non-current lease liabilities	**$**	**439**	$ 567

21. QB2 Advances from SMM/SC

In conjunction with the subscription arrangement with SMM/SC, QBSA entered into a subordinated loan facility agreement with SMM/SC to advance QBSA up to US$1.3 billion. The advances are due to be repaid in full at maturity on January 15, 2038. Amounts outstanding under the facility bear interest at LIBOR plus an applicable margin.

In 2022, QBSA entered into a second subordinated loan facility agreement with SMM/SC to advance QBSA up to an additional US$ 750 million, under similar terms to the existing subordinated loan facility.

($ in millions)	December 31, 2022			December 31, 2021		
	Face Value (US$)	**Fair Value (CAD$)**	**Carrying Value (CAD$)**	Face Value (US$)	Fair Value (CAD$)	Carrying Value (CAD$)
QB2 advances from SMM/SC	**$ 1,693**	**$ 2,330**	**$ 2,279**	$ 1,003	$ 1,288	$ 1,263

The fair value of the advances is determined using discounted cash flows based on our cost of borrowing. This is considered a Level 2 fair value measurement with significant observable inputs on the fair value hierarchy (Note 31).

a) QB2 Advances from SMM/SC Carrying Value Continuity

($ in millions)	US$		CAD$ Equivalent	
	2022	**2021**	**2022**	**2021**
As at January 1	**$ 997**	$ 734	**$ 1,263**	$ 934
Cash flows				
Advances	**685**	262	**899**	326
Non-cash changes				
Finance fee amortization	**1**	1	**1**	1
Changes in foreign exchange rates	**—**	—	**116**	2
As at December 31	**$ 1,683**	$ 997	**$ 2,279**	$ 1,263

22. Income Taxes

a) Tax rate reconciliation to the Canadian statutory income tax rate

(CAD$ in millions)		2022		2021
Profit from continuing operations before taxes	**$**	**6,565**	$	4,688
Loss from discontinued operations before taxes		**(956)**		(156)
Profit for the year from continuing and discontinued operations before taxes	**$**	**5,609**	$	4,532
Tax expense at the Canadian statutory income tax rate of 26.53% (2021 – 26.54%)	**$**	**1,488**	$	1,203
Tax effect of:				
Resource taxes		**670**		426
Resource and depletion allowances		**(96)**		(61)
Non-deductible expenses (non-taxable income)		**74**		69
Tax pools not recognized (recognition of previously unrecognized tax pools)		**5**		(56)
Difference in tax rates in foreign jurisdictions		**76**		75
Revisions to prior year estimates		**15**		(14)
Non-controlling interests		**(21)**		(15)
Effect from sale of Fort Hills		**83**		—
Other		**17**		(10)
Total income taxes from continuing and discontinued operations	**$**	**2,311**	$	1,617
Represented by:				
Current income taxes		**1,413**		978
Deferred income taxes		**898**		639
Total income taxes from continuing and discontinued operations	**$**	**2,311**	$	1,617
Provision for income taxes from continuing operations		**2,495**		1,518
Provision for (recovery of) income taxes from discontinued operations		**(184)**		99
Total income taxes from continuing and discontinued operations	**$**	**2,311**	$	1,617

Current income taxes are accrued and paid in all jurisdictions in which we operate.

22. Income Taxes (continued)

b) Continuity of deferred tax assets and liabilities

(CAD$ in millions)	January 1, 2022	Through Profit (Loss)	Through OCI	Transfer	December 31, 2022
Net operating loss and capital loss carryforwards	$ 141	$ (98)	$ 5	$ —	$ 48
Property, plant and equipment	(180)	15	—	—	(165)
Decommissioning and restoration provisions	190	(35)	—	—	155
Other timing differences (TDs)	10	51	(24)	—	37
Deferred income tax assets	**$ 161**	**$ (67)**	**$ (19)**	**$ —**	**$ 75**
Net operating loss and capital loss carryforwards	$ (532)	$ 93	$ (19)	$ —	$ (458)
Property, plant and equipment	7,546	(333)	89	(68)	7,234
Decommissioning and restoration provisions	(1,050)	261	(14)	—	(803)
Unrealized foreign exchange	(85)	3	(9)	—	(91)
Withholding taxes	100	27	6	—	133
Inventories	156	(9)	1	—	148
Partnership income deferral and other TDs	(162)	789	(12)	—	615
Deferred income tax liabilities	**$ 5,973**	**$ 831**	**$ 42**	**$ (68)**	**$ 6,778**

The transfer column refers to deferred tax assets and deferred tax liabilities related to assets held for sale (Note 5).

(CAD$ in millions)	January 1, 2021	Through Profit (Loss)	Through OCI	December 31, 2021
Net operating loss and capital loss carryforwards	$ 247	$ (106)	$ —	$ 141
Property, plant and equipment	(168)	(12)	—	(180)
Decommissioning and restoration provisions	158	32	—	190
Other temporary differences	34	(19)	(5)	10
Deferred income tax assets	**$ 271**	**$ (105)**	**$ (5)**	**$ 161**
Net operating loss and capital loss carryforwards	$ (1,038)	$ 503	$ 3	$ (532)
Property, plant and equipment	7,369	176	1	7,546
Decommissioning and restoration provisions	(962)	(86)	(2)	(1,050)
Unrealized foreign exchange	(88)	1	2	(85)
Withholding taxes	95	6	(1)	100
Inventories	110	47	(1)	156
Other temporary differences	(103)	(113)	54	(162)
Deferred income tax liabilities	**$ 5,383**	**$ 534**	**$ 56**	**$ 5,973**

22. Income Taxes (continued)

c) Deferred Tax Assets and Liabilities Not Recognized

We have not recognized $299 million (2021 – $293 million) of deferred tax assets associated with unused tax credits and tax pools in entities and jurisdictions that do not have established sources of taxable income.

Deferred tax liabilities of approximately $858 million (2021 – $803 million) have not been recognized on the unremitted foreign earnings associated with investments in subsidiaries and interests in joint arrangements where we control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

d) Loss Carryforwards

At December 31, 2022, we had $166 million Canadian net operating loss carryforwards (2021 – $1.16 billion) and $1.22 billion (2021 – $972 million) of Chilean net operating losses, which have an indefinite carryforward period. The deferred tax benefit of these pools has been recognized.

e) Scope of Antamina's Peruvian Tax Stability Agreement

The Peruvian tax authority, La Superintendencia Nacional de Aduanas y de Administración Tributaria (SUNAT), issued income tax assessments for the 2013 to 2016 taxation years to Antamina (our joint operation in which we own a 22.5% share), denying accelerated depreciation claimed by Antamina in respect of a mill expansion and other assets, on the basis that the expansion was not covered by Antamina's tax stability agreement. Antamina objected to the assessments, but lost its administrative appeal with SUNAT. In 2022, the Peruvian Tax Court issued its ruling in favour of SUNAT on this matter for the 2013 taxation year and rejected Antamina's request for a full waiver of the associated penalties and interest for that year.

Antamina is continuing to pursue the matter in the Peruvian Judiciary Courts. The denial of accelerated depreciation claimed is a timing issue in our tax provision, which we have already recorded in a prior year. In light of the recent Peruvian Tax Court ruling, we have expensed our share of previously paid interest and penalties for the 2013 to 2016 years as reflected in finance expense and other non-operating expense.

23. Retirement Benefit Plans

We have defined contribution pension plans for certain groups of employees. Our share of contributions to these plans is expensed in the year earned by employees.

We have multiple defined benefit pension plans registered in various jurisdictions that provide benefits based principally on employees' years of service and average annual remuneration. These plans are only available to certain qualifying employees and some are now closed to additional members. The plans are "flat-benefit" or "final-pay" plans and may provide for inflationary increases in accordance with certain plan provisions. All of our registered defined benefit pension plans are governed and administered in accordance with applicable pension legislation in either Canada or the United States. Actuarial valuations are performed at least every three years to determine minimum annual contribution requirements as prescribed by applicable legislation. For the majority of our plans, current service costs are funded based on a percentage of pensionable earnings or as a flat dollar amount per active member depending on the provisions of the pension plans. Actuarial deficits are funded in accordance with minimum funding regulations in each applicable jurisdiction. All of our defined benefit pension plans were actuarially valued within the past three years. While the majority of benefit payments are made from registered held-in-trust funds, there are also several unregistered and unfunded plans where benefit payment obligations are met as they fall due.

We also have several post-retirement benefit plans that provide post-retirement medical, dental and life insurance benefits to certain qualifying employees and surviving spouses. These plans are unfunded and we meet benefit obligations as they come due.

23. Retirement Benefit Plans (continued)

a) Actuarial Valuation of Plans

(CAD$ in millions)	2022		2021	
	Defined Benefit Pension Plans	**Non-Pension Post-Retirement Benefit Plans**	**Defined Benefit Pension Plans**	**Non-Pension Post-Retirement Benefit Plans**
Defined benefit obligation				
Balance at beginning of year	**$ 2,407**	**$ 420**	$ 2,558	$ 445
Current service cost	**63**	**26**	72	14
Past service costs arising from plan improvements	**4**	**—**	13	3
Benefits paid	**(140)**	**(16)**	(144)	(14)
Interest expense	**71**	**12**	59	11
Obligation experience adjustments	**12**	**(5)**	4	(13)
Effect from change in financial assumptions	**(595)**	**(98)**	(159)	(24)
Effect from change in demographic assumptions	**2**	**—**	4	3
Changes in foreign exchange rates	**10**	**4**	—	(5)
Balance at end of year	**1,834**	**343**	2,407	420
Fair value of plan assets				
Fair value at beginning of year	**2,858**	**—**	2,812	—
Interest income	**86**	**—**	66	—
Return on plan assets, excluding amounts included in interest income	**(460)**	**—**	102	—
Benefits paid	**(140)**	**(16)**	(144)	(14)
Contributions by the employer	**19**	**16**	22	14
Changes in foreign exchange rates	**8**	**—**	—	—
Fair value at end of year	**2,371**	**—**	2,858	—
Funding surplus (deficit)	**537**	**(343)**	451	(420)
Less effect of the asset ceiling				
Balance at beginning of year	**99**	**—**	72	—
Interest on asset ceiling	**9**	**—**	2	—
Change in asset ceiling	**282**	**—**	25	—
Balance at end of year	**390**	**—**	99	—
Net accrued retirement benefit asset (liability)	**$ 147**	**$ (343)**	$ 352	$ (420)
Represented by:				
Pension assets (Note 14)	**$ 224**	**$ —**	$ 449	$ —
Accrued retirement benefit liability	**(77)**	**(343)**	(97)	(420)
Net accrued retirement benefit asset (liability)	**$ 147**	**$ (343)**	$ 352	$ (420)

A number of the plans have a surplus totalling $ 390 million at December 31, 2022 (2021 – $ 99 million), which is not recognized on the basis that future economic benefits are not available to us in the form of a reduction in future contributions or a cash refund.

23. Retirement Benefit Plans (continued)

We expect to contribute $24 million to our defined benefit pension plans in 2023 based on minimum funding requirements. The weighted average duration of the defined benefit pension obligation is 13 years and the weighted average duration of the non-pension post-retirement benefit obligation is 13 years.

Defined contribution expense for 2022 was $61 million (2021 – $52 million).

b) Significant Assumptions

The discount rate used to determine the defined benefit obligations and the net interest cost was determined by reference to the market yields on high-quality debt instruments at the measurement date with durations similar to the duration of the expected cash flows of the plans.

Weighted average assumptions used to calculate the defined benefit obligation at the end of each year are as follows:

	2022		2021	
	Defined Benefit Pension Plans	**Non-Pension Post-Retirement Benefit Plans**	**Defined Benefit Pension Plans**	**Non-Pension Post-Retirement Benefit Plans**
Discount rate	**5.05 %**	**5.06 %**	2.88 %	2.96 %
Rate of increase in future compensation	**3.25 %**	**3.25 %**	3.25 %	3.25 %
Medical trend rate	**—**	**5.00 %**	—	5.00 %

c) Sensitivity of the Defined Benefit Obligation to Changes in the Weighted Average Assumptions

	2022		
		Effect on Defined Benefit Obligation	
	Change in Assumption	Increase in Assumption	Decrease in Assumption
Discount rate	**1.0 %**	**Decrease by 10%**	**Increase by 12%**
Rate of increase in future compensation	**1.0 %**	**Increase by 1%**	**Decrease by 1%**
Medical cost claim trend rate	**1.0 %**	**Increase by 1%**	**Decrease by 1%**

	2021		
		Effect on Defined Benefit Obligation	
	Change in Assumption	Increase in Assumption	Decrease in Assumption
Discount rate	1.0 %	Decrease by 13%	Increase by 15%
Rate of increase in future compensation	1.0 %	Increase by 1%	Decrease by 1%
Medical cost claim trend rate	1.0 %	Increase by 1%	Decrease by 1%

The above sensitivity analyses are based on a change in each actuarial assumption while holding all other assumptions constant. The sensitivity analyses on our defined benefit obligation are calculated using the same methods as those used for calculating the defined benefit obligation recognized on our balance sheet. The methods and types of assumptions used in preparing the sensitivity analyses did not change from the prior period.

23. Retirement Benefit Plans (continued)

d) Mortality Assumptions

Assumptions regarding future mortality are set based on management's best estimate in accordance with published mortality tables and expected experience. These assumptions translate into the following average life expectancies for an employee retiring at age 65:

	2022		2021	
	Male	**Female**	**Male**	**Female**
Retiring at the end of the reporting period	**85.3 years**	**87.7 years**	85.3 years	87.7 years
Retiring 20 years after the end of the reporting period	**86.3 years**	**88.6 years**	86.4 years	88.7 years

e) Significant Risks

The defined benefit pension plans and post-retirement benefit plans expose us to a number of risks, the most significant of which include asset volatility risk, changes in bond yields and any changes in life expectancy.

Asset volatility risk

The discount rate used to determine the defined benefit obligations is based on AA-rated corporate bond yields. If our plan assets underperform this yield, the deficit will increase. Our strategic asset allocation includes a significant proportion of equities that increases volatility in the value of our assets, particularly in the short term. We expect equities to outperform corporate bonds in the long-term.

Changes in bond yields

A decrease in bond yields increases plan liabilities, which are partially offset by an increase in the value of the plans' bond holdings.

Life expectancy

The majority of the plans' obligations are to provide benefits for the life of the member. Increases in life expectancy will result in an increase in the plans' liabilities.

f) Investment of Plan Assets

The assets of our defined benefit pension plans are managed by external asset managers under the oversight of the Teck Resources Limited Executive Pension Committee.

Our pension plan investment strategies support the objectives of each defined benefit plan and are related to each plan's demographics and timing of expected benefit payments to plan members. The objective for the plan asset portfolios is to achieve annualized portfolio returns over five-year periods in excess of the annualized percentage change in the Consumer Price Index plus a certain premium.

Strategic asset allocation policies have been developed for each defined benefit plan to achieve this objective. The policies also reflect an asset/liability matching framework that seeks to reduce the effect of interest rate changes on each plan's funded status by matching the duration of the bond investments with the duration of the pension liabilities. We do not use derivatives to manage interest rate risk. Asset allocation is monitored at least quarterly and rebalanced if the allocation to any asset class exceeds its allowable allocation range. Portfolio and investment manager performance is monitored quarterly and the investment guidelines for each plan are reviewed at least annually.

23. Retirement Benefit Plans (continued)

The defined benefit pension plan assets at December 31, 2022 and 2021 are as follows:

(CAD$ in millions)	2022			2021		
	Quoted	**Unquoted**	**Total %**	Quoted	Unquoted	Total %
Equity securities	**$ 775**	**$ —**	**33 %**	$ 1,069	$ —	37 %
Debt securities	**$ 1,099**	**$ —**	**46 %**	$ 1,389	$ —	49 %
Real estate and other	**$ 52**	**$ 445**	**21 %**	$ 71	$ 329	14 %

24. Provisions and Other Liabilities

(CAD$ in millions)	December 31, 2022	December 31, 2021
Decommissioning and restoration provisions and other provisions (a)	**$ 2,805**	$ 3,813
Obligation to Neptune Bulk Terminals (b)	**189**	170
Derivative liabilities (net of current portion of $ 10 (2021 – $9))	**26**	51
ENAMI preferential dividend liability (Note 11(a))	**286**	78
QB2 variable consideration to IMSA (Note 11(a))	**114**	98
Other IMSA payable (net of current portion of $ 68 (2021 – $nil))	**—**	61
Other liabilities	**97**	83
	$ 3,517	$ 4,354

a) Decommissioning and Restoration Provisions and Other Provisions

The following table summarizes the movements in provisions for the year ended December 31, 2022:

(CAD$ in millions)	Decommissioning and Restoration Provisions	Other Provisions	Total
As at January 1, 2022	$ 3,725	$ 298	$ 4,023
Settled during the year	(131)	(34)	(165)
Change in discount rate	(1,493)	—	(1,493)
Change in amount and timing of cash flows	688	63	751
Accretion	143	6	149
Transfer to liabilities associated with assets held for sale	(153)	—	(153)
Changes in foreign exchange rates	41	13	54
As at December 31, 2022	2,820	346	3,166
Less current portion of provisions (Note 18)	(258)	(103)	(361)
Non-current provisions	**$ 2,562**	**$ 243**	**$ 2,805**

During the year ended December 31, 2022, we recorded $ 43 million (2021 – $ 73 million) of additional study and environmental costs arising from legal obligations through other provisions.

24. Provisions and Other Liabilities (continued)

Decommissioning and Restoration Provisions

The decommissioning and restoration provisions represent the present value of estimated costs for required future decommissioning and other site restoration activities. These activities include removal of site structures and infrastructure, recontouring and revegetation of previously mined areas and the management of water and water quality in and around each closed site. The majority of the decommissioning and site restoration expenditures occur near the end of, or after, the life of the related operation.

After the end of the life of certain operations, water quality management costs may extend for periods in excess of 100 years. Our provision for these expenditures was $628 million as at December 31, 2022 (2021 – $1.3 billion), of which $277 million (2021 – $769 million) relates to our steelmaking coal business unit.

For our steelmaking coal operations, the current and future requirements for water quality management are established under a regional permit issued by the provincial government of British Columbia. This permit references the Elk Valley Water Quality Plan (EVWQP). In October 2020, Environment and Climate Change Canada issued a Direction under the *Fisheries Act* (the Direction) requiring us to undertake certain additional measures to address water quality and fish habitat impacts in the upper Fording River and certain tributaries, and stipulating deadlines for implementation of certain measures contemplated by the EVWQP. The Direction does not require construction of any additional water treatment facilities beyond those already contemplated by the EVWQP, but sets out requirements with respect to water management such as diversions, mine planning, fish monitoring and calcite prevention measures, as well as the installation by December 31, 2030, of a 200-hectare geosynthetic cover trial in the Greenhills creek drainage. Certain of the measures in the Direction, including the cover trial, will require incremental spending beyond that already associated with the EVWQP. The estimated costs of the Direction have been included in our decommissioning and restoration provisions as at December 31, 2022 and 2021.

In 2022, the decommissioning and restoration provisions were calculated using nominal discount rates between 6.13% and 8.07% (2021 – 3.86% and 5.35%). We also used an inflation rate of 2.00% (2021 – 2.00%) over the long-term in our cash flow estimates. Total decommissioning and restoration provisions include $736 million (2021 – $721 million) in respect of closed operations.

During the fourth quarter of 2022, our decommissioning and restoration provisions increased by $ 690 million compared to the third quarter of 2022, of which $121 million related to a decrease in the discount rate and $ 569 million related to an increase in reclamation cash flows. The increase in reclamation cash flows primarily related to changes in planned reclamation work and updated cost estimates at our steelmaking coal operations and Red Dog.

b) Obligation to Neptune Bulk Terminals

Through our cost of services agreement with Neptune Bulk Terminals (Canada) Ltd. (Neptune), we owe amounts to Neptune for any loans entered into by Neptune that are specifically related to funding the assets of our steelmaking coal loading and handling operations. The carrying value of this obligation approximates fair value based on prevailing market interest rates in effect at December 31, 2022. This is considered a Level 2 fair value measurement with significant other observable inputs on the fair value hierarchy (Note 31). The current portion of this obligation is recorded as part of trade accounts payable and other liabilities.

25. Equity

a) Authorized Share Capital

Our authorized share capital consists of an unlimited number of Class A common shares without par value, an unlimited number of Class B subordinate voting shares without par value and an unlimited number of preferred shares without par value issuable in series.

Class A common shares carry the right to 100 votes per share. Class B subordinate voting shares carry the right to one vote per share. Each Class A common share is convertible, at the option of the holder, into one Class B subordinate voting share. In all other respects, the Class A common shares and Class B subordinate voting shares rank equally.

25. Equity (continued)

The attributes of the Class B subordinate voting shares contain so-called “coattail provisions”, which provide that, in the event that an offer (an “Exclusionary Offer”) to purchase Class A common shares, which is required to be made to all or substantially all holders thereof, is not made concurrently with an offer to purchase Class B subordinate voting shares on identical terms, then each Class B subordinate voting share will be convertible into one Class A common share at the option of the holder during a certain period, provided that any Class A common shares received upon such conversion are deposited to the Exclusionary Offer. Any Class B subordinate voting shares converted into Class A common shares pursuant to such conversion right will automatically convert back to Class B subordinate voting shares in the event that any such shares are withdrawn from the Exclusionary Offer or are not otherwise ultimately taken up and paid for under the Exclusionary Offer.

The Class B subordinate voting shares will not be convertible in the event that holders of a majority of the Class A common shares (excluding those shares held by the offeror making the Exclusionary Offer) certify to Teck that they will not, among other things, tender their Class A common shares to the Exclusionary Offer.

If an offer to purchase Class A common shares does not, under applicable securities legislation or the requirements of any stock exchange having jurisdiction, constitute a “take-over bid” or is otherwise exempt from any requirement that such offer be made to all or substantially all holders of Class A common shares, the coattail provisions will not apply.

On February 18, 2023, Teck’s Board of Directors approved a proposed six-year sunset for the multiple voting rights attached to the Class A common shares of Teck (the Dual Class Amendment). Teck will seek shareholder approval for the Dual Class Amendment at its annual and special meeting of shareholders, expected to be held on or about April 26, 2023. On the effective date of the Dual Class Amendment, each Teck Class A common share will be exchanged for one new Class A common share and 0.67 of a Class B subordinate voting share. The terms of the new Class A common shares will be identical to the current terms of Class A common shares, but will provide that, on the sixth anniversary of the effective date of the Dual Class Amendment, all new Class A common shares will automatically be exchanged for Class B subordinate voting shares, which will be renamed “common shares”. In addition to Teck shareholder and court approvals, the Dual Class Amendment is subject to customary conditions, including approval of the Toronto Stock Exchange.

b) Class A Common Shares and Class B Subordinate Voting Shares Issued and Outstanding

Shares (in 000’s)	**Class A Common Shares**	**Class B Subordinate Voting Shares**
As at January 1, 2021	7,765	523,381
Shares issued on options exercised (c)	—	3,067
As at December 31, 2021	7,765	526,448
Shares issued on options exercised (c)	—	10,209
Acquired and cancelled pursuant to normal course issuer bid (h)	—	(30,703)
As at December 31, 2022	**7,765**	**505,954**

c) Share Options

The maximum number of Class B subordinate voting shares issuable to full-time employees pursuant to options granted under our current stock option plan is 46 million. As at December 31, 2022, 10,693,150 share options remain available for grant. The exercise price for each option is the closing price for our Class B subordinate voting shares on the last trading day before the date of grant. Our share options are settled through the issuance of Class B subordinate voting shares.

During the year ended December 31, 2022, we granted 1,729,260 share options to employees. These share options have a weighted average exercise price of $45.51, vest in equal amounts over three years and have a term of 10 years.

25. Equity (continued)

The weighted average fair value of share options granted in the year was estimated at $ 17.13 per option (2021 – $10.83) at the grant date based on the Black-Scholes option-pricing model using the following assumptions:

	2022	2021
Weighted average exercise price	**$ 45.51**	$ 29.04
Dividend yield	**1.10 %**	0.69 %
Risk-free interest rate	**1.50 %**	0.75 %
Expected option life	**6.1 years**	6.3 years
Expected volatility	**41 %**	40 %
Forfeiture rate	**1.43 %**	0.78 %

The expected volatility is based on a statistical analysis of historical daily share prices over a period equal to the expected option life.

Outstanding share options are as follows:

	2022		2021	
	Share Options (in 000's)	**Weighted Average Exercise Price**	**Share Options (in 000's)**	**Weighted Average Exercise Price**
Outstanding at beginning of year	**23,680**	**$ 21.12**	25,250	$ 20.61
Granted	**1,729**	**45.51**	2,519	29.04
Exercised	**(10,117)**	**23.16**	(3,189)	16.03
Forfeited	**(216)**	**32.26**	(186)	25.43
Expired	**(19)**	**26.75**	(714)	52.86
Outstanding at end of year	**15,057**	**$ 22.38**	23,680	$ 21.12
Vested and exercisable at end of year	**9,854**	**$ 19.04**	16,543	$ 21.29

The average share price during the year was $45.75 (2021 – $29.25).

Information relating to share options outstanding at December 31, 2022, is as follows:

Outstanding Share Options (in 000's)	**Exercise Price Range**	**Weighted Average Remaining Life of Outstanding Options (months)**
2,382	$5.34 - $13.57	37
3,301	$13.58 - $14.71	86
3,119	$14.72 - $27.29	37
3,828	$27.30 - $29.43	80
2,427	$29.44 - $50.68	94
15,057	**$5.34 - $50.68**	**68**

Total share option compensation expense recognized for the year was $ 26 million (2021 – $28 million).

25. Equity (continued)

d) Deferred Share Units, Restricted Share Units, Performance Share Units and Performance Deferred Share Units

We have issued and outstanding deferred share units (DSUs), restricted share units (RSUs), performance share units (PSUs) and performance deferred share units (PDSUs) (collectively, Units).

As of 2017, DSUs are granted to directors only. RSUs may be granted to both employees and directors. PSUs and PDSUs are granted to certain officers only. DSUs entitle the holder to a cash payment equal to the closing price of one Class B subordinate voting share on the Toronto Stock Exchange on the day prior to redemption. RSUs entitle the holder to a cash payment equal to the weighted average trading price of one Class B subordinate voting share on the Toronto Stock Exchange over 20 consecutive trading days prior to the payout date. PSUs and PDSUs issued in 2017 and later vest in a percentage from 0% to 200% based on both relative total shareholder return as compared to our compensation peer group and a calculation based on the change in EBITDA over the vesting period divided by the change in a weighted commodity price index. Once vested, PSUs and PDSUs entitle the holder to a cash payment equal to the weighted average trading price of one Class B subordinate voting share on the Toronto Stock Exchange over 20 consecutive trading days prior to the payout date. Officers granted PSUs in 2017 and later can elect to receive up to 50% of their Units as PDSUs, which pay out following termination of employment as described below.

PSUs and PDSUs vest on December 20 in the year prior to the third anniversary of the grant date. RSUs vest on various dates depending on the grant date. DSUs granted to directors vest immediately. Units vest on a *pro rata* basis if employees retire or are terminated without cause and unvested units are forfeited if employees resign or are terminated with cause.

DSUs and PDSUs may be redeemed on or before December 15 of the first calendar year commencing after the date on which the participant ceases to be a director or employee. RSUs and PSUs pay out on the vesting date.

Additional Units are issued to Unit holders to reflect dividends paid and other adjustments to Class B subordinate voting shares.

In 2022, we recognized compensation expense of $ 210 million for Units (2021 – $ 97 million). The total liability and intrinsic value for vested Units as at December 31, 2022 was $230 million (2021 – $160 million).

