TAB 1

Recvd Nov 10, 2003

November 10, 2003

Company Monetary Proposal

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Wages	2%	1 ½ %	1 ½ %	1%	1%	1%
R.R.S.P	$1000	$1000	$1000	$1000	$1000	$1000
Signing Bonus	$500					

Risk / Reward: Based upon the Quarterly price of Copper in Canadian dollars adjusted annually for inflation

$1.30 Cdn.	+ 5%
$1.29 Cdn.	+ 4%
$1.28 Cdn.	+ 3%
$1.27 Cdn.	+ 2%
$1.26 Cdn.	+ 1%
$1.04 Cdn.	-1%
$1.03 Cdn.	-2%
$1.02 Cdn.	-3%
$1.01 Cdn.	-4%
$1.00 Cdn.	-5%

Severance: Capped @ 1600 hours

40hrs. per year of service

Term of Agreement: October 1, 2003 to June 30, 2009

HIGHLAND VALLEY COPPER		
WAGE NEGOTIATIONS 2003		
	Base Costs	Cost/HR Worked
Routine Payroll Costs		
Straight Time	$39,490,295	$25.25
Time & Half	378,689	0.24
Double Time	1,009,838	0.65
Double Time Stat	1,143,692	0.73
Vacation	3,531,605	2.26
Vacation Bonus	209,832	0.13
Special Vacation	481,693	0.31
Stat Holidays	2,285,263	1.46
Floating Holidays	457,053	0.29
Built-In (O.T. - 4x4)	564,682	0.36
Premiums		
4x4 S	457,481	0.29
4x4 D	42,818	0.03
10 Minute Mill Operations	64,503	0.04
Afternoon Shift	0	0.00
Graveyard Shift	0	0.00
Weekend	449,110	0.29
ERT/First Aid	38,123	0.02
Tool Allowance	149,864	0.10
Hot Change Mine	431,940	0.28
Hot Change Mill Maintenance	90,770	0.06
Union Paid Leaves	111,946	0.07
Cyclone Prem.	34,555	0.02
Apprentice School	98,864	0.06
Total Before Fringes	51,522,619	32.94

	Base Costs	Cost/HR Worked
MSP Average Cost	$870,192	0.56
MSA Extended Health	648,763	0.41
MSA Dental	681,690	0.44
Weekly Indemnity	823,290	0.53
Life Insurance	169,812	0.11
LTD	225,716	0.14
AD&D	23,850	0.02
Pension(Funded)	7,792,300	4.98
Total Fringes	$11,235,614	$7.18
Total Before Gov'tPrograms	$62,758,233	$40.12
Government Programs	$3,258,912	$2.08
Total After Gov't	$66,017,144	$42.20

MEMORANDUM

TO: ALL EMPLOYEES DATE: December 23, 2003

FROM: R. J. Killough
Manager, Human Resources

SUBJECT: WAGE AND SALARY ADJUSTMENTS

Under the Job Protection Commissioner's Economic Plan, signed in 1999, wages and salaries are adjusted quarterly depending on the price of copper during the measuring quarter.

Based upon the average of the monthly averages for July, August and September a 1% wage and salary increase was implemented October 1, 2003. In the latest quarter (4th quarter) copper has averaged more than 93¢ U.S. as of December 22, 2003.

October	- 87.11¢ U.S.
November	- 93.23¢ U.S.
December	- 98.80¢ U.S.
Average	- 93.05¢ U.S.

As such, effective January 1 to March 31, 2004, wages and salaries will be temporarily increased by 7%. At the end of this period the temporary reductions in the 4th quarter of 2001 (-2%) and the 1st quarter of 2002 (-6%) will have been fully repaid.

The adjusted wage scale for January, February and March will be:

Wage Grade	Appendix A	Adjusted Wage Scale
1	19.59	20.96
2	20.16	21.57
3	20.72	22.17
4	21.41	22.91
5	22.18	23.73
6	23.00	24.61
7	23.76	25.42
8	24.50	26.22
9	26.91	28.79

R. J. Killough

RJK:mk

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JOB PROTECTION COMMISSIONER'S ECONOMIC PLAN

The Parties agree that the Job Protection Commissioner' (JPC) Economic Plan, the details of which, as they apply to the wages and benefits of employees, are provided in this document, shall come into force when approved by the Job Protection Commissioner and shall continue in full force and effect for 60 consecutive months. (5 years)

During the term of the Economic Plan, the rates of pay shown in Appendix "A" of the Collective Agreement will be subject to adjustment based upon changes to the London Metal Exchange (LME) price of copper:

The Copper Price Factor shall be defined as the average of the monthly copper price averages in each of the three (3) months of the calendar quarter as determined using the London Metals Exchange settlement quotation for copper as published in Platt's Metals Week under the heading "L.M.E. Settlement" expressed in U.S. dollars per pound. The Copper Price Factor shall be rounded to the nearest full cent (U.S.) and will constitute the average LME copper price over the calendar quarter (that is the periods of - January 1 to March 31, April 1 to June 30, July 1 to September 30 and October 1 to December 31 on any year). The copper price shall impact the wage scale as outlined below:

a) the Measuring Quarter shall be the immediately preceding calendar quarter.
b) the Application Quarter shall be the current calendar quarter.

If during the Measuring Quarter the Copper Price Factor is below 68 cents U.S. per pound of copper, the hourly rates of pay, which will apply during the Application Quarter, shall be temporarily reduced in Appendix "A" of the collective agreement as set out in Table 1 of this document. If during the Measuring Quarter the Copper Price Factor is 68 cents U.S. or higher, but less than 80 cents U.S. per pound of copper, the hourly rates of pay, which will apply during the Application quarter, shall be as stated in Appendix "A" of the collective agreement. If during the Measuring Quarter the Copper Price Factor is 80 cents U.S. per pound or higher and there have been temporary wage reductions in one of more earlier Application Quarters, then the hourly rates of pay, which will apply during this Application Quarter, shall be temporarily increased in Appendix "A" of the collective agreement as set out in Table 1 of this document. That is, temporary increases will only apply if there have been earlier periods of temporary decreases, and the amount payable in increases shall not exceed in total that which was earlier reduced.

At the start of each Application Quarter the wage rates shall be adjusted pursuant to the following schedule of temporary decreases and temporary increases set out in Table 1.

TABLE 1

Temporary Decreases

Copper Price Factor U.S. Cents per Pound	Impact on Rates in Appendix "A" of the Collective Agreement
60	-15%
61	-14%
62	-12%
63	-10%
64	-8%
65	-6%
66	-4%
67	-2%
68-79	0%

Temporary Increases

Copper Price Factor U.S. Cents Per Pound	Impact on Rates in Appendix "A" of the Collective Agreement
80	+1%
81	+2%
82	+3%
83	+4%
84	+5%
85	+6%
86	+7%
87	+8%
88	+9%
89	+10%
90	+11%
91	+12%
92	+13%
93	+14%
94	+15%

Term of Collective Agreement

The term of the Collective Agreement will be five (5) years from October 1, 1998 to September 30, 2003.

Effective Dates

The effective dates for any changes to the Collective Agreement will be the date the first recalled employee returns to work unless otherwise specified.

Wages

(a) Lump Sum Payments

All active employees on the dates indicated below will receive lump sum payments as follows:

October 1, 1999	$750.00
October 1, 2000	$750.00
October 1, 2001	$500.00

For the purposes of this provision, "active" will be defined as working at least one day in the period of September 15th to October 15th of the appropriate year. What constitutes a day worked will be the same as what counts as a day worked according to the collective agreement. All employees recalled to work when the mine reopens will receive the first lump sum regardless of recall date.

(b) Wage Increases

For the purpose of this agreement, the price of copper shall be defined as the sum of the average price for each month from October 1st to September 30th divided by 12 as determined using the London Metal Exchange settlement quotation for copper as published in Platt's Metals Week under the heading "L.M.E. Settlement," expressed in U.S. dollars per pound.

(i) If the price of copper for the period from October 1, 1999 to September 30, 2000, has averaged higher than 79 cents (US), the wage rates, set out in Appendix "A" of the Collective Agreement, will be increased by 1% on October 1, 2000. A similar 1% wage increase will apply on October 1, 2001 and October 1, 2002 if the price of copper for the preceding 12 months of each period has averaged higher than 79 cents (US).

