Teck Highland Valley Copper Partnership P.O. Box 1500 Logan Lake, BC Canada V0K 1W0 +1 250 523 2443 Tel +1 250 523 3367 Fax www.teck.com

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LETTER OF UNDERSTANDING

BETWEEN:

Teck Highland Valley Copper Partnership

of the First Part

AND:

United Steelworkers, Local 7619

of the Second Part

SUBJECT:

<u>Fatigue Mitigation – Mine – Trial Period</u>

The Parties agree, on a trial basis, to the creation of the following shift schedule, which is in keeping with the "shift starting times" identified in Article 12 (Hours of Work) of the Collective Bargaining Agreement and Article 12.06 (g) in which "the Parties agree to discuss other shift designs options for the purpose of reducing fatigue".

Trial Shift Schedule:

Twelve Hour Shift - Semi Continuous:

• Twelve (12) hours per a twenty-four (24) hour day which is based on a work cycle that is eight (8) consecutive weeks (four (4) dayshifts on, four (4) shifts off, four (4) nightshifts on, four (4) shifts off averaging forty-two (42) hours per week.

The Company may schedule any operation, employee or group of employees at other times because of emergencies, breakdowns, or preparation for start-up of work and efficiency of the operation.

Terms of the Trial Period:

- (a) Shall commence at a date mutually agreed to by the Parties and is intended to end after a three (3) month period, but may be extended or reduced by mutual agreement.
- (b) Will be limited to employees who volunteer. Volunteers must commit to the entire trial. The selection of volunteers will be mutually agreed upon by the working Committee with the goal of a diverse and representative group.
- (c) Upon completion of the trial, volunteers will return to their previously assigned shift.

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(d) Will start with one (1) month of maintained current work schedule, where select volunteers wear a CAT readiband (which collects anonymous data) to establish a baseline.

(e) Followed by one (1) month where selected employees will begin working a modified semi-continuous shift consisting of twelve (12) hours per a twenty-four (24) hour day on a work cycle that is four (4) dayshifts on, four (4) shifts off, four (4) nightshifts on, four (4) shifts off.

(f) Finally, for a period of one (1) month selected employees will continue on the modified semi-continuous shift but will be provided access to the CAT readiband smartphone app and have the ability to view and monitor their fatigue and awareness levels.

(g) Article 12 sub section 12.06 (d) of the Collective Bargaining Agreement will be modified to reflect the trial period.

(h) The trial will not affect currently approved vacation or time off requests.

The Parties agree that this trial period will be for fatigue / health assessment purposes and that the outcome shift cycles will not be directly related to determining manpower levels for shifts.

In witness whereof the Parties hereto have executed this Letter of Understanding on the day of <u>bcember</u>, 2017.

SIGNED ON BEHALF OF: TECK HIGHLAND VALLEY COPPER PARTNERSHIP SIGNED ON BEHALF OF: UNITED STEELWORKERS LOCAL 7619

Lisa Hollett

Kyle Wolff