The outstanding Units are summarized in the following table:

(in 000's)	**2022**		**2021**	
	Outstanding	**Vested**	**Outstanding**	**Vested**
DSUs	**2,129**	**2,129**	2,526	2,526
RSUs	**2,203**	**—**	2,707	—
PSUs	**1,072**	**—**	1,622	—
PDSUs	**227**	**177**	185	67
	5,631	**2,306**	7,040	2,593

e) Accumulated Other Comprehensive Income

(CAD$ in millions)		**2022**		**2021**
Accumulated other comprehensive income – beginning of year	**$**	**202**	$	247
Currency translation differences:				
Unrealized gain (loss) on translation of foreign subsidiaries		**822**		(50)
Foreign exchange differences on debt designated as a hedge of our investment in foreign subsidiaries (net of taxes of $ 9 and $(2)) (Note 30(b))		**(56)**		11
		766		(39)
Gain (loss) on marketable equity and debt securities (net of taxes of $(14) and $1)		**93**		(6)
Share of other comprehensive income of associates and joint ventures		**1**		**—**
Remeasurements of retirement benefit plans (net of taxes of $ 13 and $(91))		**(45)**		171
Total other comprehensive income		**815**		126
Less remeasurements of retirement benefit plans recorded in retained earnings		**45**		(171)
Accumulated other comprehensive income – end of year	**$**	**1,062**	$	202

25. Equity (continued)

f) Earnings (Loss) Per Share

The following table reconciles our basic and diluted earnings (loss) per share:

(CAD$ in millions, except per share data)		2022		2021
Net basic and diluted profit from continuing operations	**$**	**4,070**	$	3,170
Net basic and diluted profit (loss) attributable to non-controlling interest		**(19)**		47
Net basic and diluted profit attributable to shareholders of the company from continuing operations		**4,089**		3,123
Net basic and diluted loss attributable to shareholders of the company from discontinued operations		**(772)**		(255)
Total basic and diluted profit attributable to shareholders of the company	**$**	**3,317**	$	2,868
Weighted average shares outstanding (000's)		**526,718**		532,340
Dilutive effect of share options		**9,136**		7,931
Weighted average diluted shares outstanding (000's)		**535,854**		540,271
Earnings per share from continuing operations				
Basic	**$**	**7.77**	$	5.87
Diluted	**$**	**7.63**	$	5.78
Earnings (loss) per share from discontinued operations				
Basic and diluted	**$**	**(1.47)**	$	(0.48)
Basic earnings per share	**$**	**6.30**	$	5.39
Diluted earnings per share	**$**	**6.19**	$	5.31

At December 31, 2022, 1,635,225 (2021 – 7,700,774) potentially dilutive shares were not included in the diluted earnings per share calculation because their effect was anti-dilutive.

For the years ended December 31, 2022 and December 31, 2021, there was a net loss attributable to discontinued operations. Accordingly, all share options would be considered anti-dilutive and have been excluded from the calculation of diluted loss per share. The weighted average shares outstanding and weighted average diluted shares outstanding are therefore the same for discontinued operations.

g) Dividends

Dividends of $0.625 per share, totalling $337 million, were paid on our Class A common and Class B subordinate voting shares in the first quarter of 2022. We declared and paid dividends on our Class A common and Class B subordinate voting shares of $0.125 per share in each of the second, third and fourth quarters of 2022 and $0.05 per share in each quarter of 2021. During the year ended December 31, 2022, we declared and paid a total of $532 million of dividends (2021 – $106 million).

On February 18, 2023, our Board of Directors approved a $ 0.625 per share dividend, including a $0.50 per share supplemental dividend on our Class A common shares and Class B subordinate voting shares, payable on March 31, 2023 to shareholders of record at the close of business on March 15, 2023.

h) Normal Course Issuer Bid

On occasion, we purchase and cancel Class B subordinate voting shares pursuant to normal course issuer bids that allow us to purchase up to a specified maximum number of shares over a one-year period.

In October 2022, we renewed our regulatory approval to conduct a normal course issuer bid, under which we may purchase up to 40 million Class B subordinate voting shares during the period from November 2, 2022 to November 1, 2023. All purchased shares will be cancelled. In 2022, we purchased and cancelled 30,703,473 Class B subordinate voting shares for $ 1.4 billion. There were no purchases or cancellations of Class B subordinate voting shares in 2021.

26. Non-Controlling Interests

Set out below is information about our subsidiaries with non-controlling interests and the non-controlling interest balances included in equity.

(CAD$ in millions)	Principal Place of Business	Percentage of Ownership Interest and Voting Rights Held by Non-Controlling Interest		December 31, 2022	December 31, 2021
Carmen de Andacollo	Region IV, Chile	10	%	**$ 26**	$ 24
Quebrada Blanca (a)	Region I, Chile	40	%	**874**	612
Elkview Mine Limited Partnership	British Columbia, Canada	5	%	**87**	86
Compañía Minera Zafranal S.A.C.	Arequipa Region, Peru	20	%	**51**	46
				$ 1,038	$ 768

a) Quebrada Blanca

The non-controlling interest in QBSA, the entity that owns QB2, consists of SMM/SC, who subscribed for a 30% indirect interest in QBSA in 2019, and ENAMI, a Chilean state-owned agency that holds a 10% preference share interest. ENAMI's interest in QBSA does not require ENAMI to make contributions toward QBSA's capital spending.

The following is the summarized financial information for Quebrada Blanca before intra-group eliminations. Quebrada Blanca has non-controlling interests that are considered material to our consolidated financial statements.

(CAD$ in millions)	December 31, 2022	December 31, 2021
Summarized balance sheet		
Current assets	**$ 442**	$ 166
Current liabilities	**1,946**	731
Current net assets	**(1,504)**	(565)
Non-current assets	**17,197**	11,699
Non-current liabilities	**10,647**	7,328
Non-current net assets	**6,550**	4,371
Net assets	**$ 5,046**	$ 3,806
Accumulated non-controlling interests	**$ 874**	$ 612
Summarized statement of comprehensive income (loss)		
Revenue	**$ 105**	$ 136
Loss for the period	**(257)**	(182)
Other comprehensive income (loss)	**206**	(10)
Total comprehensive loss	**$ (51)**	$ (192)
Loss allocated to non-controlling interests	**$ (95)**	$ (20)
Summarized cash flows		
Cash flows from operating activities	**$ (1,579)**	$ (516)
Cash flows from investing activities	**(3,304)**	(2,597)
Cash flows from financing activities	**4,918**	3,117
Effect of exchange rates on cash and cash equivalents	**7**	2
Net increase in cash and cash equivalents	**$ 42**	$ 6

27. Contingencies

We consider provisions for all of our outstanding and pending legal claims to be adequate. The final outcome with respect to actions outstanding or pending as at December 31, 2022, or with respect to future claims, cannot be predicted with certainty. Significant contingencies not disclosed elsewhere in the notes to our financial statements are as follows:

Upper Columbia River Basin

Teck American Inc. (TAI) continues studies under the 2006 settlement agreement with the U.S. Environmental Protection Agency (EPA) to conduct a remedial investigation on the Upper Columbia River in Washington State.

The Lake Roosevelt litigation involving TML in the Federal District Court for the Eastern District of Washington continues. In December 2012 on the basis of stipulated facts agreed between TML and the plaintiffs, the Court found in favour of the plaintiffs in phase one of the case, issuing a declaratory judgment that TML is liable under the *Comprehensive Environmental Response, Compensation, and Liability Act* (CERCLA) for response costs, the amount of which will be determined in later phases of the case. TML has exhausted its appeal rights in respect of that decision. The case relates to historic discharges of slag and effluent from TML's Trail metallurgical facility to the Upper Columbia River. As a consequence of a ruling of the Ninth Circuit Court of Appeals, alleged damages associated with air emissions from the Trail facility were no longer part of the case under CERCLA. In March 2022, the State of Washington was granted leave to amend its claim to seek alleged damages related to air emissions under the *Model Toxics Control Act* (MTCA), the state law equivalent of CERCLA. In April 2022, TML filed a motion to dismiss the new air-related claims. In the third quarter, the Trial Court denied TML's motion to dismiss those claims and two motions for summary judgment in respect of the CERCLA claims. TML has subsequently filed a motion seeking a ruling that the CERCLA claims are not ripe. Subsequent to year end, following a TML motion for reconsideration, the Trial Court reversed and dismissed the MTCA claims. The State of Washington has filed a further motion challenging parts of this decision and seeking clarification of other parts.

A hearing with respect to natural resource damages and assessment costs is scheduled for 2024.

Until the studies contemplated by the EPA settlement agreement and additional damage assessments are completed, it is not possible to estimate the extent and cost, if any, of any additional remediation or restoration that may be required or to assess the extent of our potential liability for damages. The studies may conclude, on the basis of risk, cost, technical feasibility or other grounds, that no remediation other than some residential soil removal should be undertaken. If other remediation is required and damage to resources found, the cost of that remediation may be material.

Elk Valley Water Quality

In the first quarter of 2021, Teck Coal Limited (TCL) pleaded guilty in relation to two counts charging offences under s.36(3) of the *Fisheries Act* relating to 2012 discharges of selenium and calcite to a mine settling pond and to the upper Fording River from its Fording River and Greenhills steelmaking coal operations in the Elk Valley region of British Columbia. In accordance with a joint sentencing submission by the Crown and TCL, in January 2022, TCL paid a fine of $ 2 million and made a contribution to the Environmental Damages Fund of $ 28 million in respect of each offence for a total of $60 million. The amount of the penalties was recorded as a short-term liability within trade accounts payable and other liabilities on our balance sheet as at December 31, 2021. The Crown will not proceed with charges relating to the same discharges over the period from 2013 to 2019.

Elkview Business Interruption Claim

In the fourth quarter of 2022, we submitted a business interruption insurance claim related to the structural failure of the Elkview plant feed conveyor belt. No amount was recognized in the consolidated financial statements for the insurance claim as of December 31, 2022 as the claims process was in progress. We received an advance payment of insurance proceeds of approximately $50 million in the first quarter of 2023 and we are in the process of resolving the balance of the claim.

28. Commitments

a) Capital Commitments

As at December 31, 2022, we had contracted for $ 1.2 billion of capital expenditures that have not yet been incurred for the purchase and construction of property, plant and equipment. This amount includes $997 million for QB2, $140 million for our steelmaking coal operations and $88 million for our 22.5% share of Antamina. The amount includes $1.2 billion that is expected to be incurred within one year and $24 million within two to five years.

b) Red Dog Royalty

In accordance with the operating agreement governing the Red Dog mine, TAK pays a royalty to NANA Regional Corporation, Inc. (NANA) on the net proceeds of production. A 25% royalty became payable in the third quarter of 2007 after we had recovered cumulative advance royalties previously paid to NANA. The net proceeds of production royalty rate will increase by 5% every fifth year to a maximum of 50%. The increase to 40% of net proceeds of production occurred in the fourth quarter of 2022. An expense of $ 461 million was recorded in 2022 (2021 – $323 million) in respect of this royalty. The NANA royalty is expected to increase by another 5% to 45% in the fourth quarter of 2027.

c) Antamina Royalty

Our interest in the Antamina mine is subject to a net profits royalty equivalent to 7.4% of our share of the mine's free cash flow. An expense of $34 million was recorded in 2022 (2021 – $50 million) in respect of this royalty.

d) Purchase Commitments

We have a number of forward purchase commitments for the purchase of concentrates and other process inputs and for shipping and distribution of products, which are incurred in the normal course of business. The majority of these contracts are subject to *force majeure* provisions.

We have contractual arrangements for the purchase of power for the expansion and operation of Quebrada Blanca. These contracts are effective from a range of dates occurring between 2016 and 2025. These agreements supply power until 2042 and require payments of approximately US$234 million per year.

In 2020, we entered into a 14-year contractual arrangement to purchase power for Carmen de Andacollo. This arrangement requires payments of approximately US$42 million per year.

In 2018, we entered into a 20-year contractual arrangement to purchase power for our Trail Operations, with an option to extend for a further 10 years. This arrangement requires payments of approximately $75 million per year, escalating at 2% per year.

29. Segmented Information

Based on the primary products we produce and our development projects, we have four reportable segments that we report to our Chief Executive Officer – copper, zinc, steelmaking coal and corporate. The corporate segment includes all of our initiatives in other commodities, our corporate growth activities and groups that provide administrative, technical, financial and other support to all of our business units. Other operating income (expenses) include general and administration, exploration, research and innovation and other operating income (expense). Sales between segments are carried out on terms that arm's-length parties would use. Total assets do not include intra-group receivables between segments. Deferred tax assets have been allocated among segments.

As a result of our announcement in 2022 to sell our 21.3% interest in Fort Hills and associated downstream assets, we have changed the composition of our reportable segments. Accordingly, the energy segment is no longer presented below, with information disclosed in Note 5, Assets Held for Sale and Discontinued Operations. We have also re-presented the previously reported segment information for the year ended December 31, 2021.

	December 31, 2022				
(CAD$ in millions)	Copper	Zinc	Steelmaking Coal	Corporate	Total
Segment revenue	$ 3,381	$ 4,181	$ 10,409	$ —	$ 17,971
Less intra-segment revenue	—	(655)	—	—	(655)
Revenue (Note 6(a))	3,381	3,526	10,409	—	17,316
Cost of sales	(1,982)	(2,755)	(4,008)	—	(8,745)
Gross profit	1,399	771	6,401	—	8,571
Other operating expense	(367)	(55)	(398)	(765)	(1,585)
Profit (loss) from operations	1,032	716	6,003	(765)	6,986
Net finance income (expense)	(248)	(38)	(86)	222	(150)
Non-operating income (expense)	(185)	9	35	(134)	(275)
Share of profit of associates and joint ventures	4	—	—	—	4
Profit (loss) before taxes from continuing operations	603	687	5,952	(677)	6,565
Capital expenditures from continuing operations	3,910	370	1,167	18	5,465
Goodwill (Note 17)	416	—	702	—	1,118
Total assets from continuing operations	$ 23,801	$ 4,523	$ 18,070	$ 4,663	$ 51,057
Total assets from discontinued operations - Unallocated	—	—	—	—	1,302
Total assets	$ 23,801	$ 4,523	$ 18,070	$ 4,663	$ 52,359

29. Segmented Information (continued)

	December 31, 2021				
(CAD$ in millions)	Copper	Zinc	Steelmaking Coal	Corporate	Total
Segment revenue	$ 3,452	$ 3,574	$ 6,251	$ —	$ 13,277
Less intra-segment revenue	—	(511)	—	—	(511)
Revenue (Note 6(a))	3,452	3,063	6,251	—	12,766
Cost of sales	(1,711)	(2,375)	(3,466)	—	(7,552)
Gross profit	1,741	688	2,785	—	5,214
Impairment reversal (Note 8(a))	215	—	—	—	215
Other operating income (expense)	(14)	(41)	153	(544)	(446)
Profit (loss) from operations	1,942	647	2,938	(544)	4,983
Net finance income (expense)	(116)	(47)	(91)	69	(185)
Non-operating income (expense)	(137)	4	—	26	(107)
Share of loss of associates and joint ventures	(3)	—	—	—	(3)
Profit (loss) before taxes from continuing operations	1,686	604	2,847	(449)	4,688
Capital expenditures from continuing operations	3,074	259	1,284	16	4,633
Goodwill (Note 17)	389	—	702	—	1,091
Total assets	$ 18,077	$ 4,401	$ 18,390	$ 6,500	$ 47,368

The geographical distribution of our non-current assets from continuing operations in 2022, and for all our non-current assets in 2021, other than financial instruments, deferred tax assets and post-employment benefit assets, is as follows:

(CAD$ in millions)	December 31, 2022	December 31, 2021
Canada	**$ 20,104**	$ 22,949
Chile	**19,206**	13,771
United States	**1,787**	1,788
Peru	**1,845**	1,597
Other	**34**	162
	$ 42,976	$ 40,267

30. Financial Instruments and Financial Risk Management

a) Financial Risk Management

Our activities expose us to a variety of financial risks, which include foreign exchange risk, liquidity risk, interest rate risk, commodity price risk, credit risk and other risks associated with capital markets. From time to time, we may use foreign exchange, commodity price and interest rate contracts to manage exposure to fluctuations in these variables. Our use of derivatives is based on established practices and parameters to mitigate risk and is subject to the oversight of our Financial Risk Management Committee and our Board of Directors.

Foreign Exchange Risk

We operate on an international basis, and therefore, foreign exchange risk exposures arise from transactions denominated in a currency other than the functional currency of the entity. Our foreign exchange risk arises primarily with respect to the U.S. dollar, Chilean peso and Peruvian sol. Our cash flows from Canadian, Chilean and Peruvian operations are exposed to foreign exchange risk, as commodity sales are denominated in U.S. dollars and a substantial portion of operating expenses is denominated in local currencies.

We also have various investments in U.S. dollar functional currency subsidiaries, whose net assets are exposed to foreign currency translation risk. This currency exposure is managed in part through our U.S. dollar denominated debt as a hedge against these net investments.

U.S. dollar financial instruments subject to foreign exchange risk consist of U.S. dollar denominated items held in Canada and are summarized below.

(US$ in millions)		December 31, 2022		December 31, 2021
Cash and cash equivalents	**$**	**634**	$	664
Trade and settlement receivables		**629**		1,042
Trade accounts payable and other liabilities		**(570)**		(703)
Debt (Note 19)		**(2,585)**		(3,478)
Reduced by: Debt designated as a hedging instrument in our net investment hedge		**1,686**		2,697
Net U.S. dollar exposure	**$**	**(206)**	$	222

As at December 31, 2022, with other variables unchanged, a $ 0.10 strengthening of the Canadian dollar against the U.S. dollar would result in a $26 million pre-tax gain (2021 – $17 million pre-tax loss) from our financial instruments. There would also be a $ 946 million pre-tax loss (2021 – $582 million) in other comprehensive income from the translation of our foreign operations. The inverse effect would result if the Canadian dollar weakened by $0.10 against the U.S. dollar.

30. Financial Instruments and Financial Risk Management (continued)

Liquidity Risk

Liquidity risk arises from our general and capital funding requirements. We have planning, budgeting and forecasting processes to help determine our funding requirements to meet various contractual and other obligations. Note 19(e) details our available credit facilities as at December 31, 2022.

Contractual undiscounted cash flow requirements for financial liabilities as at December 31, 2022 are as follows:

(CAD$ in millions)	Less Than 1 Year	2–3 Years	4–5 Years	More Than 5 Years	Total
Trade accounts payable and other liabilities	$ 3,906	$ —	$ —	$ —	**$ 3,906**
Debt (Note 19(f))	616	796	1,101	4,749	**7,262**
Lease liabilities	138	164	114	329	**745**
Obligation to Neptune Bulk Terminals	—	28	28	133	**189**
ENAMI preferential dividend liability	—	—	261	107	**368**
QB2 advances from SMM/SC	—	—	—	2,293	**2,293**
QB2 variable consideration to IMSA	—	135	—	—	**135**
Other liabilities	—	87	31	12	**130**
Estimated interest payments on debt	417	729	590	2,145	**3,881**
Estimated interest payments on QB2 advances from SMM/SC	—	—	—	1,019	**1,019**
Estimated interest payments on lease and other liabilities	16	22	17	43	**98**

During the year ended December 31, 2021, we entered into a receivable factoring facility for metal concentrate sales, where from time to time we are able to factor specified invoices. The counterparty to these arrangements has discretion to determine the amount of invoices it factors under the arrangements. The derecognition criteria is met for these receivables upon execution of the transaction. There were no factoring receivable facilities entered into during the year ended December 31, 2022.

Interest Rate Risk

Our interest rate risk arises in respect of our holdings of cash, cash equivalents and floating rate debt. Our interest rate management policy is to borrow at both fixed and floating rates to offset financial risks.

Cash and cash equivalents have short terms to maturity and receive interest based on market interest rates.

A 1% increase in the short-term interest rate at the beginning of the year, with other variables unchanged, would have resulted in a $ 21 million pre-tax increase in our profit (2021 – $1 million pre-tax decrease). There would be no effect on other comprehensive income.

Commodity Price Risk

We are subject to price risk from fluctuations in market prices of the commodities that we produce. From time to time, we may use commodity price contracts to manage our exposure to fluctuations in commodity prices. At the balance sheet date, we had zinc and lead derivative contracts outstanding as described in (b) below.

Our commodity price risk associated with financial instruments primarily relates to changes in fair value caused by final settlement pricing adjustments to receivables and payables, derivative contracts for zinc and lead and embedded derivatives in our TAK road and port contract, in the ongoing payments under our silver stream and gold stream arrangements and in the QB2 variable consideration to IMSA.

30. Financial Instruments and Financial Risk Management (continued)

The following represents the effect on profit attributable to shareholders from a 10% change in commodity prices, based on outstanding receivables and payables subject to final pricing adjustments at December 31, 2022 and December 31, 2021. There is no effect on other comprehensive income.

	Price on December 31,		Change in Profit Attributable to Shareholders	
(CAD$ in millions)	**2022**	**2021**	**2022**	**2021**
Copper	**US$3.80/lb.**	US$4.42/lb.	**$ 52**	$ 53
Zinc	**US$1.35/lb.**	US$1.62/lb.	**$ 9**	$ 7
Steelmaking coal	**US$257/tonne**	—	**$ 9**	$ —

A 10% change in the price of copper, zinc, lead, silver and gold, respectively, with other variables unchanged, would change our net asset relating to derivatives and embedded derivatives, excluding receivables and payables subject to final pricing adjustments and would change our pre-tax profit attributable to shareholders by $35 million (2021 – $23 million). There would be no effect on other comprehensive income.

Credit Risk

Credit risk arises from cash, cash equivalents, derivative contracts, debt securities and trade receivables. While we are exposed to credit losses due to the non-performance of our counterparties, there are no significant concentrations of credit risk and we do not consider this to be a material risk.

Our primary counterparties related to our cash, cash equivalents, derivative contracts and debt securities carry investment grade ratings as assessed by external rating agencies, which are monitored on an ongoing basis. All of our commercial customers are assessed for credit quality at least once a year or more frequently if business- or customer-specific conditions change based on an extensive credit rating scorecard developed internally using key credit metrics and measurements that were adapted from S&P's and Moody's rating methodologies. Sales to customers that do not meet the credit quality criteria are secured either by a parental guarantee, a letter of credit or prepayment.

For our trade receivables, we apply the simplified approach for determining expected credit losses, which requires us to determine the lifetime expected losses for all our trade receivables. The expected lifetime credit loss provision for our trade receivables is based on historical counterparty default rates and adjusted for relevant forward-looking information, as required. Since the majority of our customers are considered to have low default risk and our historical default rate and frequency of losses are low, the lifetime expected credit loss allowance for trade receivables is nominal as at December 31, 2022.

Our investments in debt securities carried at fair value through other comprehensive income (loss) are considered to have low credit risk, as our counterparties have investment grade credit ratings. The credit risk of our investments in debt securities has not increased significantly since initial recognition of these investments and accordingly, the loss allowance for investments in debt securities is determined based on the 12-month expected credit losses. The 12-month expected credit loss allowance is based on historical and forward-looking default rates for investment grade entities, which are low and, accordingly, the 12-month expected credit loss allowance for our investments in debt securities is nominal as at December 31, 2022.

b) Derivative Financial Instruments and Hedges

Sale and Purchase Contracts

We record adjustments to our settlement receivables and payables for provisionally priced sales and purchases, respectively, in periods up to the date of final pricing based on movements in quoted market prices or published price assessments for steelmaking coal. These arrangements are based on the market price of the commodity and the value of our settlement receivables and payables will vary, as prices for the underlying commodities vary in the metal markets. These final pricing adjustments result in gains (losses from purchases) in a rising price environment and losses (gains from purchases) in a declining price environment and are recorded in other operating income (expense).

The table below outlines our outstanding settlement receivables and payables, which were provisionally valued at December 31, 2022 and December 31, 2021.

30. Financial Instruments and Financial Risk Management (continued)

	Outstanding at December 31, 2022		Outstanding at December 31, 2021	
	Volume	Price	Volume	Price
Receivable positions				
Copper (pounds in millions)	**168**	**US$3.80/lb.**	156	US$4.42/lb.
Zinc (pounds in millions)	**218**	**US$1.35/lb.**	175	US$1.62/lb.
Lead (pounds in millions)	**17**	**US$1.05/lb.**	53	US$1.06/lb.
Steelmaking coal (tonnes in thousands)	**388**	**US$257/tonne**	—	—
Payable positions				
Zinc payable (pounds in millions)	**75**	**US$1.35/lb.**	63	US$1.62/lb.
Lead payable (pounds in millions)	**18**	**US$1.05/lb.**	10	US$1.06/lb.

At December 31, 2022, total outstanding settlement receivables were $ 1.1 billion (2021 – $1.1 billion) and total outstanding settlement payables were $45 million (2021 – $39 million) (Note 18). These amounts are included in trade and settlement receivables and in trade accounts payable and other liabilities, respectively, on the consolidated balance sheets.

Zinc and Lead Swaps

Due to ice conditions, the port serving our Red Dog mine is normally only able to ship concentrates from July to October each year. As a result, zinc and lead concentrate sales volumes are generally higher in the third and fourth quarters of each year than in the first and second quarters. During 2022 and 2021, we purchased and sold zinc and lead swaps to match our economic exposure to the average zinc and lead prices over our shipping year, which is from July of one year to June of the following year. We do not apply hedge accounting to the zinc or lead swaps.

The fair value of our commodity swaps is calculated using a discounted cash flow method based on forward metal prices. A summary of these derivative contracts and related fair values as at December 31, 2022 is as follows:

Derivatives not designated as hedging instruments	Quantity	Average Price of Purchase Commitments	Average Price of Sale Commitments		Fair Value Asset (CAD$ in millions)
Zinc swaps	181 million lbs.	US$1.34/lb.	US$1.34/lb.	$	4
Lead swaps	75 million lbs.	US$1.01/lb.	US$1.02/lb.		8
				$	12

All free-standing derivative contracts mature in 2023–2024.

Free-standing derivatives not designated as hedging instruments are recorded in prepaids and other current assets in the amount of $ 12 million on our consolidated balance sheet.

30. Financial Instruments and Financial Risk Management (continued)

Derivatives Not Designated as Hedging Instruments and Embedded Derivatives

(CAD$ in millions)	Amount of Gain (Loss) Recognized in Other Operating Income (Expense) and Non-Operating Income (Expense)	
	2022	**2021**
Zinc derivatives	**$ 15**	$ 17
Lead derivatives	**3**	4
Settlement receivables and payables (Note 9)	**(371)**	442
Contingent zinc escalation payment embedded derivative (c)	**27**	(28)
Gold stream embedded derivative (c)	**(8)**	(8)
Silver stream embedded derivative (c)	**(2)**	(7)
QB2 variable consideration to IMSA (Note 11(a))	**(5)**	(97)
	$ (341)	$ 323

Accounting Hedges

Net investment hedge

We manage the foreign currency translation risk of our various investments in U.S. dollar functional currency subsidiaries in part through the designation of our U.S. dollar denominated debt as a hedge against these net investments. We designate the spot element of the U.S. dollar debt as the hedging instrument. As only the spot rate element of the debt is designated in the hedging relationship, no ineffectiveness is expected and no ineffectiveness was recognized in profit for the years ended December 31, 2022 and 2021. The hedged foreign currency risk component is the change in the carrying amount of the net assets of the U.S. dollar functional currency subsidiaries arising from spot U.S. dollar to Canadian dollar exchange rate movements. At December 31, 2022, US$1.7 billion of our debt (2021 – US$2.7 billion) and U.S. dollar investment in foreign operations were designated in a net investment hedging relationship. During the year ended December 31, 2022, $65 million (2021 – $13 million) of foreign exchange translation on our U.S. dollar investment in foreign operations was hedged by an offsetting amount of foreign exchange translation on our U.S. dollar denominated debt. Refer to Note 25(e) for the effect of our net investment hedges on other comprehensive income.

c) Embedded Derivatives

The TAK road and port contract contains a contingent zinc escalation payment that is considered to be an embedded derivative. The fair value of this embedded derivative was $36 million at December 31, 2022 (2021 – $ 60 million), of which $9 million (2021 – $9 million) is included in trade accounts payables and other liabilities and the remaining $27 million (2021 – $51 million) is included in provisions and other liabilities.

The gold stream and silver stream agreements entered into in 2015 each contain an embedded derivative in the ongoing future payments due to us. The gold stream's 15% ongoing payment contains an embedded derivative relating to the gold price. The fair value of this embedded derivative was $37 million at December 31, 2022 (2021 – $43 million), of which $3 million (2021 – $3 million) is included in prepaids and other current assets and the remaining $34 million (2021 – $40 million) is included in financial and other assets. The silver stream's 5% ongoing payment contains an embedded derivative relating to the silver price. The fair value of this embedded derivative was $24 million at December 31, 2022 (2021 – $25 million), of which $2 million (2021 – $2 million) is included in prepaids and other current assets and the remaining $ 22 million (2021 – $23 million) is included in financial and other assets.

31. Fair Value Measurements

Certain of our financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value our financial assets and liabilities are described below:

Level 1 – Quoted Prices in Active Markets for Identical Assets

Level 1 inputs are unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Certain cash equivalents, certain marketable equity securities and certain debt securities are valued using quoted market prices in active markets. Accordingly, these items are included in Level 1 of the fair value hierarchy.

Level 2 – Significant Observable Inputs Other than Quoted Prices

Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Derivative instruments and embedded derivatives are included in Level 2 of the fair value hierarchy, as they are valued using pricing models or discounted cash flow models. These models require a variety of inputs, including, but not limited to, market prices, forward price curves, yield curves and credit spreads. These inputs are obtained from or corroborated with the market. Also included in Level 2 are settlement receivables and settlement payables from provisional pricing on concentrate sales and purchases, certain refined metal sales and steelmaking coal sales because they are valued using quoted market prices derived based on forward curves for the respective commodities and published price assessments for steelmaking coal sales.