(ii) If the price of copper for the period from October 1, 1999 to September 30, 2000 has averaged higher than 89 cents (US), the wage rates, set out in Appendix "A" of the Collective Agreement, will be increased by 2% on October 1, 2000 (as opposed to 1% as described above). A similar 2% wage increase will apply on October 1, 2001 and October 1, 2002 if the price of copper for the preceding 12 months of each period has averaged higher than 89 cents (US).

Pensions

The following changes will be made to the pension plan arrangements:

October 1, 2001 - The $45 will increase to $47.

Retiring Allowances

A retiring allowance of $7,500 will be paid at retirement to those employees who attain the mandatory retirement age of 65 years of age during the years 2002 and 2003.

A pension window will become available to employees, other than those identified above, who by April 30, 2002 will qualify for unreduced early retirement (minimum age 58 and a total age plus service of at least 84). For such employees, who volunteer to retire between April 1 and April 30, 2002, a retiring allowance of $7,500 will be paid.

Reopening of Mine

The recall of employees to work will commence immediately upon the Union's ratification and all employees will be recalled six weeks from the date of ratification.

APPENDIX A

EFFECTIVE DATES

RATES FOR CLASSIFICATION IN APPENDIX B

TERM OF AGREEMENT: ***OCTOBER 1, 1998 TO SEPTEMBER 30, 2003***

WAGES

WAGE GRADE	OCT. 1, 1995	OCT. 1, 1996	OCT. 1, 1997
1	18.29	18.84	19.40
2	18.81	19.38	19.96
3	19.34	19.92	20.51
4	19.99	20.58	21.20
5	20.70	21.32	21.96
6	21.46	22.10	22.77
7	22.17	22.84	23.52
8	22.87	23.56	24.26
9	25.11	25.86	26.64

WAGES

(A) Lump Sum Payments

All "active" employees on the dates indicated below will receive lump sum payments as follows:

October 1, 1999	***$750.00***
October 1, 2000	***$750.00***
October 1, 2001	***$500.00***

For the purposes of this provision "active" will be defined as working at least one day in the period of September 15th to October 15th of the appropriate year. What constitutes a day worked will be the same as what counts as a day worked according to the collective agreement. The October 15, 1999 date will be interpreted flexibly in the event all employees are not recalled by October 15, 1999.

(B) Wage Increases

For purpose of this agreement, the price of copper shall be defined as the sum of the average price for each month from October 1st to September 30th divided by 12 as determined using the London Metal Exchange settlement quotation for copper as published in Platt's Metals Week under the heading "L.M.E. Settlement," expressed in U.S. dollars per pound.

(i) If the price of copper for the period from October 1, 1999 to September 30, 2000 has averaged higher than 79¢ (US), the wage rates, set out in Appendix A of the Collective Agreement, will be increased by 1% on October 1, 2000. A similar 1% wage increase will apply on October 1, 2001 and October 1, 2002 if the price of copper for the preceding 12 months of each period has averaged higher than 79¢ (US).

(ii) If the price of copper for the period from October 1, 1999 to September 30, 2000 has averaged higher than 89¢ (US), the wage rates, set out in Appendix A of the Collective Agreement, will be increased by 2% on October 1, 2000 (as opposed to 1% as described above). A similar 2% wage increase will apply on October 1, 2001 and October 1, 2002 if the price of copper for the preceding 12 months of each period has averaged higher than 89¢ (US).

TAB 2

InfoMine

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Charts & Data

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Company 13,204
Commodity 191
Currency 125
Job Ads 65
Market Index 35

Data

Share Volume 3,301
Shares Outstanding 3,301
Share Price 3,301
Market Cap 3,301
Ratio 127
Exchange Rate 125
Jobs 65
Price 55
Warehouse Level 9

Region

North America 6,807
Oceania 3,112
Europe 1,326

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Australia 3,091
United Kingdom 785
United States 608
Germany 385
South Africa 217
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Oct 1, 2003 to Oct 1, 2006

Copper Price	in	Canadian Dollar (CAD)	per	Pound	
Start typing to add new series	in		per		
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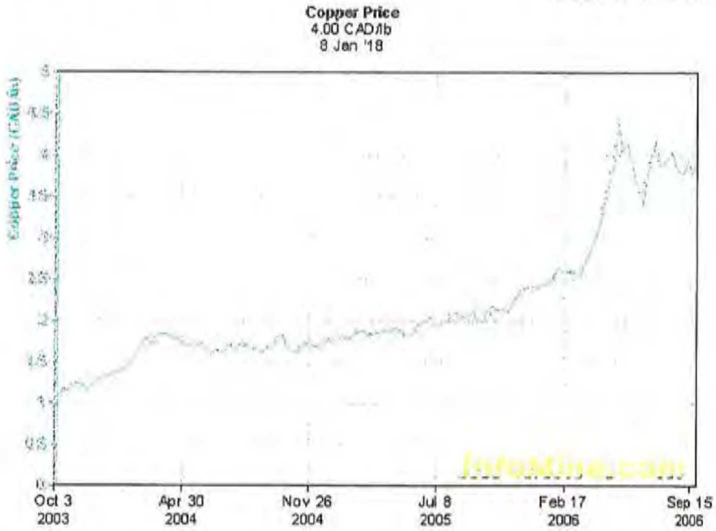
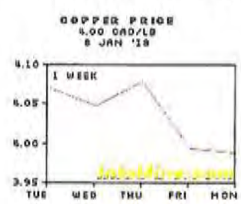
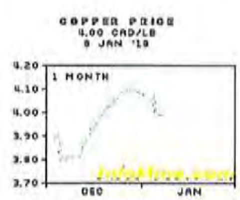
Display Clear

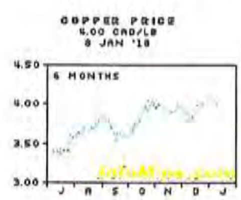


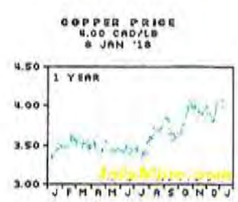
Other Charts

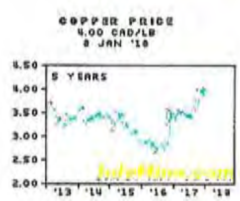
This Chart in different time ranges

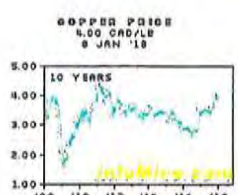


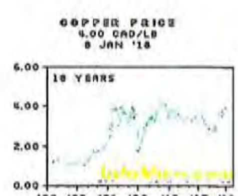












APPENDIX A

EFFECTIVE DATES

RATES FOR CLASSIFICATION IN
APPENDIX B

TERM OF AGREEMENT: OCTOBER 1, 2003 TO SEPTEMBER 30, 2006

WAGES

Wage Grade	Oct. 1, 2003 5.0%	Oct. 1, 2004 3.0%	Oct. 1, 2005 3.0%
1	$ 20.57	$ 21.19	$ 21.82
2	$ 21.17	$ 21.81	$ 22.46
3	$ 21.76	$ 22.41	$ 23.08
4	$ 22.48	$ 23.15	$ 23.85
5	$ 23.29	$ 23.99	$ 24.71
6	$ 24.15	$ 24.87	$ 25.62
7	$ 24.95	$ 25.70	$ 26.47
8	$ 25.73	$ 26.50	$ 27.29
9	$ 28.26	$ 29.11	$ 29.98

WAGES

(A) Copper Bonus

For the purpose of this agreement, the copper bonus payable during the calendar quarter (the payment quarter) shall be determined by the average price of copper in Canadian dollars in the preceding calendar quarter (the measurement quarter).

The average price of copper in a measurement quarter shall be determined by averaging the average monthly copper price for each month in the measurement quarter as determined using the London Metal Exchange settlement quotation for copper as published in Platt's Metals Week under the heading "L.M.E. Settlement," converted to Canadian dollars using the average monthly U.S. dollar to Canadian dollar exchange rate. The conversion to Canadian dollars will be made using the monthly average of the Bank of Canada's daily Canadian dollar to U.S. dollar closing rate. The average price of copper in Canadian dollars shall be rounded up or down to the nearest whole cent.

Based upon the average price of copper in Canadian dollars in the measurement quarter, bonus payments, as a percentage increase to the base rate shall be payable for the payment quarter to the following schedule.