Level 3 – Significant Unobservable Inputs

Level 3 inputs are unobservable (supported by little or no market activity).

We include investments in certain debt securities and certain equity securities in non-public companies in Level 3 of the fair value hierarchy because they trade infrequently and have little price transparency.

The fair values of our financial assets and liabilities measured at fair value on a recurring basis at December 31, 2022 and 2021, are summarized in the following table:

(CAD$ in millions)	2022				2021			
	Level 1	Level 2	Level 3	**Total**	Level 1	Level 2	Level 3	Total
Financial assets								
Cash equivalents	$ 1,624	$ —	$ —	**$ 1,624**	$ 790	$ —	$ —	$ 790
Marketable and other equity securities	69	—	150	**219**	41	—	47	88
Debt securities	159	—	—	**159**	104	—	1	105
Settlement receivables	—	1,118	—	**1,118**	—	1,126	—	1,126
Derivative instruments and embedded derivatives	—	74	—	**74**	—	78	—	78
	$ 1,852	$ 1,192	$ 150	**$ 3,194**	$ 935	$ 1,204	$ 48	$ 2,187
Financial liabilities								
Derivative instruments and embedded derivatives	$ —	$ 149	$ —	**$ 149**	$ —	$ 158	$ —	$ 158
Settlement payables	—	45	—	**45**	—	39	—	39
	$ —	$ 194	$ —	**$ 194**	$ —	$ 197	$ —	$ 197

31. Fair Value Measurements (continued)

The discounted cash flow models used to determine the FVLCD of certain non-financial assets, are classified as Level 3 measurements. Refer to Note 5 and Note 8 for information about these fair value measurements.

Unless disclosed elsewhere in our financial statements (Note 19, Note 21 and Note 24(b)), the fair value of the remaining financial assets and financial liabilities approximate their carrying value.

32. Capital Management

The capital we manage is the total of equity and debt on our balance sheet. Our capital management objectives are to maintain access to the capital we require to operate and grow our business while minimizing the cost of such capital and providing for returns to our investors. Our financial policies are to maintain, on average over time, a target debt-to-EBITDA ratio of approximately 2.0x, consistent with an investment grade credit rating. This ratio is expected to vary from its target level from time to time, reflecting commodity price cycles and corporate activity, including the development of major projects. We may also review and amend such policy targets from time to time. We maintain one committed sustainability-linked revolving facility in the amount of US$4.0 billion. As at December 31, 2022, our US$4.0 billion sustainability-linked revolving credit facility was undrawn. It includes a financial covenant that requires us to maintain a net debt-to-capitalization ratio that does not exceed 0.60 to 1.0 (Note 19(e)).

As at December 31, 2022, our debt-to-adjusted EBITDA ratio was 0.8 (2021 – 1.2) and our net debt-to-capitalization ratio was 0.19 to 1.0 (2021 – 0.22 to 1.0). We manage the risk of not meeting our financial targets through the issuance and repayment of debt, our distribution policy, the issuance of equity capital and asset sales, as well as through the ongoing management of operations, investments and capital expenditures.

33. Key Management Compensation

The compensation for key management recognized in total comprehensive income in respect of employee services is summarized in the table below. Key management includes our directors, Chief Executive Officer, President and Chief Operating Officer, and senior vice presidents.

(CAD$ in millions)		2022		2021
Salaries, bonuses, director fees and other short-term benefits	**$**	**23**	$	21
Post-employment benefits		**(7)**		1
Share option compensation expense		**12**		12
Compensation expense related to Units		**54**		48
	$	**82**	$	82

34. Subsequent Event

On February 18, 2023, Teck's Board of Directors approved the reorganization of Teck's business (the Separation) to separate Teck into two independent, publicly-listed companies: Teck Metals Corp. and Elk Valley Resources Ltd. (EVR). The Separation is structured as a spin-off of Teck's steelmaking coal business by way of a distribution of EVR common shares to Teck shareholders. In consideration for the transfer of the specified assets and liabilities of the steelmaking coal business to EVR, EVR will issue preferred shares and grant a royalty (collectively, the "Transition Capital Structure"), as well as issue EVR common shares. Teck Metals will hold 87.5% of the Transition Capital Structure and will distribute all of the EVR common shares held by Teck to its shareholders. Teck has also reached agreements with Nippon Steel Corporation (NSC) and POSCO to exchange their non-controlling interests in the Elkview operations, and specifically with POSCO to exchange their direct interest in the Greenhills operations, for EVR's common shares and a percentage of the Transition Capital Structure. In addition, NSC will invest approximately $1.0 billion to increase its interest in the Transition Capital Structure. As part of the analysis of the Separation, we estimated the fair value of the steelmaking coal group of CGUs expected to result from the transaction. We determined that the estimated fair value of the steelmaking coal group of CGUs exceeded the carrying value at December 31, 2022 and no impairment was identified. Completion of the transaction is subject to a number of customary conditions and if applicable court and shareholder approvals are received, completion of the transaction could occur in the second quarter of 2023.

Exhibit 99.3

Management's Discussion and Analysis

February 21, 2023



Management's Discussion and Analysis

Our business is exploring for, acquiring, developing and producing natural resources. We are organized into business units focused on copper, zinc and steelmaking coal, with increasing focus on the development of an industry-leading portfolio of copper and zinc development projects. These are supported by our corporate offices, which manage our corporate growth initiatives and provide marketing, administrative, technical, health, safety, environment, community, financial and other services.

Through our interests in mining and processing operations in Canada, the United States (U.S.), Chile and Peru, we are an important producer of copper, one of the world's largest producers of mined zinc and the world's second-largest seaborne exporter of steelmaking coal. We also produce lead, silver, molybdenum and various specialty and other metals, chemicals and fertilizers. We actively explore for copper, zinc, nickel and gold.

This Management's Discussion and Analysis of our results of operations is prepared as at February 21, 2023 and should be read in conjunction with our audited annual consolidated financial statements for the year ended December 31, 2022. Unless the context otherwise dictates, a reference to Teck, Teck Resources, the Company, us, we or our refers to Teck Resources Limited and its subsidiaries, including Teck Metals Ltd. and Teck Coal Partnership. All dollar amounts are in Canadian dollars, unless otherwise stated, and are based on our 2022 audited annual consolidated financial statements that are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). In addition, we use certain financial measures, which are identified throughout the Management's Discussion and Analysis in this report, that are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. See "Use of Non-GAAP Financial Measures and Ratios" on page 64 for an explanation of these financial measures and reconciliation to the most directly comparable financial measures under IFRS.

This Management's Discussion and Analysis contains certain forward-looking information and forward-looking statements. You should review the cautionary statement on forward-looking statements under the heading "Cautionary Statement on Forward-Looking Statements" on page 75, which forms part of this Management's Discussion and Analysis, as well as the risk factors discussed in our most recent Annual Information Form.

Additional information about us, including our most recent Annual Information Form, is available on our website at www.teck.com, under Teck's profile at www.sedar.com (SEDAR), and on the EDGAR section of the United States Securities and Exchange Commission (SEC) website at www.sec.gov.

Business Unit Results

The following table shows a summary of our production of our major commodities for the last five years and estimated production for 2023.

Five-Year Production Record and Our Estimated Production in 2023

Principal Products		2018	2019	2020	2021	**2022**	2023 estimate[2]
Copper[1]	thousand tonnes	294	297	276	287	**270**	418
Zinc							
Contained in concentrate[1]	thousand tonnes	705	640	587	607	**650**	665
Refined	thousand tonnes	303	287	305	279	**249**	280
Steelmaking coal	million tonnes	26.2	25.7	21.1	24.6	**21.5**	25.0

Notes:

1. We include 100% of production and sales from our Quebrada Blanca and Carmen de Andacollo mines in our production and sales volumes, even though we do not own 100% of these operations, because we fully consolidate their results in our financial statements. We include 22.5% of production and sales from Antamina, representing our proportionate ownership interest in this operation. Zinc contained in concentrate production includes co-product zinc production from our 22.5% interest in Antamina.
2. Production estimates for 2023 represent the midpoint of our production guidance range. The 2023 copper production guidance includes Quebrada Blanca concentrate production.

Average commodity prices and exchange rates for the past three years, which are key drivers of our profit, are summarized in the following table.

	US$				
	2022	% chg	2021	% chg	2020
Copper (LME cash — $/pound)	**$ 3.99**	-6%	$ 4.23	+51%	$ 2.80
Zinc (LME cash — $/pound)	**1.58**	+16%	1.36	+32%	1.03
Steelmaking coal (realized — $/tonne)	**355**	+70%	209	+85%	113
Exchange rate (Bank of Canada)					
US$1 = CAD$	**1.30**	+4%	1.25	-7%	1.34
CAD$1 = US$	**0.77**	-4%	0.80	+7%	0.75

Our revenue, gross profit and gross profit before depreciation and amortization, by business unit, for the past three years are summarized in the following table.

	Revenue			Gross Profit (Loss)			Gross Profit (Loss) Before Depreciation and Amortization[1]		
($ in millions)	**2022**	2021	2020	**2022**	2021	2020	**2022**	2021	2020
Copper	**$ 3,381**	$ 3,452	$ 2,419	**$ 1,399**	$ 1,741	$ 859	**$ 1,837**	$ 2,126	$ 1,242
Zinc	**3,526**	3,063	2,700	**771**	688	523	**1,044**	918	815
Steelmaking coal	**10,409**	6,251	3,375	**6,401**	2,785	277	**7,364**	3,657	1,009
Energy[2]	**—**	—	454	**—**	—	(326)	**—**	—	(223)
Total	**$ 17,316**	$ 12,766	$ 8,948	**$ 8,571**	$ 5,214	$ 1,333	**$ 10,245**	$ 6,701	$ 2,843

Note:

1. This is a non-GAAP financial measure or ratio. See “Use of Non-GAAP Financial Measures and Ratios” section for further information.
2. Comparative figures for 2021 for the Energy Business Unit have been represented for the classification of Fort Hills as a discontinued operation. 2020 figures have not been represented.

Copper

In 2022, we produced 270,500 tonnes of copper from our Highland Valley Copper Operations in B.C., our 22.5% interest in Antamina in Peru, and our Carmen de Andacollo and Quebrada Blanca operations in Chile.

In 2022, our copper business unit accounted for 20% of our revenue and 16% of our gross profit.

	Revenue			Gross Profit (Loss)			Gross Profit (Loss) Before Depreciation and Amortization[1]		
($ in millions)	**2022**	2021	2020	**2022**	2021	2020	**2022**	2021	2020
Highland Valley Copper	**$ 1,454**	$ 1,440	$ 993	**$ 580**	$ 721	$ 331	**$ 738**	$ 883	$ 476
Antamina	**1,423**	1,383	868	**818**	828	414	**1,021**	992	566
Carmen de Andacollo	**399**	493	442	**2**	153	95	**73**	209	170
Quebrada Blanca	**105**	136	116	**2**	39	19	**8**	42	30
Other	**—**	—	—	**(3)**	—	—	**(3)**	—	—
Total	**$ 3,381**	$ 3,452	$ 2,419	**$ 1,399**	$ 1,741	$ 859	**$ 1,837**	$ 2,126	$ 1,242

Note:
1. This is a non-GAAP financial measure or ratio. See “Use of Non-GAAP Financial Measures and Ratios” section for further information.

	Production[1]			Sales[1]		
(thousand tonnes)	**2022**	2021	2020	**2022**	2021	2020
Highland Valley Copper	**119**	131	119	**127**	124	119
Antamina	**102**	100	86	**101**	99	85
Carmen de Andacollo	**39**	45	58	**39**	45	59
Quebrada Blanca	**10**	11	13	**9**	12	14
Total	**270**	287	276	**276**	280	277

Note:
1. We include 100% of production and sales from our Quebrada Blanca and Carmen de Andacollo mines in our production and sales volumes, even though we do not own 100% of these operations, because we fully consolidate their results in our financial statements. We include 22.5% of production and sales from Antamina, representing our proportionate ownership interest in the operation.

Operations

Highland Valley Copper

Highland Valley Copper Operations is located in south-central B.C. Gross profit was $580 million in 2022, compared with $721 million in 2021 and $331 million in 2020. The decrease from 2021 was primarily the result of lower copper prices and production, and higher operating costs driven by inflationary pressures.

Highland Valley Copper’s 2022 copper production was 119,100 tonnes, compared to 130,800 tonnes in 2021. The decrease in 2022 production was primarily a result of lower copper grades, coupled with a decrease in mill throughput driven by processing harder ore, as expected in the mine plan. This was partially offset by an increase in mill recoveries. Production during the fourth quarter of 2022 was impacted by a temporary pit closure as a result of a localized geotechnical instability event that has since been stabilized. Molybdenum

production was 10% lower in 2022 at 1.0 million pounds compared to 2021, primarily due to lower grades, as expected in the mine plan.

Copper production in 2023 is anticipated to be between 110,000 and 118,000 tonnes, with a relatively even distribution throughout the year. Copper production from 2024 to 2026 is expected to be between 120,000 and 165,000 tonnes per year. Molybdenum production in 2023 is expected to be between 0.8 million and 1.2 million pounds, with production expected to be between 2.0 million and 6.0 million pounds per year from 2024 to 2026.

Antamina

We have a 22.5% share interest in Antamina, a copper-zinc mine in Peru. The other shareholders are BHP (33.75%), Glencore (33.75%) and Mitsubishi Corporation (10%). Our share of gross profit in 2022 was $818 million, compared with $828 million in 2021 and $414 million in 2020. Gross profit in 2022 was similar to 2021, as higher zinc prices partly offset reduced zinc production, lower copper prices and higher operating costs due to significant inflationary increases on consumables such as diesel and explosives in 2022.

On a 100% basis, Antamina's copper production in 2022 was 454,800 tonnes, compared to 445,300 tonnes in 2021. Zinc production was 433,000 tonnes in 2022, a decrease from 462,200 tonnes of production in 2021. Copper production rose and zinc production declined in 2022 primarily due to treating more copper-only ore, per the mine plan. In 2022, 100% molybdenum production was 6.9 million pounds, which was 40% higher than in 2021.

In 2022, Antamina submitted a MEIA (Modification of Environmental Impact Assessment) to Peruvian regulators to extend its mine life from 2028 to 2036. The regulatory review process is progressing as scheduled, with approval anticipated in the second half of 2023.

Pursuant to a long-term streaming agreement made in 2015, Teck delivers an equivalent to 22.5% of payable silver sold by Compañía Minera Antamina S.A. to a subsidiary of Franco-Nevada Corporation (FNC). FNC pays a cash price of 5% of the spot price at the time of each delivery, in addition to an upfront acquisition price previously paid. In 2022, approximately 3.1 million ounces of silver were delivered under the agreement. After 86 million ounces of silver have been delivered under the agreement, the stream will be reduced by one-third. A total of 24.9 million ounces of silver have been delivered under the agreement from the effective date in 2015 to December 31, 2022.

Our 22.5% share of 2023 production at Antamina is expected to be in the range of 90,000 to 97,000 tonnes of copper, 95,000 to 105,000 tonnes of zinc and 2.2 to 2.6 million pounds of molybdenum. Our share of annual copper production is expected to be between 90,000 and 100,000 tonnes from 2024 to 2026. Our share of zinc production is expected to average between 55,000 and 95,000 tonnes per year during 2024 to 2026, with annual production fluctuating due to feed grades and the amount of copper-zinc ore available to process. Our share of annual molybdenum production is expected to be between 2.0 and 4.0 million pounds between 2024 and 2026.

Carmen de Andacollo

We have a 90% interest in the Carmen de Andacollo mine, which is located in the Coquimbo Region of central Chile. The remaining 10% is owned by Empresa Nacional de Minería (ENAMI), a state-owned Chilean mining company. Gross profit decreased to $2 million in 2022 from $153 million in 2021 and $95 million in 2020. Gross profit decreased in 2022 primarily due to lower copper prices, along with higher unit operating costs driven by high inflation in 2022 on consumables, and lower production and sales volumes as a result of processing lower copper grade material.

Carmen de Andacollo produced 38,600 tonnes of copper contained in concentrate in 2022, compared to 43,500 tonnes in 2021, driven by lower copper grades due to weather events that decreased access to fresh ore feed, resulting in the processing of stockpiled ore with a lower copper grade. Copper cathode production was 900 tonnes in 2022 compared with 1,300 tonnes in 2021. Gold production of 25,900 ounces in 2022 was lower than the 35,800 ounces produced in 2021, with 100% of the gold produced for the account of RGLD Gold AG, a wholly owned subsidiary of Royal Gold, Inc. In effect, 100% of gold production from the mine has been sold to Royal Gold, Inc., who pays a cash price of 15% of the monthly average gold price at the time of each delivery, in addition to an upfront acquisition price previously paid.

Carmen de Andacollo's production in 2023 is expected to be in the range of 40,000 to 50,000 tonnes of copper. Annual copper in concentrate production is expected to be between 50,000 and 60,000 tonnes for 2024 to 2026.

Quebrada Blanca

Quebrada Blanca is located in the Tarapacá Region of northern Chile. We have a 60% indirect interest in Compañía Minera Quebrada Blanca S.A. (QBSA). A 30% interest is owned indirectly by Sumitomo Metal Mining Co., Ltd. and Sumitomo Corporation (together referred to as SMM/SC), and 10% is owned by ENAMI. ENAMI's 10% preference share interest in QBSA does not require ENAMI to fund capital spending.

Quebrada Blanca Operations
Quebrada Blanca's gross profit in 2022 was $2 million compared with $39 million in 2021 and $19 million in 2020. The decreased gross profit in 2022 compared with 2021 is primarily a result of lower copper prices, higher unit operating costs driven by inflationary pressures on consumables, and lower production and sales volumes, as expected.

Quebrada Blanca produced 9,600 tonnes of copper cathode in 2022, compared to 11,500 tonnes in 2021, with the decrease due to the continued decline of cathode production, as the operation ceased mining in 2018. Copper cathode production is now expected to continue through 2023 using existing leach piles, and we expect 2023 to be the final year of cathode production.

Quebrada Blanca Phase 2

The Quebrada Blanca hypogene deposit is one of the world's largest unexploited copper resources. The operation is expected to have low operating costs, an initial mine life of 27 years and significant potential for further growth. Teck approved the QB2 project for full construction in December 2018 and the project continued to advance construction, pre-operational testing and commissioning through 2022, with first production expected in the first quarter of 2023. The final construction completion and commissioning will support ramp-up to full capacity, which is expected before the end of 2023.

Construction of associated port facilities is ongoing, with the ship loader expected to be in service in the fourth quarter of 2023. Any timing gap between available concentrate and shiploading will be managed through a combination of deliveries to alternate ports and domestic sales.

Construction capital cost guidance remains unchanged from our prior disclosure of US$7.4 to US$7.75 billion. Project development expenditures in 2022 were approximately $3.1 billion. We expect to spend approximately US$900 million to US$1.3 billion of QB2 development capital in 2023. A portion of this capital is related to items outside of the critical path for first copper, including the ship loader and the molybdenum plant.

As noted above, the QB2 project is expected to ramp up to full production capacity before the end of 2023. We expect copper in concentrate production to be between 285,000 and 315,000 tonnes per year for 2024 to 2026, with molybdenum production between 10.0 and 14.0 million pounds per year.

Copper Growth Projects

We continue to actively advance our industry-leading Copper Growth portfolio. The approach is driven by balancing growth and return of capital, value-focused asset de-risking, optimization of funding sources, and prioritization and sequencing of capital investments. As part of our Copper Growth strategy, Teck, together with our partners, continues to advance eight significant copper-dominant base metals assets. We are meeting project, permitting and commercial milestones in order to position Teck with various high-quality development options to maximize value from copper demand well beyond the ramp-up of QB2 and the continued operation of our core copper-producing operations. The Copper Growth portfolio comprises eight assets, namely Highland Valley Copper 2040, Zafranal, San Nicolás, NewRange Copper Nickel (formerly Mesaba and NorthMet), the Quebrada Blanca Mill Expansion (QBME), Galore Creek, Schaft Creek and NuevaUnión. All assets are located in the Americas in jurisdictions that we are familiar with and where we have experience conducting detailed studies, advancing permitting activities, developing strong community and stakeholder relationships, and operating mines in a productive, sustainable and safe manner.

We continue to advance the Highland Valley Copper 2040 (HVC 2040) project to extend the life of the operation to at least 2040, through an extension of the existing site infrastructure to access and liberate substantial copper-molybdenum mineral resources. HVC 2040 is undergoing a feasibility study, which is

targeted for completion in the second half of 2023, and a concurrent environmental assessment application is in progress under the B.C. *Environmental Assessment Act*, with submission planned in the second half of 2023.

Work in 2023 on the Zafranal copper-gold project located in the Arequipa Region of Peru will be focused on completing a regulator-led review of the project's Social and Environmental Impact Assessment (SEIA) permit application, as well as on meeting the project's community commitments and key stakeholder engagement activities in the areas of health, capacity building, cultural heritage resource management and water. We expect to potentially receive the SEIA permit for Zafranal in the first half of 2023 and will then focus our attention on updating feasibility study capital and operating cost estimates, as well as initiating detailed engineering study work in support of a potential project sanction decision in 2024, targeting potential first production in 2027.

The San Nicolás copper-zinc project located in Zacatecas State, Mexico, initiated a feasibility study in the first quarter of 2022, with completion targeted in early 2024. In addition, work in 2023 will include the submission of an Environmental Impact Assessment (MIA-R), continuing social and environmental baseline studies, and completing additional socio-economic studies in support of advancing through permitting and the next investment decision milestone. The proposed partnering transaction with Agnico Eagle in San Nicolás, announced in the third quarter of 2022, is expected to close in the second quarter of 2023, after which the partners will work together to complete ongoing study and permitting work, targeting potential first production for 2027.

In the third quarter of 2022, we announced an agreement with PolyMet Mining Corp. to form a 50:50 joint venture to advance the NorthMet project and our Mesaba mineral deposit. This transaction closed on February 15, 2023. The 50:50 joint venture is held and operated through a new entity called NewRange Copper Nickel LLC. Planned work activities in 2023 will be to update the NorthMet feasibility study, including capital and operating cost estimates, advance salvage and demolition work on this expansive brownfield site, and secure the development permits for NorthMet, which are currently being contested in the courts. Baseline social and environmental studies, along with select technical studies on Mesaba, will continue in 2023. To support the initiation of a prefeasibility study at Mesaba in 2024, we will focus on capturing necessary information, which will include input from communities of interest, local and regional Indigenous Peoples, and interest groups.

The QBME project progressed in 2022, with a focus on trade-off studies and the commencement of a feasibility study. Engineering studies commenced in the fourth quarter of 2021 to evaluate the addition of a third grinding line for a 50% capacity increase to the Quebrada Blanca concentrator currently under construction. This configuration is expected to make use of excess capacity in the supporting infrastructure, reducing capital costs and minimizing the project footprint. A permit application was submitted to the Chilean regulator in early 2023. QBME will be a significant contributor to our near-term Copper Growth portfolio, with potential first production as early as 2026. Resource and geotechnical drilling will continue in 2023 to support the evaluation of further opportunities to develop the vast Quebrada Blanca resource.

At the Galore Creek copper-gold-silver project located in Tahltan Territory within the Golden Triangle of rorthwest B.C., we and our partner, Newmont Corporation, are targeting completion of aprefeasibility study in the second half of 2023, after which the partners plan to submit an Initial Project Description for Galore Creek, which is the first step in re-permitting this world-class copper-gold resource. Work in 2023 will finalize the prefeasibility field, continue baseline social and environmental field programs, and initiate permitting activities.

At Schaft Creek, located in northwest B.C., we are investing additional resources to progress environmental and social baseline field studies and focused design and engineering data collection fieldwork. This includes resource modelling, geometallurgical and geotechnical studies, mining and mineral processing studies, siting studies, and capital and operating cost estimations, in support of advancing Schaft Creek into prefeasibility studies.

Teck and Newmont each have a 50% interest in Compañía Minera NuevaUnión S.A., which owns the Relincho and La Fortuna deposits. Work in 2023 will be focused on establishing a cost-effective path forward for the development of this world-class copper-molybdenum and copper-gold resource in a manner acceptable to communities of interest, key stakeholders and the regulator.

Markets

Copper prices on the London Metal Exchange (LME) averaged US$3.99 per pound in, 2022, down from an average of US$4.23 per pound in 2021.

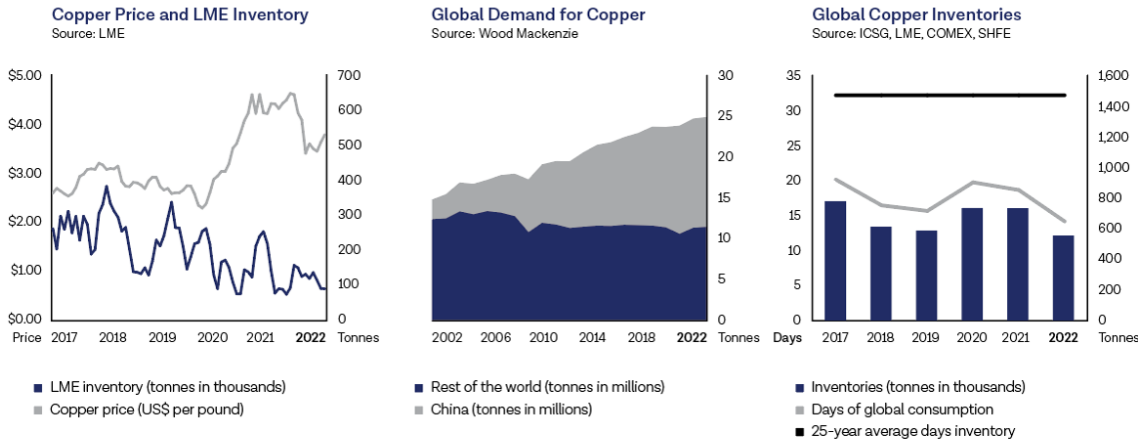
Copper stocks on the LME were flat in the year falling only 25 tonnes to 88,925 tonnes in 2022. Copper stocks on the Shanghai Futures Exchange (SHFE) rose by 81.4% from an extremely low level to 54,569 tonnes, while COMEX warehouse stocks fell 40.1% to 30,855 tonnes. Commercial stocks in bonded warehouses in China fell the most in 2022, falling 73.5% to 49,600 tonnes. Combined stocks increased 5.8% or 10,392 tonnes during 2022 and ended the year at 238,468 tonnes. Exchange stocks ended the year at 13-year lows for the second straight year, ending at levels not seen since 2008. Total reported global stocks, including producer, consumer, merchant and terminal stocks, stood at an estimated 3.5 days of global consumption, versus the 25-year average of 15 days.

In 2022, global copper mine production increased 2.6%, according to Wood Mackenzie, a commodity research consultancy, with total production estimated at 22.0 million tonnes. Global mine production has increased at an average of 1.4% annually since 2016. Wood Mackenzie is forecasting a 4.6% increase in global mine production in 2023 to 23.0 million tonnes. This is 1.0 million tonnes lower than their forecast of 24.0 million tonnes at this time last year, due to higher-than-normal production disruptions at global copper mines. Chinese imports of copper concentrates increased by 9% in 2022 to reach over 6.1 million tonnes of contained copper.

Copper scrap availability increased in 2022 due to stronger prices in the first half of the year. Scrap and unrefined copper imports into China, including blister and anode, were up 13% year over year in 2022

following a 30% increase in 2021. Refined cathode imports in 2022 increased by 8.4% to 3.4 million tonnes. Despite reports of weak copper demand in China, net contained copper unit imports were up 9.1% or 1.0 million tonnes from 2021 levels to 12.6 million tonnes, while reported cathode stocks in China fell by 0.1 million tonnes.

Wood Mackenzie estimates that global refined copper production grew 0.5% in 2022, below the 0.8% increase in global copper cathode demand. Wood Mackenzie are projecting that refined production will increase by 3.0% in 2023, reaching 25.7 million tonnes, with demand increasing only 2.1% to 25.5 million tonnes. The projected surplus in 2023 is 0.2 million tonnes, which is 0.3 million tonnes lower than Wood Mackenzie's forecast a year ago for the 2023 surplus, due mostly to weaker-than-forecast mine production. Demand continues to increase as governments and corporations expand decarbonization efforts, which require additional copper units for renewable energy generation and distribution. Consumer demand is forecast to come under pressure in 2023 in Europe and North America, while stimulus spending and consumer demand is now forecast to improve in China following a relaxation of COVID-related lockdowns in the country.



Outlook

Our 2023 annual guidance outlined below is unchanged from our previously disclosed guidance.

Copper production in 2023 is expected to be in the range of 390,000 to 445,000 tonnes. QB2 is expected to add substantially to overall copper production compared to 2022 as we ramp up to full capacity before the end of 2023. The increase is partially offset by lower expected production at Highland Valley Copper due to harder ore and lower copper grades as part of an update to the mine plan, and lower copper grades at Antamina as expected in the mine plan.

Excluding QB2, we expect 2023 copper net cash unit costs in the range of US$1.60 to US$1.80 per pound after cash margins for by-products. Guidance reflects continued inflationary pressures on diesel, explosives, tires and reagents, as well as increased unit operating costs at Highland Valley Copper due to lower expected production, as outlined above.

We continue to expect QB2 to reach full capacity by end of 2023. As a result of recent changes to IFRS, we are required to recognize sales proceeds and related costs associated with products sold during the ramp-up and commissioning phase of QB2 through earnings, rather than capitalizing these amounts. We expect this to increase our unit operating costs for QB2 during ramp-up. Once QB2 is running at full production rates, we expect the average net cash unit costs will be between US$1.40 per pound and US$1.60 per pound.

Copper production from 2024 to 2026 is expected to be between 545,000 and 640,000 tonnes per year, including QB2.

Zinc

We are one of the world's largest producers of mined zinc, primarily from our Red Dog Operations in Alaska, and the Antamina copper mine in northern Peru, which has significant zinc co-product production. Our metallurgical complex in Trail, B.C. is one of the world's largest integrated zinc and lead smelting and refining operations. In 2022, we produced 650,500 tonnes of zinc in concentrate, while our Trail Operations produced 248,900 tonnes of refined zinc.

In 2022, our zinc business unit accounted for 20% of revenue and 9% of our gross profit.

	Revenue			Gross Profit (Loss)			Gross Profit (Loss) Before Depreciation and Amortization[1]		
($ in millions)	**2022**	2021	2020	**2022**	2021	2020	**2022**	2021	2020
Red Dog	**$ 2,111**	$ 1,567	$ 1,394	**$ 862**	$ 678	$ 513	**$ 1,060**	$ 822	$ 717
Trail Operations	**2,059**	1,997	1,761	**(93)**	(2)	(23)	**(18)**	84	65
Other	**11**	10	9	**2**	12	33	**2**	12	33
Intra-segment	**(655)**	(511)	(464)	**—**	—	—	**—**	—	—
Total	**$ 3,526**	$ 3,063	$2,700	**$ 771**	$ 688	$ 523	**$ 1,044**	$ 918	$ 815

Note:

1. This is a non-GAAP financial measure or ratio. See "Use of Non-GAAP Financial Measures and Ratios" section for further information.

	Production			Sales		
(thousand tonnes)	**2022**	2021	2020	**2022**	2021	2020
Refined zinc						
Trail Operations	**249**	279	305	**257**	281	307
Contained in concentrate						
Red Dog	**553**	503	491	**578**	446	551
Antamina[1]	**97**	104	96	**97**	103	95
Total	**650**	607	587	**675**	549	646

Note:

1. Co-product zinc production from our 22.5% interest in Antamina.

Operations

Red Dog

Our Red Dog Operations, located in northwest Alaska, is one of the world's largest zinc mines. Gross profit in 2022 was $862 million compared with $678 million in 2021 and $513 million in 2020. The increase in gross profit in 2022 compared with 2021 was primarily due to higher zinc prices and higher production volumes offset by increased operating costs and increased royalty costs, which are tied to increased profitability at Red Dog.

In 2022, zinc production at Red Dog increased to553,100 tonnes, compared to 503,400 tonnes produced in 2021, primarily due to higher ore grade, as expected in the mine plan, and slightly better recovery. Lead production in 2022 of 79,500 tonnes was lower than 2021 production of 97,400 tonnes as a result of lower grade ore, as expected in the mine plan.

Red Dog's location exposes the operation to severe weather and winter ice conditions, which can significantly affect production, sales volumes and operating costs. In addition, the mine's bulk supply deliveries and all concentrate shipments occur during a short ocean shipping season that normally runs from early July to late October. This short shipping season means that Red Dog's sales volumes are usually higher in the last six months of the year, resulting in significant variability in its quarterly profit, depending on metal prices. As a result of the shipping season, inflationary impact on the cost of consumables only impacted Red Dog Operations in the fourth quarter. We expect to see the full impact of inflation in 2023.

The 2022 Red Dog concentrate shipping season commenced on schedule on July 4, 2022, and completed on October 26, 2022. A total of 1.31 million wet metric tonnes of zinc and lead concentrate, or 100% of planned volumes, was safely transloaded from our proprietary coastal barges onto 23 ships for delivery to our global customers.

In accordance with the operating agreement governing the Red Dog mine between Teck and NANA Regional Corporation, Inc. (NANA), we pay a royalty on net proceeds of production to NANA, which increased from 35% to 40% in October 2022. This royalty increases by 5% every fifth year to a maximum of 50%, with the next adjustment to 45% anticipated to occur in October 2027. The NANA royalty expense in 2022 was US$353 million, compared with US$255 million in 2021. NANA has advised us that it ultimately shares approximately 60% of the royalty, net of allowable costs, with other Regional Alaska Native Corporations pursuant to section 7(i) of the *Alaska Native Claims Settlement Act*.

Red Dog's production of contained metal in 2023 is anticipated to be in the range of 550,000 to 580,000 tonnes of zinc and 110,000 to 125,000 tonnes of lead. From 2024 to 2026, zinc production is expected to be in the range of 500,000 to 550,000 tonnes of contained zinc per year, while lead production is expected to be between 85,000 and 95,000 tonnes of contained lead per year.

Trail Operations

Our Trail Operations in southern B.C. produces refined zinc and lead, as well as a variety of precious and specialty metals, chemicals and fertilizer products.

Trail Operations incurred a gross loss of $93 million in 2022, in comparison to a gross loss of $2 million in 2021 and a gross loss of $23 million in 2020. The higher gross loss in 2022 is primarily due to an extended major maintenance shutdown and higher operating costs driven by inflation, offset slightly by higher zinc prices and premiums.

Refined zinc production in 2022 was 248,900 tonnes, lower than 279,000 tonnes in 2021. Refined zinc production in 2022 was impacted in the second half of the year by a planned major maintenance shutdown of the KIVCET furnace to have its hearth replaced, as well as the replacement of a dome on a zinc roaster. Production was also impacted by weather events resulting from extreme cold temperatures, as well as unplanned maintenance and operational challenges. Refined lead production in 2022 was 56,400 tonnes, compared with 81,400 tonnes in 2021. Silver production was 9.7 million ounces in 2022, compared to 11.7 million ounces in 2021. The decrease in both lead and silver production between 2022 and 2021 is also attributable to the KIVCET Furnace maintenance activities mentioned above.

Our recycling process treated 19,200 tonnes of material during the year, and we plan to treat about 28,200 tonnes in 2023. Our focus remains on treating lead acid batteries and cathode ray tube glass, plus small quantities of zinc alkaline batteries and other post-consumer waste.

In 2023, we expect Trail Operations to produce between 270,000 and 290,000 tonnes of refined zinc. Refined zinc production from 2024 to 2026 is expected to be between 280,000 and 310,000 tonnes per year. Refined lead and silver production at Trail is expected to be similar to prior years, excluding major maintenance years, but will fluctuate as a result of concentrate feed source optimization.

Zinc Growth

In the second quarter of 2022, we launched a zinc initiative focused on surfacing value from our high-quality portfolio of zinc projects. Similar to our approach on Copper Growth, we will methodically advance one significant growth project and several potential growth options with prudent investments to improve our understanding of each asset's potential, and define development options and paths to value for each of the assets.

Our principal zinc growth project is located in the Red Dog District in Alaska, where we have several high-quality opportunities located between 10 and 20 kilometres from the existing Red Dog Operations. Our primary focus is on Aktigiruq, a significant mineralized system with an exploration target of 80–150 million tonnes at grades of 16%–18% zinc plus lead. Scoping-level studies will continue in 2023 and 2024 on an underground mine, leveraging the existing mill and supporting facilities at Red Dog Operations.

Within the zinc growth portfolio, there are two primary opportunities. Teena is a significant high-grade zinc-lead discovery made by Teck in 2013 that is located approximately 8 kilometres from Glencore's McArthur River operation in Northern Territory, Australia. We are advancing early-stage conceptual studies at Teena to assess the stand-alone development opportunity represented by this high-quality discovery, which is located in a world-class zinc district with access to established infrastructure.

In central B.C., Teck has a 50% interest in the Cirque deposit, which is located in a long-established mineral district with recently improved road and rail infrastructure. This can provide ready access to market for the concentrate, including to our Trail smelting and refining operations. Our work at Cirque is focused on permitting and program definition, with potential drilling to start later in 2023.

Markets

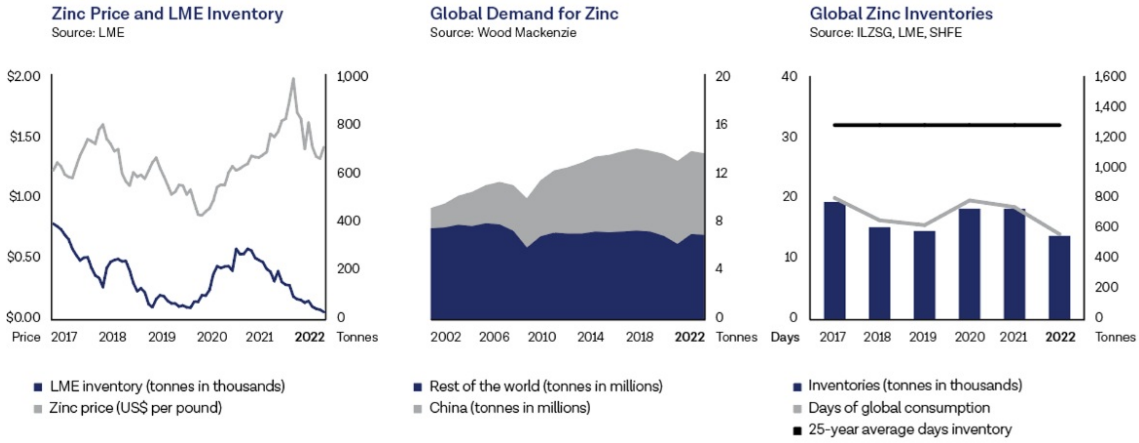
Zinc prices on the London Metal Exchange (LME) averaged US$1.58 per pound during 2022, higher than US$1.36 per pound in 2021, and the highest annual average ever recorded.

Zinc stocks on the LME fell by 167,550 tonnes in 2022, an 84.0% decrease from 2021 levels, finishing the year at 32,025 tonnes, the lowest level of LME stocks since 1989, which was just after the LME SHG zinc contract started trading. Stocks held on the Shanghai Futures Exchange (SHFE) fell 37,464 tonnes in 2022, a 64.7% decrease from 2021 levels, finishing the year at 20,453 tonnes, which was the lowest level since 2018. Total global exchange stocks remained well below historical levels, ending the year at 1.4 days of global consumption, compared to the 25-year average of 17.2 days. We estimate that total reported global stocks, which include producer, consumer, merchant and terminal stocks, fell by approximately 217,500 tonnes in 2022 to less than 60,000 tonnes at year-end, representing an estimated 1.4 days of global demand, compared to the 25-year average of 18.2 days.

In 2022, global zinc mine production increased 0.2% according to Wood Mackenzie, with total mine production reaching 12.9 million tonnes. This was significantly below Wood Mackenzie's forecast a year ago for 2022 of 13.3 million tonnes. Global zinc mine production in 2022 continued to be impacted by COVID-related restrictions and labour shortages. According to Wood Mackenzie, global zinc mine production has not grown since 2013. Mine production in 2022 at 12.9 million tonnes was the same as it was in 2013. Wood Mackenzie expects global zinc mine production to only grow 2.5% in 2023 to reach 13.2 million tonnes, which is 0.6 million tonnes lower than its forecast a year ago for 2023 of 13.8 million tonnes.

Wood Mackenzie estimates that the global zinc metal market remained in deficit in 2022, recording a shortfall of 0.5 million tonnes of available material. Global refined zinc demand fell 1.4% in 2022 over 2021 to 13.8 million tonnes. Demand in China fell by 1.8%, and demand in Europe fell 3.1% on higher energy prices. North America was the only demand-growth region in 2022, according to Wood Mackenzie. In 2023, they expect demand for zinc to grow globally by 1.3% to 14.0 million tonnes, with growth coming primarily from Asia and South America, while demand in Europe and North America is expected to weaken.

Wood Mackenzie estimates that global refined zinc production fell 4.0% in 2022 to 13.3 million tonnes, as European zinc smelters were forced to cut production due to higher energy costs, and North American and Asian smelters suffered from a variety of production problems throughout the year. Wood Mackenzie estimates that refined zinc production will see a 3.8% increase in 2023 over 2022 levels, back to 13.9 million tonnes as European power prices stabilize and North American and Asian smelters return to normal production levels. The estimate for the total increase in supply in 2023 will still be below the total global metal demand, suggesting that the refined metal market will be in a 0.2-million-tonne deficit in 2023.



Outlook

Our 2023 annual guidance outlined below is unchanged from our previously disclosed guidance.

We expect 2023 zinc in concentrate production, including co-product zinc production from Antamina (22.5%), to be in the range of 645,000 to 685,000 tonnes. This increase from 2022 production levels is driven by higher zinc grades at both Red Dog and Antamina, as expected in the mine plan.

In 2023, we expect our zinc net cash unit costs to be in the range of US$0.50 to US$0.60 per pound after cash margins for by-products. The increase over 2022 reflects a full year of inflation impact in 2023 on the cost of major consumables such as diesel. In 2022, the inflationary impacts were primarily in the fourth quarter of 2022.

Zinc in concentrate production from 2024 to 2026 is expected to be in the range of 555,000 to 645,000 tonnes per year. Guidance reflects Antamina's 2024 zinc production being at the lower end of the 2024-2026 guidance provided, and at the higher end for 2025-2026.

In 2023, we expect refined zinc production to be between 270,000 and 290,000 tonnes, reflecting the residual impact of weather-related events on our Trail Operations at the end of 2022 that continued into January. Operations are expected to return to normal in the first quarter of 2023.

Refined zinc production from 2024 to 2026 is expected to be between 280,000 and 310,000 tonnes per year.

Steelmaking Coal

In 2022, our steelmaking coal operations in Western Canada produced 21.5 million tonnes, with sales of 22.2 million tonnes. The majority of our steelmaking coal sales are to the Asia-Pacific region, with the remaining amounts sold primarily to Europe and the Americas. Our production capacity is 26 to 27 million tonnes, and we have total proven and probable reserves of 806 million tonnes of steelmaking coal.

In 2022, our steelmaking coal business unit accounted for 60% of revenue and 75% of gross profit.

($ in millions)	**2022**	2021	2020
Revenue	**$ 10,409**	$ 6,251	$ 3,375
Gross profit	**$ 6,401**	$ 2,785	$ 277
Gross profit before depreciation and amortization [1]	**$ 7,364**	$ 3,657	$ 1,009
Production (million tonnes)	**21.5**	24.6	21.1
Sales (million tonnes)	**22.2**	23.4	21.9

Note:
1. This is a non-GAAP financial measure or ratio. See "Use of Non-GAAP Financial Measures and Ratios" section for further information.

Operations

During the year, we continued to advance our high-quality development projects, including development of the Elkview Administration and Maintenance Complex (AMC) Project (previously, the Harmer Project). Site preparation early works were completed in 2022, and detailed engineering and early procurement is over 50% complete. Construction will start in the first half of 2023. Once the Elkview workforce has relocated from the existing Harmer facilities to the new AMC complex, the area will be decommissioned and rehabilitated to prepare for mining operations in 2025. The AMC Project takes advantage of existing infrastructure and is expected to provide high-quality steelmaking coal that will support a long-term run rate of 9 million tonnes per year at Elkview.

We continue to advance the Fording River Extension Project to extend the lifespan of our existing Fording River Operations. A draft decision issued by the Province of British Columbia in December 2022 contemplates continued discussions with Indigenous communities and the development of a revised project description.

Gross profit for our steelmaking coal business unit was $6.4 billion in 2022, up from $2.8 billion in 2021 and $277 million in 2020. Substantially higher steelmaking coal prices contributed to exceptional financial performance in 2022 compared to 2021, despite lower production and sales volumes.

Our average realized steelmaking coal selling price in 2022 increased to US$355 per tonne, compared with US$209 per tonne in 2021 and US$113 per tonne in 2020.

Sales volumes were 22.2 million tonnes in 2022, compared with 23.4 million tonnes sold in 2021. Strong logistics chain performance early in the year resulted in the drawdown of record-high opening inventories due to weather-related disruptions in late 2021 and into early 2022. Inventories were reduced to low levels by the end of the second quarter to capitalize on higher steelmaking coal prices. In the second half of the year, the Elkview plant was non-operational for two months, due to the failure of the plant feed conveyor, limiting sales volumes. Extreme cold during the final weeks of the year hampered our logistic chain while production rates recovered, resulting in increased inventories at year-end. These inventories will be drawn down in the first half of 2023.

Our 2022 production of 21.5 million tonnes was 3.1 million tonnes lower than 2021, primarily due to plant availability challenges throughout the year, particularly the two-month plant outage at Elkview to repair the raw coal conveyor. In addition, production was impacted by ongoing labour constraints and the extreme weather events at the end of both 2021 and 2022.

Adjusted site cash cost of sales[1] in 2022 was $89 per tonne, significantly higher than $65 per tonne in 2021. The increase in the cost of sales was driven primarily by lower production and continued inflationary pressures, most notably diesel prices, as well as higher profit-based compensation.

Capital spending in 2022 included $520 million for sustaining capital, including water projects and Neptune Bulk Terminals (Neptune), and $30 million for RACE growth capital.

Elk Valley Water Quality Management Update

We continue to implement the water quality management measures required by the Elk Valley Water Quality Plan (the Plan). The Plan establishes short-, medium- and long-term water quality targets for selenium, nitrate, sulphate and cadmium to protect the environment and human health.

The majority of our 2022 capital spending for water projects was associated with building additional Saturated Rock Fill (SRF) treatment capacity across the Elk Valley. Capital spending in 2022 on water projects was $184 million. Our existing SRFs and Active Water Treatment Facilities (AWTFs) are operating as designed and, with the recent construction of the Fording River North SRF, there is currently 77.5 million litres per day of constructed water treatment capacity, which we expect to be operating as designed by the end of 2023. This is a fourfold increase in our treatment capacity from 2020.

With this additional capacity, we expect to achieve one of the primary objectives of the Plan: stabilizing and reducing the selenium trend in the Elk Valley.

In 2023, sustaining capital investment in water treatment facilities, water management (source control, calcite management and tributary management) and the incremental measures required under the October 2020 Direction issued by Environment and Climate Change Canada (the Direction) is expected to be

[1] This is a non-GAAP financial measure or ratio. See “Use of Non-GAAP Financial Measures and Ratios” section for further information.

approximately $220 million. Key projects include the North Line Creek Phase 1 and the Fording River North 1 Phase 3 SRFs.

Unchanged from our previously issued guidance, we plan to invest between $450 and $550 million of capital in 2023 and 2024 on water management and water treatment, including the capital attributable to incremental measures required under the Direction. This also includes the advancement of the Fording River North 2 Phase 1 SRF, which will increase treatment capacity in the north Elk Valley earlier than previously planned. The continued investment in water treatment during this time frame will further increase our constructed water treatment capacity to 120 million litres per day by the end of 2026.

Operating costs associated with water treatment were approximately $1.50 per tonne in 2022 and are projected to increase gradually over the long term to approximately $3 to $5 per tonne as additional water treatment becomes operational. Long-term capital costs for construction of additional treatment facilities are expected to average approximately $2 per tonne annually.

Final costs of implementing the Plan and other water quality initiatives will depend in part on the technologies applied, on regulatory developments, and on the results of ongoing environmental monitoring and modelling. The timing of expenditures will depend on resolution of technical issues, permitting timelines and other factors. Certain cost estimates to date are based on limited engineering. Implementation of the Plan also requires additional operating permits. We expect that, in order to maintain water quality, some form of water treatment will continue for an indefinite period after mining operations end. The Plan contemplates ongoing monitoring to ensure that the water quality targets set out in the Plan are protective of the environment and human health, and provides for adjustments if warranted by monitoring results. Proposed amendments to the Plan are under discussion with provincial regulators and Indigenous communities. The state of Montana's water quality standard for the Koocanusa Reservoir downstream of our mining operations has been set aside on procedural grounds. We continue to engage with U.S. regulators to work towards the establishment of appropriate science-based standards for the reservoir. Ongoing monitoring, as well as our continued research into treatment technologies, could reveal unexpected environmental impacts, technical issues or advances associated with potential treatment technologies. This could substantially increase or decrease both capital and operating costs associated with water quality management, or could materially affect our ability to permit mine life extensions in new mining areas.

Rail

Rail transportation of product westbound from our four steelmaking coal mines in southeast B.C. to Vancouver terminals is currently provided by Canadian Pacific Railway Company (CPR) and by Canadian National Railway Company (CN Rail). CPR transports a portion of these westbound shipments to Kamloops, B.C., and interchanges the trains with CN Rail for further transportation to the west coast. The remaining westbound shipments are transported by CPR from the mines to the terminals in Vancouver. Our current westbound shipments with CPR are under a tariff that expires in April 2023. Negotiations with CPR for a new westbound contract are underway.

We have a long-term agreement with CN Rail until December 2026 for shipping steelmaking coal from our four B.C. operations via Kamloops to Neptune and other west coast ports, including Trigon Pacific Terminals (formerly Ridley Terminals).

Ports

We export our seaborne steelmaking coal primarily through three west coast terminals: Neptune, Westshore Terminals (Westshore) and Trigon. We have a 46% ownership interest in Neptune, which provides shiploading services on a cost-of-service basis at North Vancouver, B.C. Neptune, which became our primary terminal in 2021, continues to handle most of our production volumes (72% in 2022). Coal capacity at Neptune is exclusive to Teck. Neptune is well positioned to deliver strong throughput in 2023 and beyond, with significantly increased terminal-loading capacity to meet delivery commitments to our customers while further lowering our port costs.

In 2021, we entered into an agreement with Westshore for the shipment of between 5 and 7 million tonnes of steelmaking coal per year at fixed loading charges, for a total of 33 million tonnes over a period of approximately five years.

We also have a long-term agreement with Trigon, located in Prince Rupert, for shipments of up to 6 million tonnes of steelmaking coal per year through to December 2027.

Through our capacity at Neptune and complementary commercial agreements with Westshore and Trigon Terminals, our annual port capacity exceeds production. This incremental capacity provides flexibility and improved reliability in the case of weather and corridor disruptions or terminal outages.

Sales

Our steelmaking coal marketing strategy is focused on maintaining and building relationships with our traditional customers while establishing new customers in markets where we anticipate long-term growth in steel production and demand for seaborne steelmaking coal. In 2022, our sales strategy focused on capitalizing on the record pricing environment by optimizing sales to the seaborne market.

Markets

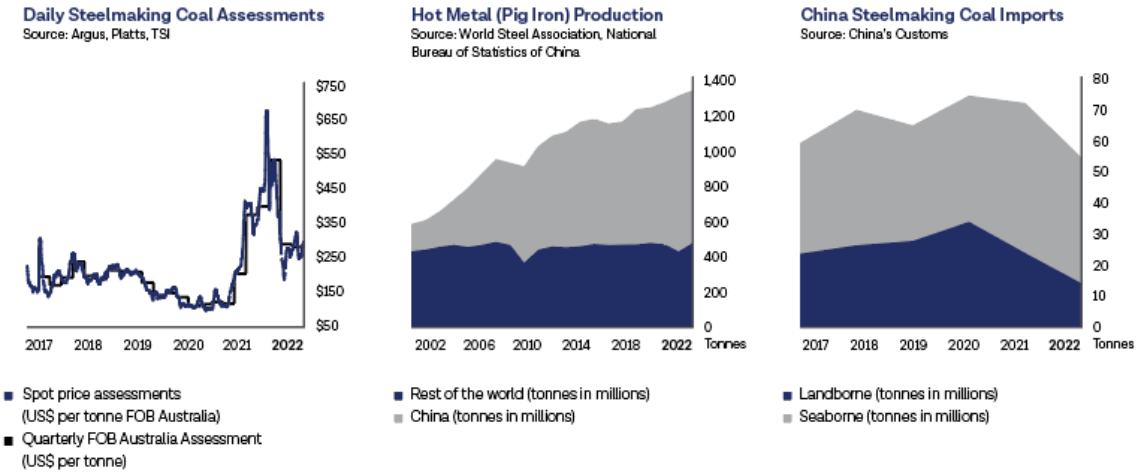
Global steel production diminished through the year as global inflationary pressures, monetary tightening and high energy prices weighed on manufacturing activity.

Premium hard coking coal prices FOB Australia reached an all-time high of US$670 per tonne in March 2022, triggered by the Russian invasion of Ukraine and supported by concerns over weather disruptions in Australia. In the second half of 2022, the global economic environment weakened as the war in Ukraine continued and the Chinese government extended COVID restrictions. Inflationary pressures, including high

energy prices, lower consumer demand and falling steel prices, forced several European steel mills to reduce production in the second half. As a result, premium hard coking coal prices FOB Australia averaged US$365 per tonne in 2022, a historic high.

Coal shipments from Australia to China remained restricted through 2022. The average CFR China steelmaking coal price was US$371 per tonne in 2022, also a record high. Trade relations between China and Australia are improving, which is likely to result in the restart of Australian coal exports to China in 2023. We do not expect increased coal trade between China and Australia to have a material impact on the price of steelmaking coal, as the global demand and supply balance will remain unchanged.

The following graphs show key metrics affecting steelmaking coal sales: spot price assessments and quarterly pricing, hot metal production (each tonne of hot metal, or pig iron, produced requires approximately 650–700 kilograms of steelmaking coal), and China's steelmaking coal imports by source.



Outlook

In December 2022, we announced the sale of our Quintette steelmaking coal mine to Conuma Resources Limited (Conuma) for $120 million in cash in staged payments over 36 months and an ongoing 25% net profits interest royalty, first payable after Conuma recovers its investment in Quintette. The transaction closed on February 16, 2023.

Our 2023 annual guidance outlined below is unchanged from our previously disclosed guidance.

Driven by all-time high steelmaking coal prices, the coal business unit delivered record financial results in 2022, and is in a solid position to deliver strong financial performance again in 2023. As noted above, we entered 2023 with higher-than-normal steelmaking coal inventories. We expect the 2022 fourth quarter

deferred sales will be largely recovered in the first half of 2023, and inventories will return to low levels. We expect sales to be between 6.0 and 6.4 million tonnes for the first quarter of 2023 as we ramp back up to planned logistics operating rates.

We expect 2023 annual steelmaking coal production in the range of 24 to 26 million tonnes. Labour constraints are expected to continue to negatively impact equipment operating hours despite improved workforce attraction and retention as a result of initiatives implemented in 2022. We updated 2024 to 2026 steelmaking coal guidance to 24 to 26 million tonnes per year to reflect uncertainties related to ongoing labour impacts and the increasing frequency of adverse weather events.

We expect 2023 adjusted site cash cost of sales in the range of $88 to $96 per tonne. Relative to 2022, we anticipate favourable mining drivers, lower profit-based costs and an increased rate of capitalization of stripping in 2023 that will be offset by continued inflationary pressures. Major plant maintenance is scheduled to take place in the second and third quarters, resulting in expected adjusted site cash cost of sales[2] to be at or above the upper end of the guidance range in those quarters, offset with lower costs in the first and fourth quarters. Inflationary pressures remain the primary driver of unit cost increases over historical periods, which are expected to be more than offset by the strong steelmaking coal prices supported by global supply constraints.

Transportation unit costs[2] for 2023 are expected to be between $45 and $48 per tonne, including costs at or above the high end of our annual guidance range in the first quarter of 2023 due to the impact of logistics disruptions late in 2022. Savings associated with higher sales volumes through our expanded Neptune terminal are expected to be partially offset by inflationary pressures that are expected to continue through 2023.

Capital expenditures for 2023 are expected to be approximately $790 million, including $220 million related to water treatment. Total capital also includes $30 million of growth investment focused on improvement initiatives and supply chain optimization, and $540 million of sustaining capital supporting operations and the development of mining areas such as the Elkview AMC project. Capital is expected to remain in this range for the next couple of years as we develop further water treatment facilities, bring the Elkview AMC project online and continue to invest in future mine development.