Average Copper Price:	Bonus Payment:
$1.27 Cdn. or greater	+6%
$1.26	+5%
$1.25	+4%
$1.24	+3%
$1.23	+2%
$1.22	+1%

The above bonus payment calculation shall be applied to all wage dependent earnings of all bargaining unit employees during the measurement quarter. Any funds payable under this plan will be allocated to the purchase of improved pension benefits under the Highland Valley Copper Pension Plan for Hourly-Paid Employees. (the "Plan").

Specifically, when the total cumulative copper bonus is at least equal to $2,300,000 the normal form of pension in the Plan will change from joint and survivor pension with a survivor benefit of 50% to joint and survivor pension with a survivor benefit of 60%. The Plan will be amended to adopt this improvement. After such amendment, the cumulative copper bonus shall be reduced by $2,300,000. This benefit improvement will be effective as of the start date of the payment quarter in which the cumulative copper bonus from the measurement quarter reaches $2,300,000. Any employees who retire during the payment quarter shall be eligible to receive a joint and survivor pension at 60 per cent.

Thereafter, each $2,400,000 increase in the total cumulative copper bonus shall increase the monthly rate of lifetime pension, for past and future service by $1. The Plan shall be amended to increase the life time benefit for past and future service. The monthly rate of lifetime pension shall be increased by the greatest multiple of $1 allowable such that the value of the increase does not exceed the cumulative copper bonus. After such amendment, the cumulative copper bonus shall be reduced by $2,400,000. These benefit improvements will be effective as of the start date of the payment quarter in which the cumulative copper bonus from the measurement quarter reaches $2,400,000. Any employees who retire during the payment quarter shall receive the amended pension amount.

Such amendments shall occur no more frequently than quarterly.

At September 30, 2006, any then remaining cumulative copper bonus shall be used to increase the amount of lifetime pension. For each $2,400,000 in the cumulative copper bonus, the lifetime pension will increase by $1 for past and future service. The amount of increase shall be such that the value of the increase equals the remaining cumulative copper bonus, even if such calculation results in an increase that is not in a whole dollar increment. The plan will be amended to incorporate this increase in the benefit level.

A quarterly statement will be provided to the union on the status of the copper bonus account and this will also be subject to an annual review by the Partnerships external auditors.

TAB 3

Memorandum

Teck Highland Valley Copper Partnership
P.O. Box 1500
Logan Lake, BC Canada V0K 1W0

+1 250 523 2443 Tel
+1 250 523 3242 Fax
www.teck.com

Teck

Memo To: **ALL HOURLY EMPLOYEES** Date: June 17, 2015

From: Ivan Moser
Manager Human Resources

Regarding: **COPPER BONUS FOR MAY, 2015**

The Copper Bonus accrual for the pay periods beginning April 24, 2015 and ending May 28, 2015 totaled $541,952. Combined with the accrual earned since the purchase of the last $1.00/month/year of service improvement, which was effective January 1, 2015, the total accrual reached $1,411,993.

The $1,411,993 will be applied towards the purchase of additional benefits where the cost of $1.00/month/year of service improvement is $2,000,000. At current copper prices the Copper Bonus accrual is expected to reach the $2,000,000 target sometime in July 2015, resulting in a total benefit of $100.00/month/year of service.

Ivan Moser

APPENDIX A

EFFECTIVE DATES

RATES FOR CLASSIFICATION IN
APPENDIX B

TERM OF AGREEMENT: OCTOBER 1, 2006 TO SEPTEMBER 30, 2011

(A) Wages

Wage Grade	October 1, 2006	October 1, 2007	October 1, 2008	October 1, 2009	October 1, 2010
1	$ 22.69	$ 23.60	$ 24.54	$ 25.52	$ 26.54
2	$ 23.36	$ 24.29	$ 25.26	$ 26.27	$ 27.32
3	$ 24.00	$ 24.96	$ 25.96	$ 27.00	$ 28.08
4	$ 24.80	$ 25.79	$ 26.82	$ 27.89	$ 29.01
5	$ 25.70	$ 26.73	$ 27.80	$ 28.91	$ 30.07
6	$ 26.64	$ 27.71	$ 28.82	$ 29.97	$ 31.17
7	$ 27.53	$ 28.63	$ 29.78	$ 30.97	$ 32.21
8	$ 28.38	$ 29.52	$ 30.70	$ 31.93	$ 33.21
9	$ 31.18	$ 32.43	$ 33.73	$ 35.08	$ 36.48
10	$ 33.26	$ 34.59	$ 35.97	$ 37.41	$ 38.91

(B) Copper Bonus

For the purpose of this Agreement, the copper bonus payable during the calendar quarter (the payment quarter) shall be determined by the average price of copper in Canadian dollars in the preceding calendar quarter (the measurement quarter).

The average price of copper in a measurement quarter shall be determined by averaging the average monthly copper price for each month in the measurement quarter as determined using the London Metal Exchange settlement quotation for copper as published in Platt's Metals Week under the heading "L.M.E. Settlement," converted to Canadian dollars using the average monthly U.S. dollar to Canadian dollar exchange rate. The conversion to Canadian dollars will be made using the monthly average of the Bank of Canada's daily Canadian dollar to U.S. dollar closing rate. The average price of copper in Canadian dollars shall be rounded up or down to the nearest whole cent.

Based upon the average price of copper in Canadian dollars in the measurement quarter, bonus payments, as a percentage increase to the base rate shall be payable for the payment quarter to the following schedule.

Average Copper Price:	Bonus Payment:
$1.27 Cdn. or greater	+6%
$1.26	+5%
$1.25	+4%
$1.24	+3%
$1.23	+2%
$1.22	+1%

The above bonus payment calculation shall be applied to all wage dependent earnings of all bargaining unit employees during the measurement quarter. Any funds payable under this plan will be allocated to the purchase of improved pension benefits under the Highland Valley Copper Pension Plan for Hourly-Paid Employees. (the "Plan").

Each $2,000,000 increase in the total cumulative copper bonus shall increase the monthly rate of lifetime pension, for past and future service by $1. The Plan shall be amended to increase the life time benefit for past and future service. The monthly rate of lifetime pension shall be increased by the greatest multiple of $1 allowable such that the value of the increase does not exceed the cumulative copper bonus. After such amendment, the cumulative copper bonus shall be reduced by $2,000,000. These benefit improvements will be effective as of the start date of the payment quarter in which the cumulative copper bonus from the measurement quarter reaches $2,000,000. Any employees who retire during the payment quarter shall receive the amended pension amount.

At September 30, 2011, any then remaining cumulative copper bonus shall be used to increase the amount of lifetime pension. For each $2,000,000 in the cumulative copper bonus, the lifetime pension will increase by $1 for past and future service. The amount of increase shall be such that the value of the increase equals the remaining cumulative copper bonus, even if such calculation results in an increase that is not in a whole dollar increment. The plan will be amended to incorporate this increase in the benefit level.

A quarterly statement will be provided to the Union on the status of the copper bonus account and this will also be subject to an annual review by the Partnerships external auditors.

APPENDIX A

EFFECTIVE DATES

RATES FOR CLASSIFICATION IN

APPENDIX B

TERM OF C.B.A.: OCTOBER 1, 2011 TO SEPTEMBER 30, 2016

(A) Wages

Wage Grade	October 1, 2011	October 1, 2012	October 1, 2013	October 1, 2014	October 1, 2015
1	$ 27.61	$ 28.71	$ 29.86	$ 31.05	$ 32.30
2	$ 28.42	$ 29.55	$ 30.74	$ 31.96	$ 33.24
3	$ 29.20	$ 30.37	$ 31.58	$ 32.85	$ 34.16
4	$ 30.18	$ 31.38	$ 32.64	$ 33.94	$ 35.30
5	$ 31.27	$ 32.52	$ 33.82	$ 35.18	$ 36.58
6	$ 32.42	$ 33.72	$ 35.07	$ 36.47	$ 37.93
7	$ 33.50	$ 34.84	$ 36.23	$ 37.68	$ 39.19
8	$ 34.54	$ 35.92	$ 37.36	$ 38.85	$ 40.41
9	$ 37.94	$ 39.46	$ 41.04	$ 42.68	$ 44.38
10	$ 40.47	$ 42.09	$ 43.77	$ 45.52	$ 47.34

(B) Copper Bonus

For the purpose of this C.B.A., the copper bonus payable during the calendar quarter (the payment quarter) shall be determined by the average price of copper in Canadian dollars in the preceding calendar quarter (the measurement quarter).