Capitalized stripping costs are expected to be approximately $750 million in 2023. This is an increase from 2022 due to continued inflationary pressures, largely in mine and maintenance costs, and a notable peak period of capitalized stripping to advance the development of mine pits to support future production, partly as a result of the additional Indigenous engagement required in connection with the Fording River Extension permitting process.

[2] This is a non-GAAP financial measure or ratio. See “Non-GAAP Financial Measures and Ratios” for further information.

Exploration & Geoscience

Throughout 2022, we conducted exploration around our existing operations and globally in seven countries through our six regional offices, as our exploration activities returned to pre-pandemic levels. Expenditures for the year of $90 million, which were focused on copper, zinc, nickel and gold, were higher than expenditures in 2021 of $65 million, primarily due to the recommencement of drilling programs across our portfolio**.**

Exploration & Geoscience plays three critical roles at Teck: discovery of new orebodies through early-stage exploration and acquisition; pursuit, evaluation and acquisition of development opportunities; and delivery of geoscience solutions and services to create value at our existing mines and development projects.

Work continues on resource expansion at Quebrada Blanca, where we commenced a large-scale drill program in 2022 to continue to investigate and confirm the extensions of the orebody, which remains open in multiple directions.

Early-stage copper exploration in 2022 focused primarily on advancing projects targeting porphyry-style mineralization in Canada, Chile, Peru and the United States. In 2023, we plan to drill a number of early-stage copper projects in Chile, Peru and the United States.

Zinc exploration in 2022 was concentrated on early-stage programs in Australia, Canada, Ireland and Turkey, and on an advanced-stage project in the Red Dog district in Alaska. In Alaska, Australia and Canada, the targets are large sediment-hosted deposits; in Ireland, we are targeting large carbonate-hosted deposits. In 2023, we plan to drill test early-stage targets on our properties in Australia, Ireland and Turkey, and to continue drilling advanced-stage projects in the Red Dog mine district in Alaska.

In 2022, we initiated early-stage exploration for nickel, with an initial focus on Canada and the United States. A key element of this program is the complete digitalization of Teck's historical exploration records – this digitization program will use advanced machine learning tools to drive and inform our evaluation of high-quality nickel prospects, plus copper and zinc prospects, globally.

We have ongoing exploration for gold, both on 100% Teck-owned properties and through partnerships. Our current exploration efforts and drill testing for gold are focused in Peru and Turkey.

In 2022, we also drilled 68 kilometres across four steelmaking coal operations in the Elk Valley to support our existing operations and extension projects.

Teck's exploration strategy is underpinned by an agile commercial mindset whereby we manage and refresh a portfolio of commercial opportunities, such as retained project royalties and equity in junior exploration companies, to create value for Teck. In 2022, investments were made in exploration companies with copper portfolios in Canada, Kazakhstan and Peru and zinc portfolios in Canada and the United States.

Financial Overview

Financial Summary

($ in millions, except per share data)	2022	2021[2]	2020[2]
Revenue and profit			
Revenue	**$ 17,316**	$ 12,766	$ 8,948
Gross profit	**$ 8,571**	$ 5,214	$ 1,333
Gross profit before depreciation and amortization [1]	**$ 10,245**	$ 6,701	$ 2,843
Profit (loss) from continuing operations before taxes	**$ 6,565**	$ 4,688	$ (1,136)
Adjusted EBITDA[1]	**$ 9,568**	$ 6,573	$ 2,570
Profit (loss) attributable to shareholders	**$ 3,317**	$ 2,868	$ (864)
Profit (loss) from continuing operations attributable to shareholders	**$ 4,089**	$ 3,123	$ (864)
Cash flow			
Cash flow from operations	**$ 7,983**	$ 4,738	$ 1,563
Property, plant and equipment expenditures	**$ 4,423**	$ 3,966	$ 3,129
Capitalized stripping costs	**$ 1,042**	$ 667	$ 499
Investments	**$ 199**	$ 160	$ 190
Balance sheet			
Cash balances	**$ 1,883**	$ 1,427	$ 450
Total assets	**$ 52,359**	$ 47,368	$ 41,278
Debt and lease liabilities, including current portion	**$ 7,738**	$ 8,068	$ 6,947
Per share amounts			
Basic earnings (loss) per share	**$ 6.30**	$ 5.39	$ (1.62)
Diluted earnings (loss) per share	**$ 6.19**	$ 5.31	$ (1.62)
Basic earnings (loss) per share from continuing operations	**$ 7.77**	$ 5.87	$ (1.62)
Diluted earnings (loss) per share from continuing operations	**$ 7.63**	$ 5.78	$ (1.62)
Dividends declared per share	**$ 1.00**	$ 0.20	$ 0.20

Note:

1. This is a non-GAAP financial measure or ratio. See “Use of Non-GAAP Financial Measures and Ratios” section for further information.
2. Comparative figures for 2021 for the Energy Business Unit have been represented for the classification of Fort Hills as a discontinued operation. 2020 figures have not been represented.

Our revenue and profit depend on the prices for the commodities we produce, sell and use in our production processes. Commodity prices are determined by the supply of and demand for those commodities, which are influenced by global economic conditions. We normally sell the products that we produce at prevailing market prices or, in the case of steelmaking coal, through an index-linked pricing mechanism or on a spot basis. Prices for our products can fluctuate significantly, and that volatility can have a material effect on our financial results.

Foreign exchange rate movements can also have a significant effect on our results and cash flows, as substantial portions of our operating costs are incurred in Canadian dollars and other currencies, and most of our revenue and debt is denominated in U.S. dollars. We determine our financial results in local currency and report those results in Canadian dollars; accordingly, our reported operating results and cash flows are

affected by changes in the Canadian dollar exchange rate relative to the U.S. dollar, as well as the Peruvian sol and Chilean peso.

In 2022, our profit attributable to shareholders was a record $3.3 billion, or $6.30 per share. This compares with a profit attributable to shareholders of $2.9 billion or $5.39 per share in 2021, and a loss attributable to shareholders of $864 million or $1.62 per share in 2020. The significant increase in profit in 2022 was due to substantially higher steelmaking coal prices, partly offset by slightly lower steelmaking coal sales volumes and increased operating costs across our operations reflecting inflationary pressures, particularly for diesel. Profit attributable to shareholders in 2021 improved from 2020 due to higher prices for all of our principal products, as well as an increase in sales volumes of steelmaking coal. In 2020, COVID-19 had a significant negative effect on the price and demand for our products, reducing our profit attributable to shareholders.

Our profit and loss over the past three years has included items that we segregate for additional disclosure to investors so that the underlying profit of the Company may be more clearly understood. Our adjusted EBITDA[3], which takes these items into account, was $9.6 billion in 2022, $6.6 billion in 2021 and $2.6 billion in 2020. Our adjusted profit attributable to shareholders[3], which takes these items into account, was a record $4.9 billion in 2022, $3.1 billion in 2021 and $561 million in 2020, or $9.25, $5.74 and $1.05 per share, respectively. These items are described below and summarized in the table that follows.

In October 2022, we announced an agreement to sell our 21.3% interest in Fort Hills Energy Limited Partnership (Fort Hills) and certain associated downstream assets to Suncor Energy Inc. Subsequently, TotalEnergies EP Canada Ltd. exercised its right of first refusal to purchase a proportional share of our interest in Fort Hills. On February 2, 2023, we completed the sale to Suncor and TotalEnergies for aggregate gross proceeds of approximately $1 billion in cash and we do not anticipate any tax payable on the disposal. Based on the consideration of $1 billion in cash and other contractual adjustments, we recorded a non-cash, pre-tax impairment of $1.2 billion in 2022 as a result of the sale of our interest in Fort Hills.

In 2021, we recorded a non-cash pre-tax asset impairment reversal on our Carmen de Andacollo Operations of $215 million as a result of an increase in market expectations for long-term copper prices. This was partially offset by a $141 million charge associated with the QB2 variable consideration.

In 2020, as outlined below, COVID-19 had a significant effect on our financial results, with decreases in commodity prices, most significantly for steelmaking coal, the temporary suspension of construction on our QB2 project and temporary reductions in production at our operations in the second quarter. As a result, we expensed $434 million of costs associated with COVID-19, primarily relating to the suspension of our QB2 project, including $103 million of interest that would otherwise have been capitalized if construction on QB2 had not been suspended. We also recorded inventory write-downs of $134 million as a result of lower commodity prices. During 2020, we recorded non-cash pre-tax asset impairments on our interest in Fort Hills of $1.2 billion. We also recorded environmental costs of $270 million, primarily relating to a decrease in the rates used to discount our decommissioning and restoration provisions, and increased expected remediation costs.

[3] This is a non-GAAP financial measure or ratio. See “Use of Non-GAAP Financial Measures and Ratios” section for further information.

The following table shows the effect of these items on our profit and loss.

($ in millions, except per share data)	**2022[1]**	2021[2]	2020
Profit (loss) attributable to shareholders[3]	**$ 4,089**	$ 2,868	$ (864)
Add (deduct) on an after-tax basis:			
Asset impairments (impairment reversal)	**952**	(150)	912
COVID-19 costs	**—**	—	233
Loss on debt purchase	**42**	—	8
QB2 variable consideration to IMSA and ENAMI	**115**	124	(34)
Environmental costs	**99**	79	210
Inventory write-downs (reversals)	**36**	2	91
Share-based compensation	**181**	94	34
Commodity derivatives	**(25)**	15	(46)
Loss from discontinued operations for the nine months ended September 30, 2022[4]	**(791)**	—	—
Other	**175**	25	17
Adjusted profit attributable to shareholders[5]	**$ 4,873**	$ 3,057	$ 561
Basic earnings (loss) per share[3]	**$ 7.77**	$ 5.39	$ (1.62)
Diluted earnings (loss) per share[3]	**$ 7.63**	$ 5.31	$ (1.62)
Adjusted basic earnings per share[5]	**$ 9.25**	$ 5.74	$ 1.05
Adjusted diluted earnings per share[5]	**$ 9.09**	$ 5.66	$ 1.04

Note:

1. Adjustments for the year ended December 31, 2022 are the nine months ended September 30, 2022 as previously reported plus the three months ended December 31, 2022 for continuing operations.
2. Amounts for the year ended December 31, 2021 are as previously reported.
3. Amount for the year ended December 31, 2022 is for continuing operations only.
4. Adjustment required to remove the effect of discontinued operations for the nine months ended September 30, 2022.
5. This is a non-GAAP financial measure or ratio. See "Use of Non-GAAP Financial Measures and Ratios" section for further information.

Cash flow from operations in 2022 was $8.0 billion, compared with $4.7 billion in 2021 and $1.6 billion in 2020. The changes in cash flow from operations are mainly due to varying commodity prices, especially for steelmaking coal, and sales volumes of our principal products, offset to some extent by changes in foreign exchange rates.

At December 31, 2022, our cash balance was $1.9 billion. Total debt was $7.7 billion and our net-debt to net-debt-plus-equity ratio[4] was 19% at December 31, 2022, compared with 22% at December 31, 2021 and 24% at the end of 2020.

COVID-19 Financial Impact

COVID-19 operating protocols remain in place across our business, with a continued focus on preventive measures, controls and compliance processes, and the integration of these actions into our operations and business planning. Operating our mines at full production in a COVID-19 environment increases certain costs, such as medical testing, safety equipment, safety supplies, additional transportation costs, accommodation costs for social distancing, and increased absenteeism, among other things. These costs and certain costs related to inefficiencies would not have occurred absent COVID-19 and are incremental

[4] This is a non-GAAP financial measure or ratio. See "Use of Non-GAAP Financial Measures and Ratios" section for further information.

costs. However, they are considered a cost of operating in this environment and are not adjusted for in our adjusted profit calculation.

During 2020, the COVID-19 pandemic had a significant negative effect on prices and demand for our products and on our financial results. As a result of the pandemic, during the second quarter of 2020, we had to temporarily reduce production at a number of our operations, and we suspended active construction on our QB2 project. We incurred idle labour and other non-productive costs while production was temporarily reduced and these costs were adjusted for in our adjusted profit calculation, noted above.

During 2020, we expensed $272 million in costs associated with the temporary suspension of our QB2 project and the remobilization of the project. We also expensed $103 million of interest that would otherwise have been capitalized if construction on our QB2 project had not been suspended. Consistent with the return to active construction on the QB2 project in the third quarter of 2020, we recommenced capitalization of borrowing costs and we did not expense further costs associated with the remobilization of the project in the fourth quarter of 2020. For the year ended December 31, 2020, we expensed pre-tax COVID-19 costs of $434 million (after-tax $233 million).

Gross Profit

Our gross profit is made up of our revenue less the operating expenses at our producing operations, including depreciation and amortization. Income and expenses from our business activities that do not produce commodities for sale are included in our other operating income and expenses or in our non-operating income and expenses.

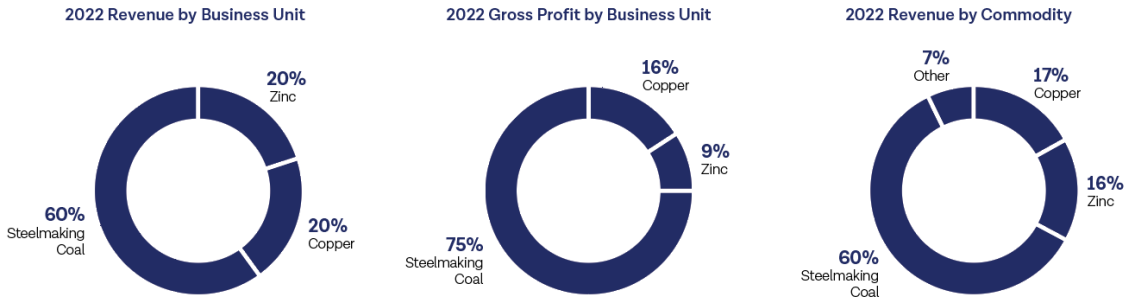
Our principal commodities are copper, zinc and steelmaking coal, which accounted for 17%, 16% and 60% of revenue, respectively, in 2022. Silver and lead are significant by-products of our zinc operations, accounting for 4% of our 2022 revenue. We also produce a number of other by-products, including molybdenum, various specialty metals, and chemicals and fertilizers, which in total accounted for 3% of our revenue in 2022.

Our revenue is affected by sales volumes, which are determined by our production levels and by demand for the commodities we produce, commodity prices and currency exchange rates.

Our revenue was a record $17.3 billion in 2022, compared with $12.8 billion in 2021 and $8.9 billion in 2020. The increase in 2022 was primarily due to substantially higher steelmaking coal prices. The increase in 2021 revenue from 2020 was primarily due to substantially higher prices for our principal products and increased sales volumes of steelmaking coal, partly offset by Fort Hills revenue represented as discontinued operations.

Average prices for zinc (LME) and steelmaking coal were 16% and 70% higher in 2022 than in 2021, while average copper prices (LME) declined by 6% in 2022 compared with 2021.

Our cost of sales includes all of the expenses required to produce our products, such as labour, energy, operating supplies, concentrates purchased for our Trail Operations' refining and smelting activities, royalties, and marketing and distribution costs required to sell and transport our products to various delivery points. Our cost of sales also includes depreciation and amortization expense. Due to the geographic locations of many of our operations, we are highly dependent on third parties for the provision of rail, port, and other distribution services. In certain circumstances, we negotiate prices and other terms for the provision of these services where we may not have viable alternatives to using specific providers or may not have access to regulated rate-setting mechanisms or appropriate remedies for service failures. Contractual disputes, demurrage charges, availability of vessels and railcars, weather problems and other factors, as well as rail and port capacity issues can have a material effect on our ability to transport materials from our suppliers and to our customers in accordance with schedules and contractual commitments.



Our costs are dictated mainly by our production volumes; by the costs for labour, operating supplies and concentrate purchases; by strip ratios, haul distances and ore grades; by distribution costs, commodity prices, foreign exchange rates and costs related to non-routine maintenance projects; and by our ability to manage these costs. Production volumes mainly affect our variable operating and distribution costs. In addition, production affects our sales volumes; when combined with commodity prices, this affects profitability and our royalty expenses.

Our cost of sales was $8.7 billion in 2022, compared with $7.6 billion in 2021 and $7.6 billion in 2020. The increase in cost of sales in 2022 compared to 2021 was primarily due to inflationary pressures we experienced across our business units, and to higher profit-based compensation and royalties. The increases in the cost of certain key supplies, including diesel, mining equipment, tires and explosives, are largely being driven by price increases for underlying commodities such as steel, crude oil and natural gas. This contrasts with our underlying key mining drivers such as strip ratios and haul distances, which remained relatively stable in 2022 as compared to 2021.

Other Expenses

($ in millions)	2022	2021	2020
General and administration	**$ 236**	$ 172	$ 132
Exploration	**90**	65	45
Research and innovation	**157**	129	97
Asset impairment (impairment reversal)	**—**	(215)	1,244
Other operating (income) expense	**1,102**	80	725
Finance income	**(53)**	(5)	(10)
Finance expense	**203**	190	278
Non-operating (income) expense	**275**	107	(43)
Share of losses of associates and joint ventures	**(4)**	3	1
	$ 2,006	$ 526	$ 2,469

In 2022, general and administration expenses of $236 million increasedby $64 million compared to 2021 due to inflationary pressures on employee related expenses and profit-sharing, and increased travel and project activity as various corporate activity levels returned to pre-COVID-19 levels.

Our exploration expenses in 2022 of $90 million, which were focused on copper, zinc and gold, were higher than expenditures in 2021 of $65 million, primarily due to the recommencement of drilling programs across our portfolio**.**

We must continually replace our reserves as they are depleted in order to maintain production levels over the long term. We try to do this through our exploration and development programs and through acquisition of interests in new properties or in companies that own them. Exploration for minerals and steelmaking coal is highly speculative, and the projects involve many risks. The vast majority of exploration projects are unsuccessful and there are no assurances that current or future exploration programs will find deposits that are ultimately brought into production.

Our research and innovation expenditures of $157 million in 2022 were primarily focused on the development of internal and external growth opportunities, RACE, and the development and implementation of process and environmental technology improvements at operations.

Other operating income and expenses include items we consider to be related to the operation of our business, such as final pricing adjustments (which are further described below), share-based compensation, gains or losses on commodity derivatives, gains or losses on the sale of operating or exploration assets, and provisions for various costs at our closed properties. Significant items in 2022 included $371 million of negative pricing adjustments, $236 million of share-based compensation relating to improved share prices, and $128 million of environmental costs primarily relating to the decommissioning and restoration provision of our closed operations. Significant items in 2021 included $442 million of positive pricing adjustments, partially offset by $125 million of share-based compensation. We also recorded $108 million of environmental costs, primarily relating to a decrease in the rates used to discount our decommissioning and restoration provisions for closed operations, and $97 million of take-or-pay contract costs. Significant items in 2020 included $282

million of costs associated with COVID-19, primarily relating to the suspension of our QB2 project, and $270 million of environmental costs, primarily relating to a decrease in the rates used to discount our decommissioning and restoration provisions for closed operations, and increased expected reclamation costs. In addition, we recorded commodity derivative gains of $62 million and $104 million of take-or-pay contract costs.

Sales of our products, including by-products, are recognized in revenue at the point in time when the customer obtains control of the product. Control is achieved when a product is delivered to the customer, we have the present right to payment for the product, significant risks and rewards of ownership have transferred to the customer according to contract terms, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. For sales of steelmaking coal and copper, zinc and lead concentrates, control of the product generally transfers to the customer when an individual shipment parcel is loaded onto a carrier accepted by or directly contracted by the customer. For sales of refined metals, control of the product transfers to the customer when the product is loaded onto a carrier specified by the customer.

The majority of our base metal concentrates and refined metals are sold under pricing arrangements where final prices are determined by quoted market prices in a period subsequent to sale. For these sales, revenue is recognized based on the estimated consideration to be received at the date of sale with reference to relevant commodity market prices. Our refined metals are sold under spot or average pricing contracts. For all steelmaking coal sales under average pricing contracts where pricing is not finalized when revenue is recognized, revenue is recorded based on the estimated consideration to be received at the date of sale with reference to steelmaking coal price assessments.

Adjustments are made to settlement receivables in subsequent periods based on movements in quoted market prices or published price assessments (for steelmaking coal) up to the date of final pricing. These pricing adjustments result in gains in a rising price environment and losses in a declining price environment and are recorded as other operating income or expense. It should be noted that these effects arise on the sale of concentrates, as well as on the purchase of concentrates at our Trail Operations.

The following table outlines our outstanding receivable positions, which were subject to provisional pricing terms at December 31, 2022 and 2021, respectively.

	Outstanding at December 31, 2022		Outstanding at December 31, 2021	
	Volume	**Price**	Volume	Price
Copper (pounds in millions)	**168**	**US$3.80/lb.**	156	US$4.42/lb.
Zinc (pounds in millions)	**218**	**US$1.35/lb.**	175	US$1.62/lb.
Steelmaking coal (tonnes in thousands)	**385**	**US$257/tonne**	—	—

Our finance expense includes the interest expense on our debt, on advances to QBSA from SMM/SC and on lease liabilities, letters of credit and standby fees, interest on our pension obligations, and accretion on our decommissioning and restoration provisions, less any interest that we capitalize against the cost of our

development projects. Our finance expense of $203 million in 2022 increased slightly compared to 2021. In 2020, we ceased capitalization of borrowing costs on QB2 while the project was temporarily suspended and began capitalizing borrowing costs when the project remobilized. In 2021 and 2022, we capitalized borrowing costs on QB2 for the full year.

In 2023, we expect our finance expense to increase compared to 2022 as we capitalize less borrowing costs relating to the development of QB2 once we achieve commercial production.

Non-operating income (expense) includes items that arise from financial and other matters, and includes such items as foreign exchange gains or losses, debt refinancing costs, gains or losses on the revaluation of debt prepayment options, and gains or losses on the sale of investments.

In 2022, non-operating expenses included a $58 million loss on the purchase of US$743 million aggregate principal amount of our outstanding notes during 2022 and $188 million of expenses associated with QB2 variable consideration to IMSA and ENAMI. Of the $188 million, $183 million was due to the revaluation of the financial liability for the preferential dividend stream related to ENAMI's interest in QBSA, which is most significantly affected by copper prices and the interest rate on the subordinated loans provided by us and SMM/SC to QBSA, which affects the timing of when QBSA repays the loans. The remaining $5 million of expense relates to a derivative financial liability that arose from our 2018 acquisition of an additional 13.5% interest in QBSA through the purchase of IMSA, a private Chilean company and former QBSA shareholder. The purchase price at the date of acquisition included additional amounts that may become payable to the extent that average copper prices exceed US$3.15 per pound in each of the first three years following commencement of commercial production, as defined in the acquisition agreement, up to a cumulative maximum of US$100 million if commencement of commercial production occurs prior to January 21, 2024, or up to a lesser maximum in certain circumstances thereafter.

In 2021, non-operating expenses included $141 million of expenses associated with QB2 variable consideration owing to a former owner and to a holder of a carried interest. Of the $141 million, $44 million was due to the revaluation of the financial liability for the preferential dividend stream related to ENAMI's interest in QBSA. The remaining $97 million of expense relates to a derivative financial liability that arose from our 2018 acquisition of an additional 13.5% interest in QBSA.

In 2020, non-operating income (expense) included a gain of $56 million on the revaluation of the financial liability for the preferential dividend stream relating to ENAMI’s interest in QBSA. This was partially offset by an $11 million loss on the purchase of US$268 million aggregate principal amount of our outstanding notes.

Profit (loss) attributable to non-controlling interests relates to the ownership interests that are held by third parties in our Quebrada Blanca, Carmen de Andacollo and Elkview operations, and Compañía Minera Zafranal S.A.C.

Income Taxes

Provision for income and resource taxes was $2.5 billion, or 38% of pre-tax profit. This rate is higher than the Canadian statutory income tax rate of 27% due generally as a result of resource taxes and higher taxes in some foreign jurisdictions.

The Peruvian tax authority, La Superintendencia Nacional de Aduanas y de Administración Tributaria (SUNAT), issued income tax assessments for the 2013 to 2016 taxation years to Antamina (our joint operation in which we own a 22.5% share), denying accelerated depreciation claimed by Antamina in respect of a mill expansion and other assets, on the basis that the expansion was not covered by Antamina's tax stability agreement. In 2022, the Peruvian Tax Court issued its ruling in favour of SUNAT on this matter for the 2013 taxation year.

Antamina is continuing to pursue the matter in the Peruvian Judiciary Courts. The denial of accelerated depreciation claimed is a timing issue in our tax provision, which we have already recorded. In light of the recent Peruvian Tax Court ruling, we have expensed our share of interest and penalties for the 2013 to 2016 years as reflected in finance expense and other non-operating expense.

Discontinued Operation

On October 26, 2022, we announced an agreement to sell our 21.3% interest in the Fort Hills Energy Limited Partnership (Fort Hills) and associated downstream assets to Suncor. Subsequently, TotalEnergies exercised its right of first refusal to purchase a proportional share of our interest in Fort Hills. On February 2, 2023, this transaction closed and we received aggregate gross proceeds of approximately $1 billion in cash. We do not anticipate any tax payable on the disposal.

Based on the consideration of $1 billion in cash and other contractual adjustments, we recorded a non-cash, pre-tax impairment of $1.2 billion (after-tax $961 million) as a result of the sale of our interest in Fort Hills. As part of the sale, we agreed to make scheduled payments to Suncor over the remaining term of the downstream contract in order to reduce the impact of certain pipeline tolls payable under that downstream contract indirectly assumed by Suncor.

Results from our interest in Fort Hills have been classified as discontinued operations and assets held for sale beginning in the fourth quarter of 2022.

In 2022, we incurred a $772 million loss from the discontinued operation compared with a $255 million loss in 2021. Our loss in 2022 included an after-tax, non-cash asset impairment charge of $952 million on our investment in Fort Hills. Western Canadian Select (WCS) prices at Hardisty, Alberta averaged US$76.02 per barrel in 2022 compared with US$54.87 per barrel in 2021. Our 21.3% share of bitumen production from Fort Hills in 2022 was 33,491 barrels per day, compared with 19,935 barrels per day in 2021. The bitumen production in 2022 was higher than the previous year due to two-train production ramp-up in December 2021.

Subsequent Events

On July 20, 2022 we announced an agreement with PolyMet Mining Corp. to form a 50:50 joint arrangement to advance PolyMet Mining Inc.'s NorthMet Project and Teck's Mesaba mineral deposit. The new joint arrangement will be named NewRange Copper Nickel LLC. As at December 31, 2022, we have reclassified property, plant and equipment and other assets of $14 million related to Mesaba to non-current assets held for sale. We have assessed the fair value of the Mesaba assets and determined that the fair value exceeded the carrying value of the assets and accordingly, no impairment was recorded. The transaction subsequently closed on February 15, 2023.

On December 19, 2022, we announced an agreement with Conuma Resources Limited to sell all the assets and liabilities of the Quintette steelmaking coal mine in northeastern British Columbia. The disposal group did not meet the definition of discontinued operations. As at December 31, 2022, we have reclassified the assets and liabilities of Quintette as held for sale on the balance sheet. We have assessed the fair value of the Quintette assets and determined that the fair value exceeded the carrying value of the assets and accordingly, no impairment was recorded. The transaction subsequently closed on February 16, 2023.

On February 18, 2023, Teck's Board of Directors approved the reorganization of Teck's business (the Separation) to separate Teck into two independent, publicly-listed companies: Teck Metals Corp. and Elk Valley Resources Ltd. (EVR). The Separation is structured as a spin-off of Teck's steelmaking coal business by way of a distribution of EVR common shares to Teck shareholders. In consideration for the transfer of the specified assets and liabilities of the steelmaking coal business to EVR, EVR will issue preferred shares and grant a royalty (collectively, the "Transition Capital Structure"), as well as issue EVR common shares. Teck Metals will hold 87.5% of the Transition Capital Structure and will distribute all of the EVR common shares held by Teck to its shareholders. Teck has also reached agreements with Nippon Steel Corporation (NSC) and POSCO to exchange their non-controlling interests in the Elkview operations, and specifically with POSCO to exchange their direct interest in the Greenhills operations, for EVR's common shares and a percentage of the Transition Capital Structure. In addition, NSC will invest approximately $1.0 billion to increase its interest in the Transition Capital Structure. As part of the analysis of the Separation, we estimated the fair value of the steelmaking coal group of CGUs expected to result from the transaction. We determined that the estimated fair value of the steelmaking coal group of CGUs exceeded the carrying value at December 31, 2022 and no impairment was identified. Completion of the transaction is subject to a number of customary conditions and if applicable court and shareholder approvals are received, completion of the transaction could occur in the second quarter of 2023.

Financial Position and Liquidity

Our liquidity remained strong at $7.3 billion as at December 31, 2022, including $1.9billion of cash. At December 31, 2022, the principal balance of our term notes was US$2.6 billion and we maintained a US$4.0 billion undrawn revolving credit facility. As at December 31, 2022, our US$2.5 billion QB2 project financing facility was fully drawn. As at December 31, 2022, Antamina's US$1.0 billion loan facility agreement, of which our 22.5% share is US$225 million, was fully drawn.

Our US$4.0 billion sustainability-linked revolving credit facility involves pricing adjustments that are aligned with our sustainability performance and strategy, and has a maturity to October 2026. Our sustainability performance over the term of the facility is measured by greenhouse gas intensity, the percentage of women in Teck's workforce, and safety. At December 31, 2022, our US$4 billion facility was undrawn.

Our outstanding debt was $7.7 billion at December 31, 2022, compared with $8.1 billion at the end of 2021 and $6.9 billion at the end of 2020. The decrease in 2022 is due to debt repurchases through a tender offer and an open market repurchase order, partially offset by draws on our QB2 project finance facility, debt at Antamina and loans entered into at Carmen de Andacollo.

We maintain investment grade ratings of Baa3, BBB-, BBB- and BBB from Moody's, S&P, Fitch and DBRS, respectively, with stable outlooks with the exception of Moody's, which has a positive outlook.

Our debt positions and credit ratios are summarized in the following table:

	December 31, 2022	December 31, 2021	December 31, 2020
Term notes	**$ 2,585**	$ 3,478	$ 3,478
US$4 billion of revolving credit facilities	**—**	—	262
QB2 US$2.5 billion limited recourse project finance facility	**2,500**	2,252	1,147
Lease liabilities	**422**	547	544
Carmen de Andacollo short-term loans	**52**	—	—
Antamina credit facilities	**225**	176	90
Other	**—**	—	1
Less unamortized fees and discounts	**(71)**	(89)	(66)
Debt (US$ in millions)	**$ 5,713**	$ 6,364	$ 5,456
Debt (Canadian $ equivalent)[1] (A)	**7,738**	8,068	6,947
Less cash balances	**(1,883)**	(1,427)	(450)
Net debt[2] (B)	**$ 5,855**	$ 6,641	$ 6,497
Equity (C)	**$ 26,511**	$ 23,773	$ 20,708
Net-debt to net-debt-plus-equity ratio[2] (B/(B+C))	**18 %**	22%	24%
Net-debt to adjusted EBITDA ratio[2]	**0.6x**	1.0x	2.5x
Weighted average coupon rate on the term notes	**5.3%**	5.5%	5.5%

Notes:
1. Translated at period end exchange rates.
2. This is a non-GAAP financial measure or ratio. See "Use of Non-GAAP Financial Measures and Ratios" section for further information.

At December 31, 2022, the weighted average maturity of our term notes is approximately 15 years and the weighted average coupon rate is approximately 5.3%.

Cash flow from operations was $8.0 billion in 2022. Our cash position increased from $1.4 billion at the end of 2021 to $1.9 billion at December 31, 2022. Significant outflows included $4.4 billion of capital expenditures, $1.0 billion of capitalized stripping costs, $199 million on investments and other asset expenditures, $532 million on returns to shareholders through dividends and $459 million of interest and finance charges, primarily on our outstanding debt. Significant inflows during 2022 included $315 million of net proceeds from debt drawn on the QB2 project financing facility and $899 million of QB2 advances from SMM/SC.

We maintain various committed and uncommitted credit facilities for liquidity and for the issuance of letters of credit, including a US$4.0 billion sustainability-linked facility, which was undrawn as at December 31, 2022.

Borrowing under our primary committed revolving credit facility is subject to our compliance with the covenants in the agreement and our ability to make certain representations and warranties at the time of the borrowing request. Our US$4.0 billion sustainability-linked facility does not contain an earnings or cash flow-based financial covenant, a credit rating trigger or a general material adverse borrowing condition. The only financial covenant under our credit agreements is a requirement for our net debt to capitalization ratio not to exceed 60%. That ratio was 19% at December 31, 2022.

In addition to our US$4.0 billion sustainability-linked facility, we maintain uncommitted bilateral credit facilities primarily for the issuance of letters of credit to support our future reclamation obligations. At December 31, 2022, we had $2.7 billion of letters of credit outstanding. We also had $849 million in surety bonds outstanding at December 31, 2022 mostly to support current and future reclamation obligations.

Under the terms of the silver streaming agreement relating to Antamina, if there is an event of default under the agreement or Teck insolvency, Teck Base Metals Ltd., our subsidiary that holds our interest in Antamina, is restricted from paying dividends or making other distributions to Teck to the extent that there are unpaid amounts under the agreement. In addition, the QB2 project finance arrangements include customary restrictions on the payment of dividends and other distributions from the project company until project completion has been achieved; such distributions are also subject to compliance with certain other conditions.

Early repayment of borrowings under our US$4.0 billion credit facility, outstanding public debt and the QB2 project finance arrangements may be required if an event of default under the relevant agreement occurs. In addition, we are required to offer to repay indebtedness outstanding under our revolving credit facility and certain of our public debt in the event of a change of control, as determined under the relevant agreements.

Capital Allocation Framework

Our capital allocation framework describes how we allocate funds to sustaining and growth capital, maintaining solid investment grade credit metrics and returning excess cash to shareholders. This framework reflects our intention to make additional returns to shareholders by supplementing our base dividend with at least an additional 30% of available cash flow after certain other repayments and expenditures have been made. For this purpose, we define available cash flow (ACF) as cash flow from operating activities after interest and finance charges, lease payments and distributions to non-controlling interests less: (i) sustaining capital and capitalized stripping; (ii) committed growth capital; (iii) any cash required to adjust the capital structure to maintain solid investment grade credit metrics; (iv) our base $0.50 per share annual dividend; and (v) any share repurchases executed under our annual buyback authorization. Proceeds from any asset sales may also be used to supplement available cash flow. Any additional cash returns will be made through share repurchases and/or supplemental dividends depending on market conditions at the relevant time.

Our results can be highly variable, as they are dependent on commodity prices and various other factors. Investors should not assume that there will be available cash or any supplemental returns in any given year.
In 2022, as cash flows were generated from operations, we returned capital to shareholders through dividends and share buybacks. We paid dividends of $532 million in 2022. We also returned $1.4 billion during 2022 through share buybacks. On February 18, 2023, Teck's Board of Directors approved a dividend of $0.625 per share. The $0.625 per share dividend consists of the $0.125 per share quarterly base dividend and a supplemental dividend of $0.50 per share on our Class A common shares and Class B subordinate voting shares, to be paid on March 31, 2023 to shareholders of record at the close of business on March 15, 2023. In addition to the dividend, the Board has authorized management to purchase up to $250 million of Class B subordinate voting shares. Additional buybacks will be considered regularly in the context of market conditions.

Operating Cash Flow

Cash flow from operations was $8.0 billion in 2022, compared with $4.7 billion in 2021 and $1.6 billion in 2020. The increase in 2022 was primarily reflected in the substantial increase in steelmaking coal prices compared with 2021. The increase in 2021 as compared to 2020 was primarily due to higher prices for our principal products, especially steelmaking coal.

Investing Activities

Expenditures on property, plant and equipment were $4.4 billion in 2022, including $3.1 billion on the QB2 project, $239 million on growth capital and $1.1 billion on sustaining capital. The largest components of sustaining capital expenditures were $520 million at our steelmaking coal operations.

Capitalized production stripping costs were $1.0 billion in 2022 compared with $667 million in 2021. The majority of these costs are associated with the advancement of pits for future production at our steelmaking coal operations. Stripping costs were higher in 2022 primarily due to Elkview operations focusing on pre-

stripping activities during the two-month plant outage while repairs to the plant feed conveyor took place. In addition, the higher stripping costs reflect the impact of inflationary pressures across our operations.

Capital expenditures for 2022 are summarized in the table on pages 47 to 48.

Expenditures on investments in 2022 were $199 million and included $128 million for intangible and other assets, and $71 million for marketable securities.
Cash proceeds from the sale of assets and investments were $113 million in 2022, $54 million in 2021 and $146 million in 2020.

Financing Activities

In 2022, debt proceeds totalled $569 million, while debt repayments totalled $1.3 billion. Debt proceeds in 2022 included $315 million drawdown on the US$2.5 billion limited recourse project financing facility to fund the development of the QB2 project. The facility was fully drawn in April 2022. Debt proceeds also included $63 million final drawdown on Antamina's loan agreement. The loan agreement was fully drawn during the first quarter of 2022, with our share being US$225 million. Debt repayments in 2022 included the redemption of our US$150 million 4.75% note for $187 million and the purchase of US$650 million of our public notes in a waterfall tender for $892 million.

In 2021, debt proceeds totalled $1.6 billion, while debt repayments totalled $155 million. We also repaid $335 million, net, on our revolving credit facility during the year. Debt proceeds included a drawdown of $1.4 billion on the US$2.5 billion limited recourse project financing facility to fund the development of the QB2 project. Antamina entered into a US$1.0 billion loan agreement during 2021. As at December 31, 2021, our share of the amount drawn was US$158 million, which is included in our debt proceeds for the year.

In 2020, debt proceeds totalled $2.4 billion, while debt repayments totalled $457 million. Debt proceeds included a drawdown of $1.5 billion on the US$2.5 billion limited recourse project financing facility to fund the development of the QB2 project. During the year, we drew $363 million, net, on our US$4.0 billion revolving credit facility.

In 2020, we issued US$550 million of notes due July 2030. These notes bear interest at 3.90% per year. We used the US$542 million of net proceeds to purchase the US$268 million aggregate principal amount of our outstanding notes pursuant to cash tender offers and a private purchase, the latter of which had a US$13 million principal amount. The purchased notes comprised US$104 million of 4.5% notes due 2021, US$52 million of 4.75% notes due 2022 and US$112 million of 3.75% notes due 2023. The remainder of the proceeds were used to repay amounts drawn on our US$4.0 billion revolving credit facility. We recorded a pre-tax loss through non-operating income (expense) of $11 million in connection with these purchases.

Debt interest and finance charges paid during 2022 were $459 million, compared with $380 million in 2021, due to higher debt balances and higher interest rates on the QB2 project financing facility, QB2 advances from SMM/SC and Antamina credit facilities..

During 2022, we paid $532 million in respect of our regular annual base dividend of $0.50 per share and an additional one-time supplemental dividend of $0.50 per share.

In 2022, we purchased and cancelled approximately 30.7 million Class B shares at a cost of $1.4 billion under our normal course issuer bid.

Quarterly Profit and Cash Flow

($ in millions except per share data)	2022				2021			
	Q4	**Q3**	**Q2**	**Q1**	Q4	Q3	Q2	Q1
Revenue	**$ 3,140**	**$ 4,260**	**$ 5,300**	**$ 4,616**	$ 4,196	$ 3,792	$ 2,394	$ 2,384
Gross profit	**$ 1,154**	**$ 1,797**	**$ 3,142**	**$ 2,478**	$ 2,114	$ 1,690	$ 723	$ 687
Profit (loss) attributable to shareholders	**$ 266**	**$ (195)**	**$ 1,675**	**$ 1,571**	$ 1,487	$ 816	$ 260	$ 305
Basic earnings (loss) per share	**$ 0.52**	**$ (0.37)**	**$ 3.12**	**$ 2.93**	$ 2.79	$ 1.53	$ 0.49	$ 0.57
Diluted earnings (loss) per share	**$ 0.51**	**$ (0.37)**	**$ 3.07**	**$ 2.87**	$ 2.74	$ 1.51	$ 0.48	$ 0.57
Cash flow from operations	**$ 930**	**$ 1,809**	**$ 2,921**	**$ 2,323**	$ 2,098	$ 1,480	$ 575	$ 585

Gross profit from our copper business unit was $248 million in the fourth quarter compared with $442 million a year ago. Gross profit decreased from a year ago primarily due to a decline in realized copper prices, lower production and sales volumes, and higher unit operating costs.

Copper production of 65,400 tonnes in the fourth quarter was 10% lower than a year ago, primarily due to processing of lower grade ore during a temporary pit closure at Highland Valley Copper as a result of a localized geotechnical event that has since been stabilized.

Gross profit from our zinc business unit was $57 million in the fourth quarter compared with $217 million a year ago. Gross profit decreased compared with a year ago primarily due to a 9% decrease in realized zinc prices, lower refined zinc sales volumes, higher operating costs, and a decrease in lead and silver by-product sales volumes from our Red Dog and Trail Operations.

At our Red Dog Operations, zinc production in the fourth quarter decreased by 4%, or 5,500 tonnes, while lead production was consistent with the same period last year at 18,000 tonnes. At our Trail Operations, refined zinc production was 32% lower than a year ago, due to major planned maintenance on the KIVCET boiler and unplanned downtime due to extreme cold weather in late December.

Gross profit in the fourth quarter from our steelmaking coal business unit decreased by $606 million to $849 million compared to the same period last year primarily as a result of lower steelmaking coal prices and lower production and sales volumes. Although realized steelmaking coal prices in the fourth quarter declined by 21% from a year ago, they remain at historically high levels. Production volumes were lower as a result of the two-month plant outage at our Elkview Operations for the repair of the plant feed conveyor, plant availability challenges, ongoing labour constraints and extreme weather events in December.

Sales volumes for the fourth quarter were 4.3 million tonnes, 16% lower than the same period last year, primarily due to lower production and the impact of the extreme weather conditions on our logistics chain that also resulted in higher steelmaking coal inventories to close out the year. We expect to recover the delayed fourth quarter sales in the first half of 2023 as we ramp back up to planned operating levels.

In the fourth quarter, profit attributable to shareholders was $266 million, or $0.52 per share, compared with a profit attributable to shareholders of $1.5 billion, or $2.79 per share, in the same period a year ago.

Cash flow from operations in the fourth quarter was $930 million compared with $2.1 billion a year ago, reflecting the impact of lower commodity prices and reduced steelmaking coal sales volumes. During the fourth quarter, changes in working capital items resulted in a use of cash of $154 million primarily due to a build-up of steelmaking coal production inventories and an increase in supply inventories at Quebrada Blanca as the operation prepares for start-up. This compares with a use of cash of $70 million a year ago.

Outlook

The sales of our products are denominated in U.S. dollars, while a significant portion of our expenses is incurred in local currencies, particularly the Canadian dollar and the Chilean peso. Foreign exchange fluctuations can have a significant effect on our capital costs and operating margins, unless such fluctuations are offset by related changes to commodity prices.

Our U.S. dollar denominated debt is subject to revaluation based on changes in the Canadian/U.S. dollar exchange rate. As at December 31, 2022, US$1.7 billion of our U.S. dollar denominated debt is designated as a hedge against our foreign operations that have a U.S. dollar functional currency. As a result, any foreign exchange gains or losses arising on that amount of our U.S. dollar debt are recorded in other comprehensive income, with the remainder being charged to profit.

Commodity markets are volatile. Prices can change rapidly and customers can alter shipment plans. This can have a substantial effect on our business and financial results. Continued uncertainty in global markets arising from the macroeconomic outlook and government policy changes, including tariffs and the potential for trade disputes, may have a significant positive or negative effect on the prices of the various products we produce.

We remain confident in the longer-term outlook for our major commodities; however, the extent, duration and impacts that COVID-19 may have on demand and prices for our commodities, on our suppliers and employees and on global financial markets in the future are uncertain and could be material. As well, the predicted impact of monetary policy aimed at curtailing inflation in various jurisdictions on economic growth and demand for our products is uncertain and could be material.

Commodity Prices and Sensitivities

Commodity prices are a key driver of our profit and cash flows. On the supply side, the depleting nature of ore reserves, difficulties in finding new orebodies, the permitting processes and the availability of skilled resources to develop projects, as well as infrastructure constraints, political risk and significant cost inflation, may continue to have a moderating effect on the growth in future production for the industry as a whole.

The sensitivity of our annual profit attributable to shareholders and EBITDA to changes in the Canadian/U.S. dollar exchange rates and commodity prices, before pricing adjustments, based on our current balance sheet, our expected 2023 mid-range production estimates, current commodity prices and a Canadian/U.S. dollar exchange rate of $1.30, is as follows:

	2023 Mid-Range Production Estimates[1]	Change	Estimated Effect of Change On Profit (Loss) Attributable to Shareholders[2] ($ in millions)	Estimated Effect on EBITDA[2,5] ($ in millions)
US$ exchange		CAD$0.01	$ 60	$ 98
Copper (000's tonnes)	$ 417.5	US$0.01/lb.	$ 6	$ 11
Zinc (000's tonnes)[3]	$ 945.0	US$0.01/lb.	$ 9	$ 12
Steelmaking coal (million tonnes)	$ 25.0	US$1/tonne	$ 19	$ 29
WTI[4]		US$1/bbl	$ 3	$ 5

Notes:
1. All production estimates are subject to change based on market and operating conditions.
2. The effect on our profit (loss) attributable to shareholders and on EBITDA of commodity price and exchange rate movements will vary from quarter to quarter depending on sales volumes. Our estimate of the sensitivity of profit and EBITDA to changes in the U.S. dollar exchange rate is sensitive to commodity price assumptions.
3. Zinc includes 280,000 tonnes of refined zinc and 665,000 tonnes of zinc contained in concentrate.
4. Our WTI oil price sensitivity takes into account the change in operating costs across our business units, as our operations use a significant amount of diesel fuel.
5. This is a non-GAAP financial measure or ratio. See "Use of Non-GAAP Financial Measures and Ratios" section for further information.

Guidance

Our 2023 annual guidance is outlined in detail below and is unchanged from previous disclosures.

Like others in the industry, we continue to face inflationary cost pressures, which have increased our operating costs compared to prior years. The increase in the cost of certain key supplies, including mining equipment, fuel, tires and explosives, are being driven largely by price increases for underlying commodities such as steel, crude oil and natural gas. While our underlying key mining drivers such as strip ratios and haul distances remain relatively stable, inflationary pressures on diesel and other key input costs, as well as profit-based compensation put upward pressure on our unit costs in 2022 and are expected to persist through 2023.

Production Guidance

Copper production in 2023 is expected to be in the range of 390,000 to 445,000 tonnes. QB2 is expected to add substantially to overall copper production compared to 2022 as we ramp-up to full capacity before the end of 2023. The increase is partially offset by lower expected production at Highland Valley Copper due to harder ore and lower copper grades as part of an update to the mine plan and lower copper grade at Antamina as expected in the mine plan.

We expect 2023 zinc in concentrate production, including co-product zinc production from Antamina (22.5%), to be in the range of 645,000 to 685,000 tonnes. This increase from 2022 production levels is driven by higher zinc grades at both Red Dog and Antamina as expected in the mine plan. We expect lead production from Red Dog to be in the range of 110,000 to 125,000 tonnes in 2023. In 2023, we expect Trail Operations to produce between 270,000 and 290,000 tonnes of refined zinc. Refined lead and silver production at Trail are expected to be similar to prior years, but will fluctuate as a result of concentrate feed source optimization.

We expect 2023 annual steelmaking coal production in the range of 24 to 26 million tonnes. Labour constraints are expected to continue to negatively impact equipment operating hours despite improved workforce attraction and retention as a result of initiatives implemented in 2022. We updated 2024 to 2026 steelmaking coal guidance to 24 to 26 million tonnes per year to reflect uncertainties related to ongoing labour impacts and the increasing frequency of adverse weather events.

Production Guidance

The table below shows our share of production of our principal products for 2022, our guidance for production in 2023 and our guidance for production for the following three years.

Units in thousand tonnes (excluding steelmaking coal and molybdenum)	2022	2023 Guidance	Three-Year Guidance 2024–2026
Principal Products			
Copper[1,2,3]			
Highland Valley Copper	**119.1**	110 - 118	120 - 165
Antamina	**102.3**	90 - 97	90 - 100
Carmen de Andacollo	**39.5**	40 - 50	50 - 60
Quebrada Blanca	**9.6**	150 - 180	285 - 315
	270.5	390 - 445	545 - 640
Zinc[1,2,4]			
Red Dog	**553.1**	550 - 580	500 - 550
Antamina	**97.4**	95 - 105	55 - 95
	650.5	645 - 685	555 - 645
Refined zinc			
Trail Operations	**248.9**	270 - 290	280 - 310
Steelmaking coal (million tonnes)	**21.5**	24.0 - 26.0	24.0 - 26.0
Other Products			
Lead[1]			
Red Dog	**79.5**	110 - 125	85 - 95
Molybdenum (million pounds)[1,2]			
Highland Valley Copper	**1.0**	0.8 - 1.2	2.0 - 6.0
Antamina	**1.5**	2.2 - 2.6	2.0 - 4.0
Quebrada Blanca	**—**	1.5 - 3.0	10.0 - 14.0
	2.5	4.5 - 6.8	14.0 - 24.0

Notes:
1. Metal contained in concentrate.
2. We include 100% of production and sales from our Quebrada Blanca and Carmen de Andacollo mines in our production and sales volumes, even though we do not own 100% of these operations, because we fully consolidate their results in our financial statements. We include 22.5% of production and sales from Antamina, representing our proportionate ownership interest in this operation.
3. Copper production includes cathode production at Quebrada Blanca and Carmen de Andacollo.
4. Total zinc includes co-product zinc production from our 22.5% proportionate interest in Antamina.

Sales Guidance

The table below shows our sales of selected products for the last quarter of 2022 and our sales guidance for the first quarter of 2023 for selected principal products.

	Q4 2022	Q1 2023 Guidance
Zinc (thousand tonnes)[1]		
Red Dog	**142**	165 - 185
Steelmaking coal (million tonnes)	**4.3**	6.0 - 6.4

Note:

1. Metal contained in concentrate.

Unit Cost Guidance

The table below reports our unit costs for 2022 and our guidance for unit costs for selected products in 2023.

(Per unit costs)	2022	2023 Guidance
Copper[1]		
Total cash unit costs[4] (US$/lb.)	**2.02**	2.05 - 2.25
Net cash unit costs[3,4] (US$/lb.)	**1.56**	1.60 - 1.80
Zinc[2]		
Total cash unit costs[4] (US$/lb.)	**0.58**	0.68 - 0.78
Net cash unit costs[3,4] (US$/lb.)	**0.44**	0.50 - 0.60
Steelmaking coal		
Adjusted site cost of sales[4]	**89**	88 - 96
Transportation costs	**47**	45 - 48

Notes:

1. Copper unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Copper net cash unit costs include adjusted cash cost of sales and smelter processing charges, less cash margins for by-products including co-products. Guidance for 2023 assumes a zinc price of US$1.45 per pound, a molybdenum price of US$17.00 per pound, a silver price of US$20 per ounce, a gold price of US$1,755 per ounce and a Canadian/U.S. dollar exchange rate of $1.33. Excludes Quebrada Blanca.
2. Zinc unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Zinc net cash unit costs are mine costs including adjusted cash cost of sales and smelter processing charges, less cash margins for by-products. Guidance for 2023 assumes a lead price of US$0.90 per pound, a silver price of US$20 per ounce and a Canadian/U.S. dollar exchange rate of $1.33. By-products include both by-products and co-products.
3. After co-product and by-product margins and excluding Quebrada Blanca.
4. This is a non-GAAP financial measure or ratio. See “Use of Non-GAAP Financial Measures and Ratios” for further information.

Capital Expenditure Guidance

The table below reports our capital expenditures for 2022 and our guidance for capital expenditure in 2023.

(Teck's share in $ millions)	2022	2023 Guidance
Sustaining		
Copper[1]	**$ 297**	$ 510
Zinc	**244**	150
Steelmaking coal[2]	**520**	760
Corporate	**17**	10
	$ 1,078	$ 1,430
Growth[3]		
Copper[4]	**$ 217**	$ 250
Zinc	**37**	80
Steelmaking coal	**30**	30
Corporate	**1**	—
	$ 285	$ 360
Total		
Copper	**$ 514**	$ 760
Zinc	**281**	230
Steelmaking coal	**550**	790
Corporate	**18**	10
	$ 1,363	$ 1,790
QB2 capital expenditures	**$ 3,060**	$ 1,200 - 1,750
Total before SMM and SC contributions	**4,423**	2,990 - 3540
Estimated SMM and SC contributions to capital expenditures	**(1,090)**	(520) - (700)
Estimated QB2 project financing draw to capital expenditures	**(315)**	—
Total, net of partner contributions and project financing	**$ 3,018**	$ 2,470 - 2,840

Notes:

1 Copper sustaining capital guidance for 2023 includes Quebrada Blanca concentrate operations.
2 Steelmaking coal sustaining capital 2023 guidance includes $220 million of water treatment capital. 2022 guidance includes $200 million of water treatment capital.
3 Growth expenditures include RACE capital expenditures for 2023 of $35 million, of which $5 million relates to copper and $30 million relates to steelmaking coal.
4 Copper Growth capital guidance for 2023 includes studies for HVC 2040, Zafranal, San Nicolás, NewRange Copper Nickel (formerly Mesaba and NorthMet), Quebrada Blanca Mill Expansion (QBME), Galore Creek, Schaft Creek and NuevaUnión.

Capital Expenditure Guidance — Capitalized Stripping

(Teck's share in CAD$ millions)		2022		2023 Guidance
Capitalized Stripping				
Copper	**$**	**336**	$	295
Zinc		**89**		55
Steelmaking coal		**617**		750
	$	**1,042**	$	1,100

Other Information

Climate Change and Carbon Pricing

As part of the ongoing efforts to address climate change, regulations to control greenhouse gas emissions continue to be developed and enhanced in many jurisdictions. Regulatory uncertainty and resulting uncertainty regarding the costs of technology required to comply with current or anticipated regulations make it difficult to predict the ultimate costs of compliance. Societal focus on controlling carbon emissions, minimizing climate change and preparing for climate change adaptation continues to mount.

The Government of Canada continues to advance climate action initiatives such as the *Canadian Net-Zero Emissions Accountability Act,* which formalizes Canada's target to achieve net-zero greenhouse gas emissions by 2050 and its *A Healthy Environment and a Healthy Economy* climate plan to advance actions to achieve Canada's climate goals, which includes a proposal to increase the federal price of carbon to $170 per tonne of carbon dioxide-equivalent (CO_2e) by 2030. The Government of Canada also formally submitted Canada's enhanced Nationally Determined Contribution to the United Nations, committing Canada to cut its greenhouse gas emissions by 40%–45% below 2005 levels by 2030.

While climate change regulations continue to evolve in most jurisdictions in which we operate, we expect that regional, national or international regulations that seek to reduce greenhouse gas emissions will continue to be established or revised. The cost of reducing our emissions or of obtaining the equivalent amount of credits or offsets in the future, if regulations permit this, remains uncertain. The cost of compliance with various climate change regulations will ultimately be determined by the regulations themselves and by the markets that evolve for carbon credits and offsets. Our Scope 1 and 2 greenhouse gas emissions attributable to our operations for 2022 are estimated to be approximately 2.8 million tonnes of CO_2e. The most material indirect emissions associated with our activities are those from the use of our steelmaking coal by our customers. Based on our 2022 sales volumes, emissions from the use of our steelmaking coal would have been approximately 65 million tonnes of CO_2e.

We may in the future face similar taxation for our activities in other jurisdictions. Similarly, customers of some of our products may also be subject to new carbon costs or taxation in the future in the jurisdictions where the products are ultimately used.

For 2022, our B.C.-based operations incurred $88.4 million in British Columbia provincial carbon tax. As a result of the CleanBC Program for Industry, we received back $18.8 million of the $81.7 million we paid under the British Columbia provincial carbon tax in 2021, and we expect to receive a similar portion of our 2022 carbon tax payments back in 2023.

We continue to take action to reduce greenhouse gas emissions by improving our energy efficiency and implementing low-carbon technologies at our operations. In 2020, we announced our objective to achieve net-zero greenhouse gas emissions across our operations and in 2022 we expanded our existing climate action strategy to include a new short-term goal to achieve net-zero Scope 2 greenhouse gas emissions by

2025 and a new ambition to achieve net-zero Scope 3 greenhouse gas emissions by 2050. We also have a focus on growing our copper business to further rebalance our portfolio to metals and minerals essential for low-carbon technologies, while continuing to produce the high-quality steelmaking coal required for the low-carbon transition.

We have established a set of actions that facilitate progress towards our decarbonization goals and ambitions. Our objective is to deliver significant and cost-competitive emissions reductions. We routinely evaluate existing and emerging abatement opportunities as the pace of low-carbon technology maturation continues to accelerate, and as options that were not feasible a few years ago appear on the horizon.