The average price of copper in a measurement quarter shall be determined by averaging the average monthly copper price for each month in the measurement quarter as determined using the London Metal Exchange settlement quotation for copper as published in Platt's Metals Week under the heading "L.M.E. Settlement," converted to Canadian dollars using the average monthly U.S. dollar to Canadian dollar exchange rate. The conversion to Canadian dollars will be made using the monthly average of the Bank of Canada's daily Canadian dollar to U.S. dollar closing rate. The average price of copper in Canadian dollars shall be rounded up or down to the nearest whole cent.

Based upon the average price of copper in Canadian dollars in the measurement quarter, bonus payments, as a percentage increase to the base rate shall be payable for the payment quarter to the following schedule.

Average Copper Price:	Bonus Payment:
$1.27 Cdn. or greater	+6%
$1.26	+5%
$1.25	+4%
$1.24	+3%
$1.23	+2%
$1.22	+1%

The above bonus payment calculation shall be applied to all wage dependent earnings of all Bargaining Unit employees during the measurement quarter. Any funds payable under this plan will be allocated to the purchase of improved pension benefits under the Highland Valley Copper Pension Plan for Hourly-Paid Employees. (the "Plan").

Each $2,000,000 increase in the total cumulative copper bonus shall increase the monthly rate of lifetime pension, for past and future service by $1. The Plan shall be amended to increase the life time benefit for past and future service. The monthly rate of lifetime pension shall be increased by the greatest multiple of $1 allowable such that the value of the increase does not exceed the cumulative copper bonus. After such amendment, the cumulative copper bonus shall be reduced by $2,000,000. These benefit improvements will be effective as of the start date of the payment quarter in which the cumulative copper bonus from the measurement quarter reaches $2,000,000. Any employees who retire during the payment quarter shall receive the amended pension amount.

At September 30, 2016, any then remaining cumulative copper bonus shall be used to increase the amount of lifetime pension. For each $2,000,000 in the cumulative copper bonus, the lifetime pension will increase by $1 for past and future service. The amount of increase shall be such that the value of the increase equals the remaining cumulative copper bonus, even if such calculation results in an increase that is not in a whole dollar increment. The plan will be amended to incorporate this increase in the benefit level.

A quarterly statement will be provided to the Union on the status of the copper bonus account and this will also be subject to an annual review by the Partnerships external auditors.

APPENDIX A

EFFECTIVE DATES

RATES FOR CLASSIFICATION IN

APPENDIX B

TERM OF C.B.A.: OCTOBER 1, 2016 TO SEPTEMBER 30, 2021

(A) Wages

Wage Grade	October 1, 2016		October 1, 2017		October 1, 2018		October 1, 2019		October 1, 2020	
1	$	32.30	$	32.95	$	33.60	$	34.28	$	34.96
2	$	33.24	$	33.90	$	34.58	$	35.27	$	35.98
3	$	34.16	$	34.84	$	35.54	$	36.25	$	36.98
4	$	35.30	$	36.01	$	36.73	$	37.46	$	38.21
5	$	36.58	$	37.31	$	38.06	$	38.82	$	39.60
6	$	37.93	$	38.69	$	39.46	$	40.25	$	41.06
7	$	39.19	$	39.97	$	40.77	$	41.59	$	42.42
8	$	40.41	$	41.22	$	42.04	$	42.88	$	43.74
9	$	44.38	$	45.27	$	46.17	$	47.10	$	48.04
10	$	47.34	$	48.29	$	49.25	$	50.24	$	51.24

(B) Copper Bonus

For the purpose of this C.B.A., the copper bonus payable during the calendar quarter (the payment quarter) shall be determined by the average price of copper in Canadian dollars in the preceding calendar quarter (the measurement quarter).

The average price of copper in a measurement quarter shall be determined by averaging the average monthly copper price for each month in the measurement quarter as determined using the London Metal Exchange settlement quotation for copper as published in Platt's Metals Week under the heading "L.M.E. Settlement," converted to Canadian dollars using the average monthly U.S. dollar to Canadian dollar exchange rate. The conversion to Canadian dollars will be made using the monthly average of the Bank of Canada's daily Canadian dollar to U.S. dollar closing rate. The average price of copper in Canadian dollars shall be rounded up or down to the nearest whole cent.

Based upon the average price of copper in Canadian dollars in the measurement quarter, bonus payments, as a percentage increase to the base rate shall be payable for the payment quarter to the following schedule.

Average Copper Price:	Bonus Payment:
$3.20 Cdn. or greater	+6%
$3.10	+5%
$3.00	+4%
$2.90	+3%
$2.80	+2%
$2.70	+1%

On October 1st of each year, the average copper price in the above table will be increased by the most recent average annual Canadian CPI as per Stats Can.

The above bonus payment calculation shall be applied to all wage dependent earnings of all Bargaining Unit employees during the measurement quarter. Any funds payable under this plan will be allocated to the purchase of improved pension benefits under the Teck Highland Valley Copper Partnership Pension Plan for Hourly-Paid Employees (the "Plan").

At the end of each quarter, an independent actuary will determine the amount of pension that can be purchased by the cumulative copper bonus. The amount of increase shall be such that the value of the increase equals the remaining cumulative copper bonus, even is such calculation results in an increase that is not in a whole dollar increment. This plan will be amended to incorporate this increase in the benefit level. Any employees who retire during the payment quarter shall receive the amended pension amount. Effective the date of ratification, the Company will apply the copper bonus accrued since October 1, 2016 to the total cumulative copper bonus.

A quarterly statement will be provided to the Union on the status of the copper bonus account and this will also be subject to an annual review by the Partnerships external auditors.

TAB 4

Teck

Monique Ronning
Corporate Counsel

Direct +1.604.697.3550
monique.ronning@teck.com

Teck Resources Limited
Suite 3300, 550 Burrard Street
Vancouver, B.C. Canada V6C 0B3
Tel +1.604.699.4000
teck.com

BY EMAIL (Pensions@bcfsa.ca)

December 9, 2024

BC Financial Services Authority
600-750 West Pender Street
Vancouver, BC V6C 2T8

To whom it may concern,

Re: Teck Highland Valley Copper Partnership Pension Plan for Hourly-Paid Employees ("the Plan") / BCFSA Registration No. P085569-1 / CRA Reg. No. 945113

Teck Highland Valley Copper Partnership (the "**Partnership**"), the administrator of the Plan, hereby submits for registration a certified copy of Amendment No. 2024-01 to the Plan, completed PBSA Section 18 Form, and duly executed Form 6.

Amendment No. 2024-01 reflects changes to the Plan to revise the periodic increases to the Copper Bonus Supplement up to September 30, 2024, as set out in Appendix C to the Plan. Specifically, the following have been added to the chart in Appendix C:

Quarter	Increase to Pension
2023 Q4	$0.92
2024 Q1	$0.80
2024 Q2	$0.92
2024 Q3	$0.76

WTW, the Plan's actuary, will shortly submit an actuarial cost certificate disclosing the impact of the increases to the Plan's funding.

If you have any questions respecting the above, please do not hesitate to call me.

Yours truly,

Monique Ronning
Corporate Counsel

Encls.

cc: Vanessa Izan, Teck Resources Limited
Candace Droder, Teck Highland Valley Copper Partnership
Jaime Omichinski, Willis Towers Watson
Kyle Wolff, United Steelworkers Local 7619

{00375222.1}

CERTIFIED COPY OF THE RESOLUTIONS OF THE MANAGEMENT COMMITTEE OF TECK HIGHLAND VALLEY PARTNERSHIP

The undersigned, Darryl Bochard, Secretary and Controller of the Teck Highland Valley Partnership (the **"Partnership"**), hereby certifies, as Controller of the Partnership and not in their personal capacity, that the following is a true and correct copy of certain resolutions of the Members of the Teck Highland Valley Partnership Management Committee (the **"Management Committee"**) effective as of November 18, 2024, which resolutions remain in full force and effect, unamended as of the date hereof:

"WHEREAS:

A. Teck Highland Valley Partnership (the "**Partnership**") is the sponsor of the Teck Highland Valley Copper Partnership Pension Plan for Hourly-Paid Employees (the "**Plan**"), which was amended and restated effective September 15, 2015.

B. Pursuant to Section 20.1 of the Plan, the Management Committee of the Partnership may amend the Plan by resolution and once such an amendment is made, notice must forthwith be given to the Plan's Pension Committee.

C. It is desirable to amend the Plan as set out in this consent resolution as of the date set out below.

NOW THEREFORE BE IT RESOLVED that:

1. Effective November 18, 2024, Appendix C attached to the Plan is deleted and replaced with the following to reflect the pension benefit rate improvements purchased by the Copper Bonus Supplement up to September 30, 2024.

Appendix C - Copper Bonus Summary

History of pension benefit improvements purchased by copper bonus:

Measurement Quarter	Pension Benefit Improvement	Measurement Quarter	Pension Benefit Improvement
2005 Q3	$1.00	2017 Q1	$0.82
2006 Q2	$1.00	2017 Q2	$0.72
2006 Q3	$0.50	2017 Q3	$0.72
2007 Q2	$1.00	2017 Q4	$0.63
2007 Q4	$1.00	2018 Q1	$0.73
2008 Q2	$1.00	2018 Q2	$0.65
2008 Q3	$1.00	2018 Q3	$0.73
2009 Q2	$1.00	2018 Q4	$0.68
2009 Q3	$1.00	2019 Q1	$0.77
2010 Q1	$1.00	2019 Q2	$0.68
2010 Q3	$1.00	2019 Q3	$0.74
2010 Q4	$1.00	2019 Q4	$0.68
2011 Q2	$1.00	2020 Q1	$0.77
2011 Q3	$1.00	2020 Q2	$0.52
2012 Q1	$1.00	2020 Q3	$0.68

2012 Q2	$1.00	2020 Q4	$0.76
2012 Q4	$1.00	2021 Q1	$0.65
2013 Q1	$1.00	2021 Q2	$0.77
2013 Q2	$1.00	2021 Q3	$0.60
2013 Q3	$1.00	2021 Q4	$0.73
2014 Q1	$1.00	2022 Q1	$0.69
2014 Q2	$1.00	2022 Q2	$0.77
2014 Q3	$1.00	2022 Q3	$0.64
2014 Q4	$1.00	2022 Q4	$0.82
2015 Q1	$1.00	2023 Q1	$0.75
2015 Q3	$1.00	2023 Q2	$0.85
2015 Q4	$1.00	2023 Q3	$0.71
2016 Q1	$1.00	2023 Q4	$0.92
2016 Q2	$1.00	2024 Q1	$0.80
2016 Q3	$1.19	2024 Q2	$0.92
2016 Q4	$0.66	2024 Q3	$0.76

2. Any two of the following persons:

- General Manager of the Partnership
- Manager, Human Resources of the Partnership
- a member of the Pension Committee of the Partnership
- a member of the Management Committee of the Partnership
- any Pension Benefits Manager appointed by the Partnership or the Pension Committee

together are hereby authorized to execute and deliver any documents or do any things necessary so that they in their discretion or on the advice of counsel consider advisable or necessary in connection with the documentation associated with the implementation of the said amendments and their respective signatures on any such documents shall be conclusive evidence of this authorization.

3. The resolutions set out above may be executed in any number of counterparts and delivered by facsimile or other electronic format capable of producing a printed copy and all such counterparts and facsimile copies taken together shall be deemed to form one and the same document, and to have been dated as of the date first set forth above, regardless of the actual date of signature."

DATED this 19 day of November, 2024.

Darryl Bochard
Secretary and Controller
Teck Highland Valley Copper Partnership

BCFSA BC Financial Services Authority / Application for Registration of an Amendment to a Pension Plan (PBSA Section 18)

INSTRUCTIONS

1. All applicable information must be provided
2. This information must be typewritten or printed
3. Upon completion, please forward this form and all attachments to:

   BC Financial Services Authority
   600-750 West Pender Street
   Vancouver, B.C. V6C 2T8
   Email: Pensions@bcfsa.ca

Freedom of Information and Protection of Privacy Act (FOIPPA)
The information requested on this form is collected under the authorities of sections 26(a) and 26(c) of the *Freedom of Information and Protection of Privacy Act*, and section 18 of the *Pensions Benefits Standards Act*. The information is collected for the purpose of administering the *Pensions Benefits Standards Act*. If you have any questions about the collection or use of this information, please contact the BC Financial Services Authority at 604.660.3555, 600-750 West Pender Street, Vancouver, B.C. V6C 2T8.

PART A - GENERAL INFORMATION – PLAN SPONSOR/ADMINISTRATOR

Legal Name of Plan	Teck Highland Valley Copper Partnership Pension Plan for Hourly-Paid Employees			
Plan Sponsor or Administrator	Teck Highland Valley Copper Partnership			
Plan Administrator Contact If plan is trusteed, Chair of the Board of Trustees (Required Information)	Name	Vanessa Izan	Position or Title	Manager, Pensions & Retiree Benefi
	Address	Suite 3300, 550 Burrard Street, Vancouver, BC V6V 0B3		
	Phone	604.699.4000	Email	Vanessa.Izan@teck.com
	Fax	604.699.4774		

PART B - PLAN TYPE

Benefits provided:

- ☐ Defined Contribution (DC)
- ☑ Defined Benefit (DB)
- ☐ Target Benefit (TB)

Employer(s):

- ☑ Single Employer
- ☐ More than 1 employer, not a multi-employer plan*
- ☐ Multi-Employer Plan

*A plan is not a multi-employer plan if all participating employers are affiliates within the meaning of *Business Corporations Act*

PART C - NATURE OF AMENDMENT

Does the amendment affect:

- ☐ Eligibility for membership
- ☐ Normal retirement age
- ☐ Integration with CPP/QPP
- ☐ Employee contribution rate
- ☐ Employer contribution rate
- ☐ Benefit formula (for DB or TB provisions)
- ☐ Determination of average earnings (for DB or TB)
- ☐ Provision of increases to pensions in pay or deferred pensions
- ☐ Ad hoc increased to pensions in pay or deferred pensions
- ☑ Other (please describe)

For any of the amendments described above, please set out the nature of the change. For example, "Employee required contributions are being changed from x% of earnings to y% of earnings."

Appendix C attached to the Plan is deleted and replaced to reflect the pension benefit rate improvements purchased by the Copper Bonus Supplement up to September 30, 2024.

PART D - SECTIONS OF PLAN TEXT DOCUMENT

Please list the sections of the plan text document being amended.

Appendix C - Copper Bonus Summary

PART E - CONSENT OF SUPERINTENDENT

Do any of the changes require consent or approval from the Superintendent of Pensions? If so, please set out the nature of the consent or approval required and the section reference from the *Pension Benefits Standards Act* or regulation.

N/A

PART F - ACTUARIAL VALUATION

If the provision being amended is either DB or TB, does the amendment:

- [x] increase the participating employer's or employers' current service costs
- [ ] create an unfunded actuarial liability; or
- [ ] create a solvency deficiency?

If the answer to any of the above is "Yes," please ensure that a new actuarial valuation report is prepared or the current actuarial valuation report is revised as of the effective date of the amendment.

PART G - TARGET BENEFIT PLAN CONVERSION

If the amendment is to covert a multi-employer plan that is a negotiated cost plan from a defined benefit provision to a target benefit provision, and such conversion may reduce accrued benefits, has the trade union consented to the conversion?

- [ ] Yes, the trade union has consented to the conversion
- [ ] No, trade union consent is not required

PART H - PLAN TERMINATION

Does the amendment result in the full termination of the plan?

- [ ] Yes
- [x] No

If the answer above is "Yes," is the plan being replaced by:

- [ ] A registered retirement savings plan
- [ ] A deferred profit sharing plan
- [ ] Other (please describe)
- [ ] No replacement vehicle

Please describe if "Other."

FORM 6

(section 19)

ADMINISTRATOR STATEMENT OF COMPLIANCE –

AMENDMENT TO PLAN TEXT DOCUMENT

WHEN TO USE THIS FORM

An administrator is required by section 18 (b) of the Pension Benefits Standards Act (the "Act") to file a statement with a certified copy of an amendment to the plan text document of a pension plan that, in the opinion of the administrator, the amendment complies with the Act and the regulations under the Act. The issuance by the Superintendent of Pensions (the "superintendent") of a notice of registration for an amendment to a plan text document of a pension plan registered under the Act may be made based upon this statement. Administrators are reminded that the superintendent has the power to refuse to register or to revoke the registration of an amendment to a plan text document that does not comply with the Act and the regulations.

I Vanessa Izan the administrator of Teck Highland Valley Copper Part attach a certified copy of an amendment dated 12/06/2024 to the plan text document of the pension plan that bears British Columbia registration number P085569-1 , and CERTIFY THAT

1. It is my opinion that the amendments to the plan text document filed with this statement complies with the Act, the regulations.