Financial Instruments and Derivatives

We hold a number of financial instruments, derivatives and contracts containing embedded derivatives, which are recorded on our consolidated balance sheet at fair value with gains and losses in each period included in other comprehensive income (loss) in the year and profit for the period on our consolidated statements of income and consolidated statements of other comprehensive income, as appropriate. The most significant of these instruments are investments in marketable securities and metal-related forward contracts, including those embedded in our silver and gold streaming arrangements, QB2 variable consideration to IMSA and settlement receivables. All are subject to varying rates of taxation, depending on their nature and jurisdiction. Further information about our financial instruments, derivatives and contracts containing embedded derivatives and associated risks is outlined in Note 30 to our 2022 audited annual consolidated financial statements.

Areas of Judgment and Critical Accounting Estimates

In preparing our consolidated financial statements, we make judgments in applying our accounting policies. The judgments that have the most significant effect on the amounts recognized in our financial statements are outlined below. In addition, we make assumptions about the future in deriving estimates used in preparing our consolidated financial statements. We have outlined information below about assumptions and other sources of estimation uncertainty as at December 31, 2022 that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year.

a) Areas of Judgment

Assessment of Impairment and Impairment Reversal Indicators

Judgment is required in assessing whether certain factors would be considered an indicator of impairment or impairment reversal. We consider both internal and external information to determine whether there is an indicator of impairment or impairment reversal present and, accordingly, whether impairment testing is required. The information we consider in assessing whether there is an indicator of impairment or impairment reversal includes, but is not limited to, market transactions for similar assets, commodity prices, treatment

charges, zinc premiums, discount rates, foreign exchange rates, our market capitalization, reserves and resources, mine plans, operating plans and operating results.

In the fourth quarter of 2022, as a result of increased costs and operating challenges at our Trail CGU, we performed an impairment test for our Trail CGU.

In the fourth quarter of 2021 as a result of higher market expectations for long-term copper prices, we performed an impairment reversal test for our Carmen de Andacollo CGU. In addition, mine plans with updated information for Fort Hills became available in the fourth quarter of 2021, which required us to perform an impairment test on our Fort Hills CGU.

Property, Plant and Equipment – Determination of Available for Use Date

Judgment is required in determining the date that property, plant and equipment is available for use. An asset is available for use when it is in the location and condition necessary to operate in the manner intended by management. We considered several factors in making the determination of when the Neptune port upgrade project was available for use including, but not limited to, design capacity of the asset, throughput levels achieved, capital spending remaining and commissioning status. As at September 30, 2021, based on assessment of relevant factors, the Neptune port upgrade project was considered available for use. We commenced depreciation of the asset and ceased capitalization of borrowing costs as of the date the asset was available for use.

Joint Arrangements

We are a party to a number of arrangements over which we do not have control. Judgment is required in determining whether joint control over these arrangements exists and, if so, which parties have joint control and whether each arrangement is a joint venture or a joint operation. In assessing whether we have joint control, we analyze the activities of each arrangement and determine which activities most significantly affect the returns of the arrangement over its life. These activities are determined to be the relevant activities of the arrangement. If unanimous consent is required over the decisions about the relevant activities, the parties whose consent is required would have joint control over the arrangement. The judgments around which activities are considered the relevant activities of the arrangement are subject to analysis by each of the parties to the arrangement and may be interpreted differently. When performing this assessment, we generally consider decisions about activities such as managing the asset while it is being designed, developed and constructed, during its operating life and during the closure period. We may also consider other activities, including the approval of budgets, expansion and disposition of assets, financing, significant operating and capital expenditures, appointment of key management personnel, representation on the board of directors and other items. When circumstances or contractual terms change, we reassess the control group and the relevant activities of the arrangement.

If we have joint control over the arrangement, an assessment of whether the arrangement is a joint venture or a joint operation is required. This assessment is based on whether we have rights to the assets, and

obligations for the liabilities, relating to the arrangement or whether we have rights to the net assets of the arrangement. In making this determination, we review the legal form of the arrangement, the terms of the contractual arrangement and other facts and circumstances. In a situation where the legal form and the terms of the contractual arrangement do not give us rights to the assets and obligations for the liabilities, an assessment of other facts and circumstances is required, including whether the activities of the arrangement are primarily designed for the provision of output to the parties and whether the parties are substantially the only source of cash flows contributing to the arrangement. The consideration of other facts and circumstances may result in the conclusion that a joint arrangement is a joint operation. This conclusion requires judgment and is specific to each arrangement. Other facts and circumstances have led us to conclude that Antamina and Fort Hills are joint operations for the purposes of our consolidated financial statements. The other facts and circumstances considered for both of these arrangements include the provision of output to the parties of the joint arrangements and the funding obligations. For both Antamina and Fort Hills, we take our share of the output from the assets directly over the life of the arrangement. We have concluded that this gives us direct rights to the assets and obligations for the liabilities of these arrangements proportionate to our ownership interests.

Streaming Transactions

When we enter into a long-term streaming arrangement linked to production at specific operations, judgment is required in assessing the appropriate accounting treatment for the transaction on the closing date and in future periods. We consider the specific terms of each arrangement to determine whether we have disposed of an interest in the reserves and resources of the respective operation or executed some other form of arrangement. This assessment considers what the counterparty is entitled to and the associated risks and rewards attributable to them over the life of the operation. These include the contractual terms related to the total production over the life of the arrangement as compared to the expected production over the life of the mine, the percentage being sold, the percentage of payable metals produced, the commodity price referred to in the ongoing payment and any guarantee relating to the upfront payment if production ceases.

For our silver and gold streaming arrangements at Antamina and Carmen de Andacollo, respectively, there is no guarantee associated with the upfront payment. We have concluded that control of the rights to the silver and gold mineral interests were transferred to the buyers when the contracts came into effect. Therefore, we consider these arrangements a disposition of a mineral interest.

Based on our judgment, control of the interest in the reserves and resources transferred to the buyer when the contracts were executed. At that time, we recognized the amount of the gain related to the disposition of the reserves and resources, as we had the right to payment, the customer was entitled to the commodities, the buyer had no recourse in requiring Teck to mine the product and the buyer had significant risks and rewards of ownership of the reserves and resources.

We recognize the amount of consideration related to refining, mining and delivery services as the work is performed.

Deferred Tax Assets and Liabilities

Judgment is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognized on the balance sheet and what tax rate is expected to be applied in the year when the related temporary differences reverse. We also evaluate the recoverability of deferred tax assets based on an assessment of our ability to use the underlying future tax deductions before they expire against future taxable profits or capital gains. Deferred tax liabilities arising from temporary differences on investments in subsidiaries, joint ventures and associates are recognized unless the reversal of the temporary differences is not expected to occur in the foreseeable future and can be controlled. Judgment is also required on the application of income tax legislation. These judgments are subject to risk and uncertainty and could result in an adjustment to the deferred tax provision and a corresponding credit or charge to profit (loss).

Assets Held for Sale

Judgment is required in assessing whether certain of our assets are considered as held for sale as at December 31, 2022. For non-current assets and disposal groups to be considered as held for sale, the asset or disposal group must be available for immediate disposal, by sale or otherwise, in its present condition subject only to terms that are usual and customary for sales of such assets or disposal groups and its sale must be highly probable.

As at December 31, 2022, we have determined that the Fort Hills disposal group, the Quintette disposal group, the Mesaba property, plant and equipment assets, and the San Nicolás property, plant and equipment assets are considered as held for sale.

b) Sources of Estimation Uncertainty

Impairment Testing

When impairment testing is required, discounted cash flow models are used to determine the recoverable amount of respective assets. These models are prepared internally or with assistance from third-party advisors when required. When relevant market transactions for comparable assets are available, these are considered in determining the recoverable amount of assets. Significant assumptions used in preparing discounted cash flow models for our goodwill impairment tests include commodity prices, reserves and resources, mine production, operating costs, capital expenditures, discount rates and foreign exchange rates. Significant assumptions used in preparing the discounted cash flow model for our Trail CGU impairment test include zinc prices, smelter production, operating costs, capital expenditures, treatment charges, zinc premiums, discount rate and foreign exchange rates. These inputs are based on management’s best estimates of what an independent market participant would consider appropriate. Changes in these inputs may alter the results of impairment testing, the amount of the impairment charges or reversals recorded in the statement of income (loss) and the resulting carrying values of assets.

a) Impairment Reversal and Asset Impairment

As at December 31, 2022, we did not record impairment or impairment reversals relating to continuing operations. The following pre-tax impairment reversal was recorded in profit in 2021:

Impairment Reversal

(CAD$ in millions)	**2022**	2021
Carmen de Andacollo CGU	**$ —**	$ 215
Total	**$ —**	$ 215

Impairment Testing – 2022

During 2022, we assessed whether there were any indicators of impairment or impairment reversal for our assets and did not identify any matters requiring us to perform an impairment or impairment reversal test, with the exception of the Trail CGU, as outlined below. The results of our assessment of indicators of impairment related to assets held for sale are disclosed in the annual financial statements.

Trail CGU

In the fourth quarter of 2022, as a result of increased costs and operating challenges at the Trail CGU, we performed an impairment test for our Trail CGU. Cash flow projections used in the analysis as at December 31, 2022 were based on an operating plan with cash flows covering a period of 80 years. The recoverable amount of our Trail CGU was approximately equal to the carrying amount of $1.2 billion at the date of testing. As a result, any changes in the key assumptions below could result in the carrying amount exceeding the recoverable amount.

Impairment Reversal – 2021

Carmen de Andacollo CGU

In the fourth quarter of 2021, as a result of higher market expectations for long-term copper prices, we recorded a pre-tax impairment reversal of $215 million (after-tax $150 million) related to our Carmen de Andacollo CGU. The estimated post-tax recoverable amount was significantly higher than the carrying value. The impairment reversal affects the profit of our copper operating segment.

b) Annual Goodwill Impairment Testing

The allocation of goodwill to CGUs or groups of CGUs reflects how goodwill is monitored for internal management purposes. Our Quebrada Blanca CGU and steelmaking coal group of CGUs have goodwill allocated to them.

We did not identify any goodwill impairment indicators during 2022. We performed our annual goodwill impairment testing at October 31, 2022, calculating the recoverable amount on a FVLCD basis and did not identify any goodwill impairment losses.

Cash flow projections are based on expected mine life. For our steelmaking coal group of CGUs, the cash flows cover periods of 13 to 42 years, with an estimate of in situ value applied to the remaining resources. For Quebrada Blanca CGU, the cash flow covers the current 27-year expected mine life of the QB2 project and a projected expansion, totalling 40 years, with an estimate of in situ value applied to the remaining resources.

Given the nature of expected future cash flows used to determine the recoverable amount, a material change could occur over time as the cash flows are significantly affected by the key assumptions described below.

Sensitivity Analysis for Annual Goodwill Impairment Testing

The recoverable amount of our steelmaking coal group of CGUs was approximately equal to the carrying amount at the date of the annual goodwill impairment testing. As a result, any changes in the key assumptions below could result in the carrying amount exceeding the recoverable amount.

The recoverable amount of our Quebrada Blanca CGU exceeded the carrying amount at the date of our annual goodwill impairment testing. There are no reasonably possible changes to any of the key assumptions below that would lead to the carrying amount exceeding the recoverable amount.

c) Key Assumptions

The following are the key assumptions used in our impairment testing calculations for the years ended December 31, 2022 and 2021:

	2022	2021
Steelmaking coal prices per tonne	**Long-term real price in 2027 of US$185**	Long-term real price in 2026 of US$150
Copper prices per pound	**Long-term real price in 2027 of US$3.60**	Long-term real price in 2026 of US$3.30
Post-tax real discount rates - Steelmaking Coal group of CGUs	**10.0%**	6.0%
Post-tax real discount rate - QB CGU	**6.5%**	6.0%
Long-term foreign exchange rates	**1 U.S. to 1.30 Canadian dollars**	1 U.S. to 1.28 Canadian dollars

In our impairment assessment of the Trail CGU, we used long-term assumptions of US$1.25 per pound for zinc, US$277 per pound for treatment charges, US$0.11 per pound for zinc premiums and a post-tax real discount rate of 5.5%.

Interrelation of Key Assumptions

The key assumptions used in our determination of recoverable amounts interrelate significantly with each other and with our operating plans. For example, a decrease in long-term commodity prices could result in amendments to the mine plans that would partially offset the effect of lower prices through lower operating and capital costs. It is difficult to determine how all of these factors would interrelate, but in estimating the effect of changes in these assumptions on fair values, we believe that all of these factors need to be considered together. A linear extrapolation of these effects becomes less meaningful as the change in assumption increases.

Price Assumptions

Price assumptions use current prices in the initial year and trend to the long-term prices in the information referenced above. Prices are based on a number of factors, including historical data, analyst estimates and forward curves in the near term and are benchmarked with external sources of information, including information published by our peers and market transactions, where possible, to ensure they are within the range of values used by market participants.

Discount Rates

Discount rates are based on market participant mining and smelting weighted average costs of capital adjusted for risks specific to the operation or asset where appropriate.

Foreign Exchange Rates

Foreign exchange rates are benchmarked with external sources of information based on a range used by market participants.

Reserves and Resources, Mine Production and Smelter Production

Future mineral production is included in projected cash flows based on plant capacities and mineral reserve and resource estimates and related exploration and evaluation work undertaken by appropriately qualified persons.

Future smelter production is included in projected cash flows based on plant capacities.

Operating Costs and Capital Expenditures

Operating costs and capital expenditures are based on life of mine plans, operating plans and internal management forecasts, as applicable. Cost estimates incorporate management experience and expertise, current operating costs, the nature and location of each operation, and the risks associated with each operation. Future capital expenditures are based on management’s best estimate of expected future capital

requirements, with input from management's experts where appropriate. All committed and anticipated capital expenditures based on future cost estimates have been included in the projected cash flows. Operating cost and capital expenditure assumptions are subject to ongoing optimization and review by management.

Recoverable Amount Basis

In the absence of a relevant market transaction, we estimate the recoverable amount of our CGU or group of CGUs on a FVLCD basis using a discounted cash flow methodology, taking into account assumptions likely to be made by market participants unless it is expected that the value in use methodology would result in a higher recoverable amount. For the asset impairment, impairment reversal and goodwill impairment analyses performed in 2022 and 2021, we have applied the FVLCD basis. These estimates are classified as a Level 3 measurement within the fair value measurement hierarchy.

Estimated Recoverable Reserves and Resources

Mineral and oil reserve and resource estimates are based on various assumptions relating to operating matters as set forth in National Instrument 43-101, *Standards of Disclosure for Mineral Projects* and National Instrument 51-101, *Standards of Disclosure for Oil and Gas Activities*. Assumptions used include production costs, mining and processing recoveries, cut-off grades, sales volumes, long-term commodity prices, exchange rates, inflation rates, tax and royalty rates and capital costs. Cost estimates are based on prefeasibility or feasibility study estimates or operating history. Estimates are prepared by or under the supervision of appropriately qualified persons, or qualified reserves evaluators, but will be affected by forecasted commodity prices, inflation rates, exchange rates, capital and production costs and recoveries, among other factors. Estimated recoverable reserves and resources are used in performing impairment testing, to determine the depreciation of property, plant and equipment at operating mine sites, in accounting for capitalized production stripping costs and also in forecasting the timing of settlement of decommissioning and restoration costs. Changes in reserve and resource estimates are most significant to estimating the recoverable amount in impairment tests.

Decommissioning and Restoration Provisions

Decommissioning and restoration provisions (DRPs) are based on future cost estimates using information available at the balance sheet date that are developed by management's experts. DRPs represent the present value of estimated costs of future decommissioning and other site restoration activities, including costs associated with the management of water and water quality in and around each closed site. DRPs are adjusted at each reporting period for changes to factors such as the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the credit-adjusted discount rate. DRPs require significant estimates and assumptions, including the requirements of the relevant legal and regulatory framework and the timing, extent and costs of required decommissioning and restoration activities. Our estimates of the costs associated with the management of water and water quality in and around each closed site include assumptions with respect to the volume and location of water to be treated, the methods used to

treat the water and the related water treatment costs. To the extent the actual costs differ from these estimates, adjustments will be recorded and the statement of income (loss) may be affected.

Provision for Income Taxes

We calculate current and deferred tax provisions for each of the jurisdictions in which we operate. Actual amounts of income tax expense are not final until tax returns are filed and accepted by the relevant authorities. This occurs subsequent to the issuance of our financial statements and the final determination of actual amounts may not be completed for a number of years. Therefore, profit (loss) in subsequent periods will be affected by the amount that estimates differ from the final tax assessment.

Deferred Tax Assets and Liabilities

Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future production and sales volumes, commodity prices, reserves and resources, operating costs, decommissioning and restoration costs, capital expenditures, dividends and other capital management transactions. These estimates could result in an adjustment to the deferred tax provision and a corresponding adjustment to profit (loss).

Adoption of New Accounting Standards and Accounting Developments

New IFRS Pronouncements

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2

In August 2020, the IASB issued amendments to IFRS 9, *Financial Instruments* (IFRS 9), IAS 39, *Financial Instruments: Recognition and Measurement* (IAS 39), IFRS 7, *Financial Instruments: Disclosures* (IFRS 7), IFRS 4, *Insurance Contracts* (IFRS 4) and IFRS 16, *Leases* (IFRS 16) as a result of Phase 2 of the IASB's Interest Rate Benchmark Reform project. The amendments address issues arising in connection with reform of benchmark interest rates, including the replacement of one benchmark rate with an alternative one. The amendments were effective January 1, 2021.

Term Secured Overnight Financing Rate (Term SOFR) was formally recommended by the Alternative Reference Rates Committee (a committee convened by the U.S. Federal Reserve Board) as the recommended fallback for USD London Interbank Offered Rate (LIBOR) based loans. Term SOFR is expected to be economically equivalent to LIBOR, allowing for use of the practical expedient under IFRS 9. Our QB2 project financing facility, Compañía Minera Antamina S.A. (Antamina) loan agreement and QB2 advances from Sumitomo Metal Mining Co., Ltd. and Sumitomo Corporation (together referred to as SMM/SC) are our most significant financial instruments that are exposed to LIBOR.

For the year ended December 31, 2022, we transitioned our sustainability-linked revolving credit facility to Term SOFR. This did not affect our financial statements as this credit facility remains undrawn. We have not yet transitioned the remaining financial instruments that use the LIBOR settings that are currently scheduled to cease publication after June 30, 2023. We continue to work with our lenders on the replacement of the affected rates for our other significant financial instruments, which is not expected to result in a significant change to our financial statements, our interest rate risk management strategy or our interest rate risk.

Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before Intended Use

We adopted the amendments to IAS 16, *Property, Plant and Equipment* on January 1, 2022 with retrospective application. The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related costs in profit (loss). On adoption, these amendments did not affect our financial results. These amendments will have an effect on the accounting related to the sale of products during the commissioning phase of QB2 in 2023.

Amendments to IAS 1 – Presentation of Financial Statements

In October 2022, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* titled *Non-current liabilities with covenants.* These amendments sought to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override but incorporate the previous amendments, *Classification of liabilities as current or non-current,* issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption. We do not expect these amendments to have a material effect on our financial statements.

Amendment to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* and the IFRS Practice Statement 2 *Making Materiality Judgements* to provide guidance on the application of materiality judgments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Guidance and illustrative examples are added in the Practice Statement to assist in the application of materiality concept when making judgments about accounting policy disclosures. The amendments are effective January 1, 2023, with early adoption permitted. Prospective application is required on adoption. We do not expect these amendments to have a material effect on our financial statements.

Outstanding Share Data

As at February 17, 2023, there were approximately 506.3 million Class B subordinate voting shares and 7.8 million Class A common shares outstanding. In addition, there were approximately 14.7 million share options outstanding with exercise prices ranging between $5.34 and $50.68 per share. More information on these instruments, and the terms of their conversion, is set out in Note 25 to our 2022 audited annual consolidated financial statements.

The Toronto Stock Exchange (TSX) accepted our notice of intention to make a normal course issuer bid (NCIB) to purchase up to 40 million Class B shares during the period starting November 2, 2022 and ending November 1, 2023, representing approximately 7.9% of the outstanding Class B shares, or 8.9% of the public float, as at October 21, 2022.

Teck is making the normal course issuer bid because it believes that the market price of its Class B subordinate voting shares may, from time to time, not reflect their underlying value and that the share buyback program may provide value by reducing the number of shares outstanding at attractive prices. Any purchases made under the NCIB will be through the facilities of the TSX, the New York Stock Exchange or

other alternative trading systems in Canada and the United States, if eligible, or by such other means as may be permitted under applicable securities laws, including private agreements under an issuer bid exemption order or block purchases in accordance with applicable regulations. Any purchases made by way of private agreement under an applicable exemption order issued by a securities regulatory authority may be at a discount to the prevailing market price, as provided for in such exemption order.

Under the TSX rules, except pursuant to permitted exceptions, the number of Class B shares purchased on the TSX on any given day will not exceed 478,948 Class B shares, which is 25% of the average daily trading volume for the Class B shares on the TSX during the six-month period ended September 30, 2022 of 1,915,793, calculated in accordance with the TSX rules. The actual number of Class B shares to be purchased and the timing of any such purchases will generally be determined by us from time to time as market conditions warrant. In addition, we may from time to time repurchase Class B shares under an automatic securities repurchase plan, which will enable purchases during times when we would typically not be permitted to purchase our shares due to regulatory or other reasons. All repurchased shares will be cancelled. During Teck's previous normal course issuer bid, which commenced on November 2, 2021, and ended on November 1, 2022, Teck purchased 30,703,473 Class B subordinate voting shares at an average purchase price of $45.3623 per share. Teck sought and received approval to purchase up to 40 million Class B subordinate voting shares under the previous normal course issuer bid. Security holders may obtain a copy of the notice of intention, without charge, by request directed to the attention of our Corporate Secretary, at our offices located at Suite 3300–550 Burrard Street, Vancouver, British Columbia, V6C 0B3.

Contractual and Other Obligations

($ in millions)		Less than 1 Year	2–3 Years	4–5 Years	More than 5 Years	**Total**
Debt – Principal and interest payments	$	1,033	$ 1,525	$ 1,691	$ 6,894	**$ 11,143**
Leases – Principal and interest payments [1]		142	168	117	338	**765**
Minimum purchase obligations[2]						
Concentrate, equipment, supply and other purchases		985	832	135	14	**1,966**
Shipping and distribution		362	575	494	624	**2,055**
Energy contracts		546	1,223	1,100	5,805	**8,674**
NAB PILT and VIF payments[7]		51	100	102	62	**315**
Pension funding[3]		24				**24**
Other non-pension post-retirement benefits[4]		14	30	32	267	**343**
Decommissioning and restoration provision[5]		258	348	265	1,949	**2,820**
Other long-term liabilities[6]		113	132	106	257	**608**
	Total	$ 3,528	$ 4,933	$ 4,042	$ 16,210	**$ 28,713**

Notes:

1. We lease road and port facilities from the Alaska Industrial Development and Export Authority, through which it ships metal concentrates produced at the Red Dog mine. Minimum lease payments are US$6 million for the following 17 years and are subject to deferral and abatement for *force majeure* events.
2. The majority of our minimum purchase obligations are subject to continuing operations and *force majeure* provisions.
3. As at December 31, 2022, the company had a net pension asset of $147 million, based on actuarial estimates prepared on a going concern basis. The amount of minimum funding for 2023 in respect of defined benefit pension plans is $24 million. The timing and amount of additional funding after 2023 is dependent upon future returns on plan assets, discount rates and other actuarial assumptions.
4. We had a discounted, actuarially determined liability of $343 million in respect of other non-pension post-retirement benefits as at December 31, 2022. Amounts shown are estimated expenditures in the indicated years.
5. We accrue environmental and reclamation obligations over the life of our mining operations, and amounts shown are estimated expenditures in the indicated years at fair value, assuming credit-adjusted risk-free discount rates between 6.13% and 8.07% and an inflation factor of 2.00%.
6. Other long-term liabilities include amounts for post-closure, environmental costs and other items.
7. On April 25, 2017, Teck Alaska entered into a 10-year agreement with the Northwest Arctic Borough (NAB) for payments in lieu of taxes (PILT). Payments under the agreement are based on a percentage of land, buildings and equipment at cost less accumulated depreciation. The effective date of this agreement was January 1, 2016 and this agreement expires on December 31, 2025. On April 25, 2017, Teck Alaska entered into a 10-year agreement with the NAB for payments to a village improvement fund (VIF). Payments under the agreement are based on a percentage of earnings before income taxes, with 2017–2025 having minimum payments of $4 million and maximum payments of $8 million. The effective date of this agreement was January 1, 2016 and this agreement expires on December 31, 2025.

Disclosure Controls and Internal Control Over Financial Reporting

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted by us under U.S. and Canadian securities legislation is recorded, processed, summarized and reported within the time periods specified in those rules, and include controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted by us under U.S. and Canadian securities legislation is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to permit timely decisions regarding required disclosure. Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in the rules of the U.S. Securities and Exchange Commission and the Canadian Securities Administrators, as at December 31, 2022. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as at December 31, 2022.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well-designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Most of our corporate office staff and many site administrative staff worked remotely through 2022. We have retained documentation in electronic form as a result of remote work through this period. There have been no significant changes in our internal controls during the year ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Management has used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework to evaluate the effectiveness of our internal control over financial reporting. Based on this assessment, management has concluded that as at December 31, 2022, our internal control over financial reporting was effective.

The effectiveness of our internal controls over financial reporting has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, who have expressed their opinion in their report included with our annual consolidated financial statements.

Use of Non-GAAP Financial Measures and Ratios

Our financial results are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. This document refers to a number of non-GAAP financial measures and non-GAAP ratios which are not measures recognized under IFRS in Canada and that do not have a standardized meaning prescribed by IFRS or by Generally Accepted Accounting Principles (GAAP) in the United States.

The non-GAAP financial measures and non-GAAP ratios described below do not have standardized meanings under IFRS, may differ from those used by other issuers, and may not be comparable to similar financial measures and ratios reported by other issuers. These financial measures and ratios have been derived from our financial statements and applied on a consistent basis as appropriate. We disclose these financial measures and ratios because we believe they assist readers in understanding the results of our operations and financial position and provide further information about our financial results to investors. These measures should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS.

Adjusted profit attributable to shareholders: For adjusted profit attributable to shareholders, we adjust profit attributable to shareholders as reported to remove the after-tax effect of certain types of transactions that reflect measurement changes on our balance sheet or are not indicative of our normal operating activities.

EBITDA: EBITDA is profit before net finance expense, provision for income taxes, and depreciation and amortization.

Adjusted EBITDA: Adjusted EBITDA is EBITDA before the pre-tax effect of the adjustments that we make to adjusted profit attributable to shareholders as described above.

Adjusted profit attributable to shareholders, EBITDA and Adjusted EBITDA highlight items and allow us and readers to analyze the rest of our results more clearly. We believe that disclosing these measures assists readers in understanding the ongoing cash-generating potential of our business in order to provide liquidity to fund working capital needs, service outstanding debt, fund future capital expenditures and investment opportunities, and pay dividends.

Gross profit before depreciation and amortization: Gross profit before depreciation and amortization is gross profit with depreciation and amortization expense added back. We believe this measure assists us and readers to assess our ability to generate cash flow from our business units or operations.

Unit costs: Unit costs for our steelmaking coal operations are total cost of goods sold, divided by tonnes sold in the period, excluding depreciation and amortization charges. We include this information as it is frequently

requested by investors and investment analysts who use it to assess our cost structure and margins and compare it to similar information provided by many companies in the industry.

Adjusted site cash cost of sales: Adjusted site cash cost of sales for our steelmaking coal operations is defined as the cost of the product as it leaves the mine excluding depreciation and amortization charges, outbound transportation costs and any one-time collective agreement charges and inventory write-down provisions.

Total cash unit costs: Total cash unit costs for our copper and zinc operations includes adjusted cash costs of sales, as described below, plus the smelter and refining charges added back in determining adjusted revenue. This presentation allows a comparison of total cash unit costs, including smelter charges, to the underlying price of copper or zinc in order to assess the margin for the mine on a per unit basis.

Net cash unit costs: Net cash unit costs of principal product, after deducting co-product and by-product margins, are also a common industry measure. By deducting the co- and by-product margin per unit of the principal product, the margin for the mine on a per unit basis may be presented in a single metric for comparison to other operations.

Adjusted cash cost of sales: Adjusted cash cost of sales for our copper and zinc operations is defined as the cost of the product delivered to the port of shipment, excluding depreciation and amortization charges, any one-time collective agreement charges or inventory write-down provisions and by-product cost of sales. It is common practice in the industry to exclude depreciation and amortization as these costs are non-cash and discounted cash flow valuation models used in the industry substitute expectations of future capital spending for these amounts.