2. I acknowledge that the obligation to determine compliance of the amendment filed with this statement is the responsibility of the administrator, and I declare that I have fulfilled that responsibility and, in making this application have complied with the Act and the regulations.

3. A summary of the changes made by the amendment and a list of the sections of the plan text document that have been amended are attached.

I declare that the above statements are true to the best of my knowledge and belief and I make these statements conscientiously believing them to be true.

DATED at Vancouver British Columbia, on 12/06/2024

Signature of administrator or authorized officer

Vanessa Izan

[type or print name]

NOTE: The administration of a pension plan in a manner that does not comply with the Act and the regulations may be subject to an administrative penalty under section 116 of the Act or may be an offence under section 123 of the Act. In addition, an administrator may be subject to a direction for compliance under section 113 of the Act issued by the superintendent relating to, among other matters, the manner of administration of a pension plan.

TAB 5

Appendix C - Copper Bonus Summary

07/01/2005	$1 Copper Bonus
10/01/2005	
04/01/2006	$1 Copper Bonus
10/01/2006	$0.5 Copper Bonus
04/01/2007	$1 Copper Bonus
10/01/2007	$1 Copper Bonus
04/01/2008	$1 Copper Bonus
10/01/2008	$1 Copper Bonus
04/01/2009	$1 Copper Bonus
07/01/2009	$1 Copper Bonus
10/01/2009	
01/01/2010	$1 Copper Bonus
07/01/2010	$1 Copper Bonus
10/01/2010	$1 Copper Bonus
04/01/2011	$1 Copper Bonus
07/01/2011	$1 Copper Bonus
10/01/2011	
01/01/2012	$1 Copper Bonus
04/01/2012	$1 Copper Bonus
10/01/2012	$1 Copper Bonus
01/01/2013	$1 Copper Bonus
04/01/2013	$1 Copper Bonus
07/01/2013	$1 Copper Bonus
10/01/2013	
01/01/2014	$1 Copper Bonus
04/01/2014	$1 Copper Bonus
07/01/2014	$1 Copper Bonus
10/01/2014	$1 Copper Bonus
01/01/2015	$1 Copper Bonus
07/01/2015	$1 Copper Bonus
10/01/2015	$1 Copper Bonus
01/01/2016	$1 Copper Bonus
04/01/2016	$1 Copper Bonus

Copper Bonus								
		Copper	Bonus	Dollar	Measurement	Payment		
Year / Date	Quarter	Price	Payment		Quarter	Quarter		
Oct 1/200	Effective							
01-Jul-05		>1.27	6%	$2,000,000	2	$1.00	3	
April 1/06		>1.27	6%		1	$1.00	2	
Oct 1/06		>1.27	6%		3	$0.50	4	End of CBA 2003 - 2006
April 1/07		>1.27	6%		1	$1.00	2	
Oct 1/07		>1.27	6%		3	$1.00	4	
April 1/08		>1.27	6%		1	$1.00	2	
Oct 1/08		>1.27	6%		3	$1.00	4	
April 1/09		>1.27	6%		1	$1.00	2	
July 1/09		>1.27	6%		2	$1.00	3	
Jan 1/10		>1.27	6%		4	$1.00	1	
July 1/10		>1.27	6%		2	$1.00	3	
Oct 1/10					2	$1.00	3	
		>1.27	6%					
April 1/11		>1.27	6%		1	$1.00	2	
July 1/11		>1.27	6%		2	$1.00	3	
Oct 1/11		>1.27	6%					No payment at end of CBA
Jan 1/12		>1.27	6%		4	$1.00	1	
April 1/12		>1.27	6%		1	$1.00	2	
Oct 1/12		>1.27	6%		3	$1.00	4	
Jan 1/13		>1.27	6%		4	$1.00	1	
April 1/13		>1.27	6%		1	$1.00	2	
July 1/13		>1.27	6%		2	$1.00	3	
Oct 1/13		>1.27	6%					No Payment
Jan 1/14		>1,27	6%		4	$1.00	1	
April 1/14		>1.27	6%		1	$1.00	2	
July 1/14		>1.27	6%		2	$1.00	3	
Oct 1/14		>1.27	6%		3	$1.00	4	
Jan 1/15		>1.27	6%		4	$1.00	1	
July 1/15		>1.27	6%		2	$1.00	3	
Oct 1/15		>1.27	6%		3	$1.00	4	
Jan 1/16		>1.27	6%		4	$1.00	1	
April 1/16		>1.27	6%		1&2	$1.00	2	Memo Dated June 21/16
July 1/16		>1.27	6%		3	$1.00	3	Memo Dated January 24/17
Aug 1/16		>1.27	6%					
Sept 1/16		>1.27	6%	$2,000,000				
Oct 1/16						$0.19		O/S balance - Memo Jan 24/17
Jul-16		$2.87						
Aug-16		$2.81						
Sep-16		$2.80						
Oct-16								
Nov-16								
Dec-16								

Code	Code Description
H1001	Regular Earnings Hourly
H1605	Appr School
H1606	Appr School 1.5
H1607	Appr School 2.0
H1702	Light Duty
H1703	Light Duty 1.5
H1704	Light Duty OT 2.0
H1710	Rate Adjustment Amount
H1855	Shift Exchange Worked
H1856	Shift Exchange Work 1.5
H1857	Shift Exchange Work 2.0
H2820	Floater Taken
H2830	Bereavement
H2840	Jury Duty
H2850	OT Banked Taken
H2852	OT Banked Payout
H2940	Leave with pay
H2960	Union leave paid by company
H2961	Union leave paid by company
H2962	Union leave paid by company
H2980	Trainee
H2981	Trainee 1.5
H2982	Trainee 2.0
H3281	Floater Payout
H3341	Stat Holiday Hourly
H3342	Stat Holiday Stay Home Hourly
H4001	Overtime 1.5
H4002	Overtime 2.0
H4003	Overtime 3.0
H4004	OT Special Weekly
H4005	OT Builtin
H4006	OT Stat Holiday Hourly
H4007	OT Stat Holiday Hourly 3.0
H4008	Weekly OT Top Up
H4510	Premium Cyclone Operator
H4535	Premium Call Out

TAB 6

Regulation of Pension Plans

Employment pension plans covering British Columbia employees are regulated by the
Pension Benefits Standards Act (the "PBSA") and the
Pension Benefits Standards Regulation.

Order of Lieutenant Governor in Council 505 (Target Benefit PfAD Reform)
Order of Lieutenant Governor in Council 649 (Target Benefit PfAD Amendment).
Concordance: Alberta and BC Act
Concordance: Alberta and BC Regulation
Order of Lieutenant Governor in Council 649 (PBSR 2019 Funding Amendment)
Order of Lieutenant Governor in Council 704 (PBSR Section 31)

The objective of the Superintendent of Pensions is to enhance the retirement income security of British Columbians by

- promoting the security of pension plan benefits and rights provided to British Columbia pension plan members by the PBSA,
- ensuring that British Columbia pension plans comply with the PBSA, and meet the minimum standards of financial health required by the PBSA,
- assessing the ongoing effectiveness of the legislation and recommending improvements to the PBSA,
- working toward administrative harmonization with other provinces and the federal government,
- keeping the regulatory burden on pension plans, and the cost of pension plan supervision to a minimum,
- providing effective and efficient service through participation of both clients and staff in setting service standards and objectives,
- educating members and their representatives regarding their rights and obligations

There are approximately 636 employment pension plans registered in British Columbia, including public sector plans. These plans cover approximately 1.2 million members who are employed and accruing benefits or continue to have benefit entitlements under the plans or are already receiving retirement benefits.

British Columbia members of pension plans registered in other provinces in Canada are also protected by the PBSA.

The PBSA does not have jurisdiction over pension plans covering federal public sector employees, or private sector employees working in federally regulated industries such as banks, airlines, broadcasting and telecommunications or jurisdictions such as Nunavut, Northwest Territories and Yukon.

TAB 7

Teck

Highland Valley Copper Operations
P.O. Box 1500
Logan Lake, B.C. Canada V0K 1W0

+1 250 523 2443 Tel
www.teck.com

BY COURIER

February 21, 2023

Kyle Wolff
United Steelworkers Local 7619
770 Victoria Street
Kamloops, BC
V2C 2B6

Dear Mr. Wolff,

RE: Teck Highland Valley Copper Partnership Pension Plan for Hourly-Paid Employees (British Columbia registration #85569-1) ("Plan")

On January 22, 2023, on behalf of United Steelworkers Local 7619 ("**Union**"), you emailed Teck Highland Valley Copper Partnership ("**Partnership**"), the administrator of the Plan, to request disclosure of the Plan documents set out below.