Adjusted operating costs: Adjusted operating costs for our energy business unit are defined as the costs of product as it leaves the mine, excluding depreciation and amortization charges, cost of diluent for blending to transport our bitumen by pipeline, cost of non-proprietary product purchased and transportation costs of our product and non-proprietary product and any one-time collective agreement charges or inventory write-down provisions.

Cash margins for by-products: Cash margins for by-products is revenue from by- and co-products, less any associated cost of sales of the by-product and co-product. In addition, for our copper operations, by-product cost of sales also includes cost recoveries associated with our streaming transactions.

Adjusted revenue: Adjusted revenue for our copper and zinc operations excludes the revenue from co-products and by-products, but adds back the processing and refining charges to arrive at the value of the underlying payable pounds of copper and zinc. Readers may compare this on a per unit basis with the price of copper and zinc on the LME.

Adjusted revenue for our energy business unit excludes the cost of diluent for blending and non-proprietary product revenue, but adds back Crown royalties to arrive at the value of the underlying bitumen.

Net debt: Net debt is total debt, less cash and cash equivalents.

Net debt to net debt-plus-equity ratio: Net debt to net debt-plus-equity ratio is net debt divided by the sum of net debt plus total equity, expressed as a percentage.

Net debt to adjusted EBITDA ratio: Net debt to adjusted EBITDA ratio is the same calculation as the debt to adjusted EBITDA ratio, but using net debt as the numerator.

Adjusted basic earnings per share: Adjusted basic earnings per share is adjusted profit attributable to shareholders divided by average number of shares outstanding in the period.

Adjusted diluted earnings per share: Adjusted diluted earnings per share is adjusted profit attributable to shareholders divided by average number of fully diluted shares in a period.

Adjusted site cash cost of sales per tonne: Adjusted site cash cost of sales per tonne is a non-GAAP ratio comprised of adjusted site cash cost of sales divided by tonnes sold. There is no similar financial measure in our consolidated financial statements with which to compare. Adjusted site cash cost of sales is a non-GAAP financial measure.

Total cash unit costs per pound: Total cash unit costs per pound is a non-GAAP ratio comprised of adjusted cash cost of sales divided by payable pounds sold plus smelter processing charges divided by payable pounds sold.

Net cash unit costs per pound: Net cash unit costs per pound is a non-GAAP ratio comprised of (adjusted cash cost of sales plus smelter processing charges less cash margin for by-products) divided by payable pounds sold. There is no similar financial measure in our consolidated financial statements with which to compare. Adjusted cash cost of sales is a non-GAAP financial measure.

Cash margins for by-products per pound: Cash margins for by-products per pound is a non-GAAP ratio comprised of cash margins for by-products divided by payable pounds sold.

Profit (Loss) Attributable to Shareholders and Adjusted Profit Attributable to Shareholders

($ in millions, except per share data)	2022[1]	2021[2]	2020
Profit (loss) attributable to shareholders[3]	**$ 4,089**	$ 2,868	$ (864)
Add (deduct) on an after-tax basis:			
Asset impairments	**952**	(150)	912
COVID-19 costs	**—**	—	233
Loss on debt purchase	**42**	—	8
QB2 variable consideration to IMSA and ENAMI	**115**	124	(34)
Environmental costs	**99**	79	210
Inventory write-downs (reversals)	**36**	2	91
Share-based compensation	**181**	94	34
Commodity derivatives	**(25)**	15	(46)
Loss from discontinued operations for the nine months ended September 30, 2022[4]	**(791)**	—	—
Other	**175**	25	17
Adjusted profit attributable to shareholders	**$ 4,873**	$ 3,057	$ 561
Basic earnings (loss) per share[3]	**$ 7.77**	$ 5.39	$ (1.62)
Diluted earnings (loss) per share[3]	**$ 7.63**	$ 5.31	$ (1.62)
Adjusted basic earnings per share	**$ 9.25**	$ 5.74	$ 1.05
Adjusted diluted earnings per share	**$ 9.09**	$ 5.66	$ 1.04

Notes:

1. Adjustments for the year ended December 31, 2022 are the nine months ended September 30, 2022 as previously reported plus the three months ended December 31, 2022 for continuing operations.
2. Amounts for the year ended December 31, 2021 are as previously reported.
3. Amount for the year ended December 31, 2022 is for continuing operations only.
4. Adjustment required to remove the effect of discontinued operations for the nine months ended September 30, 2022.

Reconciliation of Basic Earnings (Loss) per share to Adjusted Basic Earnings per share

(Per share amounts)	**2022[1]**	2021[2]	2020
Basic earnings (loss) per share[3]	**$ 7.77**	$ 5.39	$ (1.62)
Add (deduct):			
Asset impairments	**1.81**	(0.28)	1.71
COVID-19 costs	**—**	—	0.44
Loss on debt purchase	**0.08**	—	0.01
QB2 variable consideration to IMSA and ENAMI	**0.22**	0.23	(0.06)
Environmental costs	**0.19**	0.15	0.39
Inventory write-downs (reversals)	**0.07**	—	0.17
Share-based compensation	**0.34**	0.18	0.06
Commodity derivative	**(0.05)**	0.03	(0.09)
Loss from discontinued operations for the nine months ended September 30, 2022[4]	**(1.51)**	—	—
Other	**0.33**	0.04	0.04
Adjusted basic earnings per share	**$ 9.25**	$ 5.74	$ 1.05

Notes:

1. Adjustments for the year ended December 31, 2022 are the nine months ended September 30, 2022 as previously reported plus the three months ended December 31, 2022 for continuing operations.
2. Amounts for the year ended December 31, 2021 are as previously reported.
3. Amount for the year ended December 31, 2022 is for continuing operations only.
4. Adjustment required to remove the effect of discontinued operations for the nine months ended September 30, 2022.

Reconciliation of Diluted Earnings (Loss) per share to Adjusted Diluted Earnings per share

(Per share amounts)	**2022[1]**	2021[2]	2020
Diluted earnings (loss) per share[3]	**$ 7.63**	$ 5.31	$ (1.62)
Add (deduct):			
Asset impairments	**1.78**	(0.28)	1.70
COVID-19 costs	**—**	—	0.43
Loss on debt purchase	**0.08**	—	0.01
QB2 variable consideration to IMSA and ENAMI	**0.21**	0.23	(0.06)
Environmental costs	**0.18**	0.15	0.39
Inventory write-downs (reversals)	**0.07**	—	0.17
Share-based compensation	**0.34**	0.18	0.07
Commodity derivative	**(0.05)**	0.03	(0.09)
Loss from discontinued operations for the nine months ended September 30, 2022[4]	**(1.48)**	—	—
Other	**0.33**	0.04	0.04
Adjusted diluted earnings per share	**$ 9.09**	$ 5.66	$ 1.04

Notes:

1. Adjustments for the year ended December 31, 2022 are the nine months ended September 30, 2022 as previously reported plus the three months ended December 31, 2022 for continuing operations.
2. Amounts for the year ended December 31, 2021 are as previously reported.
3. Amount for the year ended December 31, 2022 is for continuing operations only.
4. Adjustment required to remove the effect of discontinued operations for the nine months ended September 30, 2022.

Reconciliation of EBITDA, Adjusted EBITDA, Net Debt to Adjusted EBITDA and Net Debt to Capitalization Ratio

($ in millions)		**2022[1]**	2021[2]	2020
Profit before taxes[3]	**$**	**6,565**	$ 4,532	$ (1,136)
Finance expense net of finance income[3]		**150**	210	268
Depreciation and amortization[3]		**1,674**	1,583	1,510
EBITDA		**8,389**	$ 6,325	$ 642
Add (deduct):				
Asset impairments (impairment reversal)		**1,234**	(215)	1,244
COVID-19 costs		**—**	—	336
Loss on debt purchase		**58**	—	11
QB2 variable consideration to IMSA and ENAMI		**188**	141	(56)
Environmental costs		**128**	108	270
Inventory write-downs (reversals)		**50**	1	134
Share-based compensation		**236**	125	47
Commodity derivative gains		**(35)**	22	(62)
Loss from discontinued operations for the nine months ended September 30, 2022[4]		**(811)**	—	—
Other		**131**	66	4
Adjusted EBITDA	**$**	**9,568**	6,573	2,570
Total debt at year end		**7,738**	$ 8,068	$ 6,947
Less: cash and cash equivalents at year end		**(1,883)**	(1,427)	$ (450)
Net debt		**5,855**	$ 6,641	$ 6,497
Debt to adjusted EBITDA ratio		**0.8**	1.2	2.7
Net debt to adjusted EBITDA ratio		**0.6**	1.0	2.5
Equity attributable to shareholders of the company		**25,473**	23,005	20,039
Other financial obligations		**441**	257	138
Adjusted net debt to capitalization ratio		**0.19**	0.22	0.24

Notes:

1. Adjustments for the year ended December 31, 2022 are the nine months ended September 30, 2022 as previously reported plus the three months ended December 31, 2022 for continuing operations.
2. Amounts for the year ended December 31, 2021 are as previously reported.
3. Amount for the year ended December 31, 2022 is for continuing operations only.
4. Adjustment required to remove the effect of discontinued operations for the nine months ended September 30, 2022.

Reconciliation of Gross Profit Before Depreciation and Amortization

($ in millions)	2022	2021	2020
Gross profit	**$ 8,571**	$ 5,214	$ 1,333
Depreciation and amortization	**1,674**	1,487	1,510
Gross profit before depreciation and amortization	**$ 10,245**	$ 6,701	$ 2,843
Reported as:			
Copper			
Highland Valley Copper	**$ 738**	$ 883	$ 476
Antamina	**1,021**	992	566
Carmen de Andacollo	**73**	209	170
Quebrada Blanca	**8**	42	30
Other	**(3)**	—	—
	1,837	$ 2,126	$ 1,242
Zinc			
Trail Operations	**(18)**	84	65
Red Dog	**1,060**	822	717
Other	**2**	12	33
	1,044	918	815
Steelmaking coal	**7,364**	3,657	1,009
Energy[1]	**—**	—	(223)
Gross profit before depreciation and amortization	**$ 10,245**	$ 6,701	$ 2,843

Note:
1. Comparative figures for 2021 for the Energy Business Unit have been represented for the classification of Fort Hills as a discontinued operation. 2020 figures have not been represented.

Copper Unit Cost Reconciliation

(CAD$ in millions, except where noted)		2022		2021
Revenue as reported	**$**	**3,381**	$	3,452
By-product revenue (A)		**(456)**		(386)
Smelter processing charges (B)		**140**		124
Adjusted revenue	**$**	**3,065**	$	3,190
Cost of sales as reported	**$**	**1,982**	$	1,711
Less:				
Depreciation and amortization		**(438)**		(385)
Labour settlement and strike costs		**(33)**		(26)
By-product cost of sales (C)		**(101)**		(84)
Adjusted cash cost of sales (D)	**$**	**1,410**	$	1,216
Payable pounds sold (millions) (E)		**588.3**		596.1
Per unit amounts — CAD$/pound				
Adjusted cash cost of sales (D/E)	**$**	**2.40**	$	2.04
Smelter processing charges (B/E)		**0.24**		0.21
Total cash unit costs — CAD$/pound	**$**	**2.64**	$	2.25
Cash margins for by-products — ((A–C)/E)		**(0.60)**		(0.51)
Net cash unit costs — CAD$/pound	**$**	**2.04**	$	1.74
US$ amounts[1]				
Average exchange rate (CAD$ per US$1.00)	**$**	**1.30**	$	1.25
Per unit amounts — US$/pound				
Adjusted cash cost of sales	**$**	**1.84**	$	1.63
Smelter processing charges		**0.18**		0.17
Total cash unit costs — US$/pound	**$**	**2.02**	$	1.80
Cash margins for by-products		**(0.46)**		(0.41)
Net cash unit costs — US$/pound	**$**	**1.56**	$	1.39

Note:
1. Average period exchange rates are used to convert to US$ per pound equivalent.

Zinc Unit Cost Reconciliation (Mining Operations[1])

(CAD$ in millions, except where noted)		2022		2021
Revenue as reported	**$**	**3,526**	$	3,063
Less:				
Trail Operations revenues as reported		**(2,059)**		(1,997)
Other revenues as reported		**(11)**		(10)
Add back: Intra-segment revenues as reported		**655**		511
	$	**2,111**	$	1,567
By-product revenues (A)		**(260)**		(336)
Smelter processing charges (B)		**297**		240
Adjusted revenue	**$**	**2,148**	$	1,471
Cost of sales as reported	**$**	**2,755**	$	2,375
Less:				
Trail Operations cost of sales as reported		**(2,152)**		(1,999)
Other costs of sales as reported		**(9)**		2
Add back: Intra-segment purchases as reported		**655**		511
	$	**1,249**	$	889
Less:				
Depreciation and amortization		**(198)**		(144)
Royalty costs		**(461)**		(323)
By-product cost of sales (C)		**(65)**		(68)
Adjusted cash cost of sales (D)	**$**	**525**	$	354
Payable pounds sold (millions) (E)		**1,088.9**		842.4
Per unit amounts — CAD$/pound				
Adjusted cash cost of sales (D/E)	**$**	**0.48**	$	0.42
Smelter processing charges (B/E)		**0.27**		0.28
Total cash unit costs — CAD$/pound	**$**	**0.75**	$	0.70
Cash margins for by-products — ((A–C)/E)		**(0.18)**		(0.32)
Net cash unit costs — CAD$/pound	**$**	**0.57**	$	0.38
US$ amounts[2]				
Average exchange rate (CAD$ per US$1.00)	**$**	**1.30**	$	1.25
Per unit amounts — US$/pound				
Adjusted cash cost of sales	**$**	**0.37**	$	0.34
Smelter processing charges		**0.21**		0.22
Total cash unit costs — US$/pound	**$**	**0.58**	$	0.56
Cash margins for by-products		**(0.14)**		(0.26)
Net cash unit costs — US$/pound	**$**	**0.44**	$	0.30

Notes:
1. Red Dog Mining Operations.
2. Average period exchange rates are used to convert to US$ per pound equivalent.

Steelmaking Coal Unit Cost Reconciliation

(CAD$ in millions, except where noted)	2022	2021
Cost of sales as reported	**$ 4,008**	$ 3,466
Less:		
Transportation (A)	**(1,053)**	(1,037)
Depreciation and amortization	**(963)**	(872)
Inventory write-down reversal (B)	**—**	(10)
Labour settlement (C)	**—**	(39)
Elkview shutdown (D)	**(14)**	—
Adjusted site cost of sales	**$ 1,978**	$ 1,528
Tonnes sold (millions) (F)	**22.2**	23.4
Per unit amounts — CAD$/tonne		
Adjusted site cost of sales (E/F)	**89**	$ 65
Transportation costs (A/F)	**47**	44
Inventory write-downs (B/F)	**—**	**—**
Labour settlement (C/F)	**—**	2
Elkview shutdown (D/F)	**1**	—
Unit costs — CAD$/tonne	**$ 137**	$ 111
US$ amounts[1]		
Average exchange rate (CAD$ per US$1.00)	**$ 1.30**	$ 1.25
Per unit amounts — US$/tonne		
Adjusted site cost of sales	**$ 68**	$ 52
Transportation	**36**	35
Inventory write-down reversal	**—**	**—**
Labour settlement	**—**	2
Elkview shutdown	**—**	—
Unit costs — US$/tonne	**$ 104**	$ 89

Note:

1. Average period exchange rates are used to convert to US$/tonne equivalent.

Cautionary Statement on Forward-Looking Statements

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

These forward-looking statements include, but are not limited to, statements concerning: our focus and strategy; anticipated global and regional supply, demand and market outlook for our commodities; the proposed separation of our business into two independent, publicly-listed companies; terms and conditions of the Separation, including the expected distribution of EVR shares and cash, available consideration election for shareholders and the Transition Capital Structure to be retained by Teck; the timing for completion of the Separation; the tax and accounting treatment for the Separation; the proposed transaction to eliminate the multiple voting rights attached to the Class A common shares; expectation that QB2 will be a long-life, low-cost operation with major expansion potential; QB2 capital cost guidance and development capital spending in 2023; expectations that QB2 will be commissioned in 2023 and production will ramp up during the year; timing of progress and milestones at our QB2 project, including system completion and handover; expectation that QB2 will have 100% renewable power beginning in 2025; estimated timing of first production from QB2; our expectations regarding our QBME project, including those related to timeline and permitting; our drilling and exploration plans; our plans for advancing our Copper Growth assets, including timing for completion of studies, permitting, development, construction and first production at various projects; the closing of the transaction with Agnico Eagle Mines Limited; timing of the Zafranal project SEIA, the San Nicolás project feasibility study, the Highland Valley Copper feasibility study and environmental permitting for HVC 2040, the Galore Creek project prefeasibility study; timing for recovery of delayed fourth quarter sales of steelmaking coal; timing for construction of the Elkview AMC project and commencement of mining operations in the Harmer area; the expectation that the Elkview AMC project and the benefits thereof, including the provision of high-quality steelmaking coal supporting a 9-million-tonne-per-annum rate with top quartile operating margins; timing and ability to advance the Fording River Extension; expectations related to our Elk Valley water treatment capacity, the regulatory process related to water treatment, and the timing of construction and completion of our various proposed water treatment facilities; expectations for stabilization and reduction of the selenium trend in the Elk Valley; expectations for total water treatment capacity; projected spending, including capital and operating costs, from 2023 to 2024 on water treatment, water management and incremental measures associated with the Direction; expectations regarding performance at Neptune Bulk Terminals; liquidity and availability of borrowings under our credit facilities and project finance facility; our ability to obtain additional credit for posting security for reclamation at our sites; the expected receipt or completion of prefeasibility studies, feasibility studies and other studies and the expected timing thereof; all guidance appearing in this document including, but not limited to, the production, sales, cost, unit cost, capital expenditure, transportation cost, cost reduction and other guidance under the heading

“Guidance” and discussed in the various business unit sections; the potential impact of COVID-19 on our business and operations, including our ability to continue operations at our sites and progress our development projects and business strategy, and our plans and strategies to mitigate the impact thereof; our ability to manage challenges presented by COVID-19, including the effectiveness of our management protocols implemented to protect the health and safety of our employees; expectations regarding planned maintenance at our operations; the effectiveness of our water management at Red Dog; expected sales from Red Dog in the first quarter of 2023; expected benefits of our RACE program and our plans for the future; the amount of potential taxes, interest and penalties relating to the Antamina tax dispute and our share thereof; our tax position and the tax rates applicable to us; our expectations regarding inflationary pressures and increased key input costs, including profit-based compensation and royalties; our expectations regarding the amount of Class B subordinate voting shares that might be purchased under the normal course issuer bid and the mechanics thereof; expectations regarding our dividend policy and our capital allocation framework; our expectations, projections and sensitivities under the heading “Commodity Prices and Sensitivities”; expectations regarding carbon legislation and climate change regulations, including our expectation that we will receive a portion of our carbon tax expenditures back under the CleanBC program; and the impact of certain accounting initiatives and estimates.

These statements are based on a number of assumptions, including, but not limited to, assumptions disclosed elsewhere in this document and regarding general business and economic conditions, interest rates, commodity and power prices, acts of foreign or domestic governments and the outcome of legal proceedings, the supply and demand for, deliveries of, and the level and volatility of prices of copper, zinc, and steelmaking coal and our other metals and minerals, as well as oil, natural gas and other petroleum products, the timing of the receipt of permits and other regulatory and governmental approvals for our development projects and other operations, including mine extensions; our ability to complete the Separation, including obtaining receipt of required approvals from the court, shareholders and the Toronto Stock Exchange: the possibility that the Separation and the transactions with NSC and POSCO will not be completed on the terms and conditions, or on the timing, currently contemplated, and that the transactions may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required shareholder, regulatory and court approvals and other conditions of closing necessary to complete the transactions or for other reasons; the possibility of adverse reactions or changes in business relationships resulting from the announcement or completion of the Separation; risk that market or other conditions are no longer favourable to completing the Separation; risks relating to business disruption during the pendency of or following the Separation and diversion of management time; risks relating to tax, legal and regulatory matters; credit, market, currency, operational, commodity, liquidity and funding risks generally and relating specifically to the Separation, including changes in economic conditions, interest rates or tax rates; and other risks inherent to our business and/or factors beyond Teck’s control which could have a material adverse effect on Teck or the ability to consummate the Separation and transactions with NSC and POSCO; our ability to obtain the required approvals for the proposed transaction to eliminate the multiple votes rights attached to the Class A common shares; our ability to satisfy the closing conditions for our transaction with Agnico Eagle; positive results from the studies on our expansion and development projects; our ability to secure adequate transportation, including rail and port services, for our products; our costs of production and our production and productivity levels, as well as those of our competitors; continuing availability of water and

power resources for our operations; changes in credit market conditions and conditions in financial markets generally; the availability of funding to refinance our borrowings as they become due or to finance our development projects on reasonable terms; availability of letters of credit and other forms of financial assurance acceptable to regulators for reclamation and other bonding requirements; our ability to procure equipment and operating supplies and services in sufficient quantities and on a timely basis; the availability of qualified employees and contractors for our operations, including our new developments; our ability to attract and retain skilled employees; the satisfactory negotiation of collective agreements with unionized employees; the impact of changes in Canadian-U.S. dollar, Canadian dollar-Chilean peso, and other foreign exchange rates on our costs and results; engineering and construction timetables and capital costs for our development and expansion projects; the benefits of technology for our operations and development projects; closure costs and environmental compliance costs generally; market competition; the accuracy of our mineral reserve and resource estimates (including with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based; tax benefits and tax rates; the outcome of our steelmaking coal price and volume negotiations with customers; the outcome of our copper, zinc and lead concentrate treatment and refining charge negotiations with customers; the resolution of environmental and other proceedings or disputes; the future supply of low-cost power to the Trail smelting and refining complex; our ability to obtain, comply with and renew permits, licences, and leases in a timely manner; our ongoing relations with our employees and with our business and joint venture partners; and the impacts of the COVID-19 pandemic on our operations and projects and on global markets.

In addition, assumptions regarding the Elk Valley Water Quality Plan include assumptions that additional treatment will be effective at scale, and that the technology and facilities operate as expected, as well as additional assumptions discussed under the heading "*Elk Valley Water Quality Management Update*". Assumptions regarding QB2 include current project assumptions and assumptions regarding the final feasibility study. Estimates of future construction capital at QB2 are based on a CLP/USD rate range of 900 to 975 and a CAD/USD exchange rate of $1.30, as well as there being no further unexpected material and negative impact to the various contractors, suppliers and subcontractors for the QB2 project that would impair their ability to provide goods and services as anticipated during construction, commissioning and ramp-up activities. Statements regarding the availability of our credit facilities and project finance facility are based on assumptions that we will be able to satisfy the conditions for borrowing at the time of a borrowing request and that the facilities are not otherwise terminated or accelerated due to an event of default. Assumptions regarding the costs and benefits of our projects include assumptions that the relevant project is constructed, commissioned and operated in accordance with current expectations. Expectations regarding our operations are based on numerous assumptions regarding the operations. Our Guidance tables and business unit sections include disclosure and footnotes with further assumptions relating to our guidance, and assumptions for certain other forward-looking statements accompany those statements within the document. Expectations regarding the impact of foreign exchange rates are based on the assumptions set out in this document. Statements regarding the availability of our credit facilities and project financing facility are based on assumptions that we will be able to satisfy the conditions for borrowing at the time of a borrowing request and that the credit facilities are not otherwise terminated or accelerated due to an event of default. Statements concerning future production costs or volumes are based on numerous assumptions regarding operating matters and on assumptions that demand for products develops as anticipated, that customers and other

counterparties perform their contractual obligations, that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts and supplies, labour disturbances, interruption in transportation or utilities, adverse weather conditions, COVID-19, and that there are no material unanticipated variations in the cost of energy or supplies. Statements regarding anticipated steelmaking coal sales volumes and average steelmaking coal prices depend on timely arrival of vessels and performance of our steelmaking coal-loading facilities, as well as the level of spot pricing sales. Expected timing of first production related to our Copper Growth assets and other projects assumes positive outcomes of the related prefeasibility and feasibility studies, timely receipt of all permits, and development approvals. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause actual results to vary materially.

Factors that may cause actual results to vary materially include, but are not limited to, the failure to obtain required approvals in connection with the Separation; adverse reactions or changes in business relationships resulting from the announcement or completion of the Separation; changes in tax, legal or regulatory matters or market or other condition such that it conditions are no longer favourable to completing the Separation; business disruptions prior to or following the Separation; changes to our business and/or factors beyond Teck's control that could have a material adverse effect on Teck or the ability or desire to consummate the Separation and transactions with NSC and POSCO; the possibility that the proposed transaction to eliminate the multiple voting rights attached to the Class A common shares may not be completed on the terms and conditions, or on the timing, currently contemplated, or at all, including due to the failure to obtain or satisfy, in a timely manner or otherwise, required shareholder and other approvals and other conditions of closing necessary; changes in commodity and power prices, changes in market demand for our products, changes in interest and currency exchange rates, acts of governments and the outcome of legal proceedings; inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources); unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications or expectations, cost escalation, unavailability of labour, materials and equipment, government action or delays in the receipt of government approvals, changes in tax or royalty rates, industrial disturbances or other job action, adverse weather conditions and unanticipated events related to health, safety and environmental matters); union labour disputes; impact of COVID-19 and related mitigation protocols; political risk; social unrest; failure of customers or counterparties (including logistics suppliers) to perform their contractual obligations; changes in our credit ratings; unanticipated increases in costs to construct our development projects; difficulty in obtaining permits; inability to address concerns regarding permits or environmental impact assessments; difficulty satisfying the closing conditions for our transaction with Agnico Eagle; and changes in or deterioration of general economic conditions. The amount and timing of capital expenditures is depending upon, among other matters, being able to secure permits, equipment, supplies, materials and labour on a timely basis and at expected costs. Certain operations and projects are not controlled by us; schedules and costs may be adjusted by our partners, and timing of spending and operation of the operation or project is not in our control. Certain of our other operations and projects are operated through joint arrangements where we may not have control over all decisions, which may cause outcomes to differ from current expectations. Current and new technologies relating to our Elk Valley water treatment efforts may not perform as anticipated, and ongoing monitoring may reveal unexpected environmental conditions requiring additional remedial measures. QB2 costs, construction progress and timing of first production, commissioning and commercial production is dependent on, among

other matters, our continued ability to advance progress on construction, commissioning and ramp-up as currently anticipated and successfully manage through the impacts of the COVID-19 pandemic, including but not limited to absenteeism and lowered productivity. QB2 costs may also be affected by claims and other proceedings that might be brought against us relating to costs and impacts of the COVID-19 pandemic. Further factors associated with our Elk Valley Water Quality Plan are discussed under the heading "*Elk Valley Water Quality Management Update*". Declaration and payment of dividends is in the discretion of the Board, and our dividend policy will be reviewed regularly and may change. Dividends and share repurchases can be impacted by share price volatility, negative changes to commodity prices, availability of funds to purchase shares, alternative uses for funds, compliance with regulatory requirements and other risk factors impacting our business as detailed in our Annual Information Form. Production at our Red Dog Operations may also be impacted by water levels at site. Unit costs in our copper business unit are impacted by higher profitability at Antamina, which can cause higher workers' participation and royalty expenses. Sales to China may be impacted by general and specific port restrictions, Chinese regulation and policies and normal production and operating risks. Purchases of Class B subordinate voting shares under our normal course issuer bid may be affected by, among other things, availability of Class B subordinate voting shares, share price volatility, our ability to obtain the renewal of our normal course issuer bid and in compliance with regulatory requirements, availability of funds to purchase shares, and alternative uses for funds. Share repurchases are also subject to conditions under corporate law.

The forward-looking statements and actual results will also be impacted by the effects of COVID-19 and related matters, particularly if there is a further resurgence of the virus. The overall effects of COVID-19-related matters on our business, operations and projects will depend on the ability of our sites to maintain normal operations, including due to elevated rates of absenteeism in our workforce, and on the duration of impacts on our suppliers, customers and markets for our products, all of which are unknown at this time.

We assume no obligation to update forward-looking statements except as required under securities laws. Further information concerning risks, assumptions and uncertainties associated with these forward-looking statements and our business can be found in our Annual Information Form for the year ended December 31, 2022, filed under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov) under cover of Form 40-F, as well as subsequent filings that can also be found under our profile.

Scientific and technical information in this document regarding our coal properties, which for this purpose does not include the discussion under "*Elk Valley Water Quality Management Update*", was reviewed, approved and verified by Jo-Anna Singleton P.Geo. and Cameron Feltin, P.Eng., each an employee of Teck Coal Limited and a Qualified Person as defined under National Instrument 43-101. Scientific and technical information in this document regarding our base metal properties was reviewed, approved and verified by Rodrigo Alves Marinho, P.Geo., an employee of Teck and a Qualified Person as defined under National Instrument 43-101.