Pursuant to the requirements of the British Columbia *Pension Benefits Standards Act* and *Pension Benefits Standards Regulation*, please find enclosed most of the requested Plan documents. Please note that the Partnership has omitted certain requested Plan documents for the reasons set out below. With respect to the Plan documents that the Partnership has disclosed, the Partnership has redacted any member personal information and any identifying information regarding pension plans other than the Plan.

Plan documents you requested	Comments
Plan Summary (also known as Plan Booklet)	The Partnership is working with the British Columbia Financial Services Regulatory Authority (**BCFSA**) to disclose a copy of this document and will update you regarding disclosure.
Plan Text Document;	**Enclosed.**
Amendment to Plan Text Document;	**Enclosed.**
the record that authorizes the establishment of the Plan	The Partnership is working with the BCFSA to disclose a copy of this document and will update you regarding disclosure.
the three most recent Annual Information Returns ("AIR");	**Enclosed.**
the two most recent Actuarial Valuation Reports ("AVR") and Cost Certificate (Benefit Formula Plans);	**Enclosed.**
the three most recent Audited Financial Statement (Benefit Formula Plans);	**Enclosed.**
each Trust Deed or Trust Agreements, Insurance Contract, Bylaw, and Resolution	**Enclosed.**

Plan documents you requested	Comments
any record that: (i) relates to the conditions of employment of the person requesting the information, or the conditions of employment of the person through whom the person requesting the information derives the entitlement to a benefit; and (ii) contains provisions relating to the plan;	The Partnership is not required to disclose this document/information to the Union under the *Pension Benefits Standards Regulations.*
Participation Agreement (non-collectively bargained multi-employer plan- NCB MEP);	The Plan is not a non-collectively bargained multi-employer plan. This document is not applicable to the Plan.
policy documents: Funding, Governance, and Statement of Investment Policies and Procedures	**Enclosed.**
Termination Report (if any, filed in relation to the plan).	The Plan has not been terminated. This document is not applicable to the Plan.

As noted above, we will update you regarding disclosure of the Plan summary and the record that authorizes the establishment of the Plan.

Yours truly,

Vanessa Izan
Manager, Pensions & Retiree Benefits

Encls.

cc. Candace Droder, Superintendent, Support HR

DRAFT #1

HIGHLAND VALLEY COPPER
PENSION PLAN FOR HOURLY-PAID EMPLOYEES
represented by
UNITED STEELWORKERS OF AMERICA
(Local 7619)

TABLE OF CONTENTS

PREAMBLE

Benefits are earned in this plan for bargaining unit service with Highland Valley Copper (the Partnership) after 1 July 1986. For the bargaining unit employees of Cominco and Lornex (the Partners) who join the Partnership on 1 July 1986, their service earned while with the bargaining units of the Partners will be credited under this Plan. The prior plans of the bargaining units of the Partners are:

Pension Plan for Employees of Lornex Mining Corporation Ltd. represented by United Steelworkers of America (Local 7619)

The Cominco Ltd. Pension Plan for Certain Employees represented by Trade Unions, including the Pension Plan Agreement between Cominco and CAIMAW, Local 8.

Members of the bargaining unit who become employed by the Partnership after 1 July 1986 will receive benefits from this plan in respect of Partnership service and all benefits payable in respect of service with Cominco or Lornex will be paid from the Partners' pension plan.

Updated Pension Funding Policy of [redacted] Teck Highland Valley Copper Partnership [redacted]

December 2022

1. **Context**

(a) This pension funding policy applies to the registered defined benefit pension plans sponsored by [redacted] the Teck Highland Valley Copper Partnership and [redacted]. The pension plans and their respective sponsors are set out in Appendix A attached hereto.

(b) The purpose of this pension funding policy is to provide guidance to the sponsors for making funding decisions for the pension plans.

2. **Funding Objectives**

A sponsor's primary funding objectives are:

(a) to provide benefit security for accrued pension benefits;

(b) to ensure adequate assets are available to fulfill the pension benefit obligations under the pension plans; and

(c) to dampen fluctuations in required employer contribution rates, subject to the flexibility that may be required due to business circumstances.

3. **Funding Constraints**

(a) The following factors constrain the funding of the pension plans:

(i) Applicable provincial or federal pension legislation – establishes minimum funding levels on a going concern and solvency basis. Since all of the pension plans are registered with the British Columbia Financial Services Authority ("BCFSA") under the British Columbia Pension Benefits Standards Act (the "Act"), each pension plan's funding is subject to the minimum funding requirements contained in the British Columbia Pension Benefits Standards Regulations, including the requirement to fund each pension plan on both a going concern basis and a solvency basis;

(ii) Income Tax Act – establishes maximum funding levels and maximum surplus levels;

(iii) The pension plan text – The pension benefits promised under the pension plans; and

(iv) The cyclical nature of a sponsor's business – it is desirable that contribution levels be sustainable at all points in the business cycle.

(b) There are a number of risks that threaten the realization of the funding objectives, the most relevant of which are:

(i) Assumption risk – the risk that actual events will turn out to be worse than anticipated by the actuarial valuation;

(ii) Cash flow mismatch risk – the risk that investments may have to be liquidated at depressed values to pay benefits, particularly an issue for closed and mature plans where benefit payments exceed contributions;

(iii) Solvency risks – the risk the pension plans' liabilities will increase at a greater rate than the assets;

(iv) Unforeseen changes to the pension plans– could be caused by changes in pension or tax legislation, changes in case law, or plan amendments; and

(v) Ageing active membership or other demographic shifts – the risk that the average age of the active membership will increase, thereby increasing the cost to provide future service benefits.

4. Funding Guidelines

(a) Actuarial measurement and valuations

(i) Valuation updates may be conducted each year.
(ii) Valuations will normally be filed once every three years, unless otherwise required by legislation or appropriate under the circumstances.
(iii) Assumptions used in the valuations will reflect best estimate assumptions and will comply with legislative requirements and actuarial practice.
(iv) Actuarial methods used in the valuations will be chosen so as to assist in stabilizing contributions.
(v) Asset liability studies, if appropriate, will be conducted approximately every five years to ensure the plans' assets are reflective of the plans' liabilities.

(b) Setting the target funding levels and contribution rates

(i) in the normal course, annual pension funding will be equal to the minimum funding level required by pension legislation;
(ii) each sponsor may, in its sole discretion, choose to contribute more than the minimum funding level; and
(iii) ad hoc pensioner increases may be funded only as they are granted.

(c) Actuarial excess – to the extent permitted by the Act and applicable legislation, each sponsor may, at its sole discretion:

(i) use actuarial excess in the pension plan to help satisfy the sponsor's contribution obligation under that plan;
(ii) establish, maintain and make withdrawals from a solvency reserve account in respect of that pension plan;
(iii) withdraw actuarial excess from the pension plan while ongoing; and
(iv) receive in its entirety any surplus in the pension plan upon termination of that plan.

5. Governance

(a) The Teck Resources Limited Audit Committee, the successor to the Teck Cominco Limited Board Pension Committee, is responsible for monitoring the adoption, application and any amendment of this policy for the pension plans.

(b) The Teck Resources Limited Executive Pension Committee may engage advisors as necessary to assist the committee in the execution of its duties under this policy.

(c) The Teck Resources Limited Executive Pension Committee shall keep the Audit Committee of the Board apprised about this policy and its adoption and application, including any amendments to this policy

6. Funding Policy Review

(a) This Policy must be reviewed annually or whenever there is a significant change in one of the following:

(i) the benefit provisions of a pension plan;
(ii) economic and capital market outlook;
(iii) the demographic characteristics of a pension plan's membership; and
(iv) the financial situation of the sponsor.

Appendix A – Plans Covered

The following are the registered pension plans sponsored by [redacted] the Teck Highland Valley Copper Partnership and [redacted] that are covered by this funding policy.

[redacted]

[redacted]

Teck Highland Valley Copper Partnership

Teck Highland Valley Copper Partnership Pension Plan for Hourly-Paid Employees (the "THVC Hourly Paid Pension Plan")

[redacted]

AMENDMENTS TO THE
TECK HIGHLAND VALLEY COPPER PARTNERSHIP
PENSION PLAN FOR HOURLY-PAID EMPLOYEES
REPRESENTED BY UNITED STEELWORKERS OF AMERICA (LOCAL 7619)

Year 2015 Amendment No. 1

WHEREAS:

A. Effective September 15, 2015 the Teck Highland Valley Copper Pension Plan for Hourly-Paid Employees Represented by United Steelworkers of America (Local 7619) (the "Plan") was amended and restated.

B. Changes are required to be made to the Plan effective September 15, 2015 as a result of the comments received from the Office of the Financial Institutions Commission.

NOW THEREFORE, the following changes are hereby incorporated into the Plan, effective September 15, 2015.

1. A new paragraph 5.4 (iii) is added to the Plan to read as follows to record the 40 year maximum applicable on or after October 2011.

"(iii) Date of Determination on or after 1 October 2011

A Member's Accrued Supplement is equal to:

Member's Date of Determination			**Benefit for Each Year of Combined Service to a Maximum of 40 Years**
On or After	**and**	**Before**	
1 October 2011			$25

A Member's Accrued Supplement payable under this Paragraph shall not exceed the sum of the maximum benefits payable under the Canada Pension Plan and the maximum Old Age Security benefit payable to individuals aged 65 as at the Member's pension commencement date, reduced proportionately in the case of a Member who has completed less than ten years of Combined Service as at that date. The maximum benefit so determined shall be further reduced by ¼ of 1% for each month by which the Member's pension commencement date precedes his or her attainment of age 60."

2. Paragraph 6.4(b) is deleted and replaced with the following to have the applicable YMPE for the calendar year in which the Commuted Value is calculated apply:

"(b) If the Commuted Value of a Member's annual Accrued Pension is less than 20% of the YMPE for the calendar year in which the Commuted Value is calculated, the Member may, in lieu of receiving any other benefit from the Plan, elect to transfer such lump sum amount to a registered retirement savings plan or to receive it as a lump-sum cash settlement, less withholding tax."

3. Paragraph 9.4.3 is deleted and replaced the following to insert the correct cross references:

"3. The estate of a Member or of a designated Beneficiary has the right, at any time when entitled to receive any payment pursuant to paragraph 9.2.1, 9.2.2 or 9.2.3 to elect to receive in lieu of the remaining payments, a lump-sum settlement equal to the Commuted Value of the remaining payments."

4. Section 10 is deleted and replaced with the following in order to reflect the fact that a member's surviving spouse may elect to have his or her entitlements to the member's pension transferred to a registered retirement plan or paid as a lump sum, to include the Accrued Supplement if applicable for the purposes of the Commuted Value calculation and to have the applicable YMPE be for the calendar year in which the Commuted Value is calculated apply.

"Section 10 - Pre-Retirement Death Benefits

10.1 Unless an election is made by the Member's Spouse pursuant to paragraph 10.2 and subject to paragraphs 10.5 and 10.7, if a Member who dies before his or her pension is due to start is survived by a Spouse, and if at the date of his or her death either:

(i) the aggregate of his or her years of Combined Service and his or her years of age is at least 60 years and his or her Combined Service is at least 10 years, or

(ii) his or her Combined Service is at least 15 years,

a monthly pension shall be payable to the Spouse equal to 50% of the Member's Accrued Pension.

The Commuted Value of the pension payable to a Spouse under this paragraph 10.1 shall not be less than 100% of the Commuted Value of the benefit payable for a Member's service had the Member terminated membership on his or her date of death. The payments shall be made in equal monthly instalments. The first monthly pension payment will be made on the first day of the month following the Member's date of death and the last payment will be made on the first day of the month in which the Spouse dies.

10.2 A Spouse who is entitled to a pension under paragraph 10.1 may, in lieu of receiving a pension, elect, within 90 days after the date of the Member's death, to transfer the Commuted Value of his or her pension under paragraph 10.1 as of the Member's date of death to a Locked-in Plan.

10.3 If a Member dies before his or her pension is due to start and is survived by a Spouse and the Spouse is not eligible to receive a pension pursuant to paragraph 10.1, the Spouse shall be entitled to transfer the Commuted Value of the Member's Accrued Pension and Accrued Supplement, if applicable, to a Locked-in Plan on his or her behalf.

10.4 If a Spouse entitled to a benefit under the provisions of paragraph 10.1 fails to make an election within 90 days of having received the applicable forms setting out his or her options, the Spouse will be deemed to have elected to receive an immediate pension from the Plan.

After 90 days, the Board may, at any time in its discretion, allow a Spouse to make an election under this paragraph.

10.5 A Spouse may waive his or her entitlement to a benefit under the provisions of paragraph 10.1 or paragraph 10.2 by completing the waiver form as prescribed under the PBSA.

Should the Spouse waive his or her entitlement to the above benefit, the benefit shall be paid to the Member's Beneficiary. If no Beneficiary has been designated, the said benefit shall be paid to the Member's estate.

The Member's Beneficiary or estate, whichever applicable, shall receive the benefit pursuant to paragraph 10.1 or paragraph 10.2 in a single lump sum cash payment, subject to withholding of tax. Pursuant to Applicable Legislation, the said benefit shall not be greater than the present value of the Member's accrued benefit.

10.6 If a Member dies before his or her pension is due to start and is not survived by a Spouse, a lump sum cash payment equal to the Commuted Value of the Member's Accrued Pension and Accrued Supplement, if applicable, shall be paid to the Member's designated Beneficiary or estate.

10.7 If the Commuted Value of the Member's Accrued Pension and Accrued Supplement, if applicable, is less than 20% of the YMPE for the calendar year in which the Commuted Value is calculated, the Spouse may, in lieu of receiving any other benefits from the Plan, elect:

(i) to transfer the Commuted Value to a registered retirement savings plan, or

(ii) to receive the Commuted Value as a lump sum cash settlement.

A payment to a Spouse under this paragraph shall be made in full and final satisfaction of the rights of that Spouse under this Plan.

10.8 Transfers pursuant to this Section 10 shall take place within 60 days of the Spouse or Beneficiary, whichever is applicable, filing the relevant documents with the Partnership."

5. Paragraph 11.4 (5)(ii) is deleted and replaced with the following in order to include the Accrued Supplement if applicable for the purposes of the Commuted Value calculation and to have the applicable YMPE be for the calendar year in which the Commuted Value is calculated apply:

"(ii) if the Commuted Value of the Member's Accrued Pension and Accrued Supplement, if applicable, is less than 20% of the YMPE for the calendar year in which the Commuted Value is calculated,

a. to transfer the Commuted Value of his or her Accrued Pension and Accrued Supplement, if applicable, to a registered retirement savings plan, or

b. to receive the Commuted Value of his or her Accrued Pension and Accrued Supplement, if applicable, as a lump sum cash settlement."

6. Paragraph 11.4 .7 is deleted since the two year service threshold for vesting no longer applies.

7. Paragraph 17.7 is deleted and replaced with the following to document that a member may elect to have his or her pension entitlements transferred to a registered retirement plan or to be paid as a lump sum.

"17.7 If the Commuted Value of a Member's Accrued Pension and Accrued Supplement, if applicable, is less than 20% of the YMPE for the calendar year in which the Commuted Value is calculated, the Member may elect

(i) to transfer the Commuted Value of his or her Accrued Pension and Accrued Supplement, if applicable, to a registered retirement savings plan, or

(ii) to receive the Commuted Value of his or her Accrued Pension and Accrued Supplement, if applicable, as a lump sum cash settlement,

in lieu of any further payments or other benefits under the Plan. Where a lump sum settlement in lieu of other payments or other benefits under the Plan is made as provided in this paragraph, the Member shall be entitled to no further benefits from the Plan."

8. Paragraph 17.11 is deleted and replaced with the following to document that a non-resident member or former member may elect to have his or her pension entitlements transferred to a registered retirement plan or to be paid as a lump sum.

"17.11 Non-Residents

Notwithstanding the provisions of the Plan, the Board shall, if requested by a Member or former Member, pay the Commuted Value of the Member's or former Member's Accrued Pension and Accrued Supplement, if applicable, as a lump-sum cash settlement, less withholding tax or to a registered retirement savings plan, where:

(i) the Member or former Member has been absent from Canada for two (2) or more years; and

(ii) the Member or former Member has become a "non-resident" of Canada as that term is determined for the purposes of the Income Tax Act.

A payment to a Member or former Member under this paragraph shall be made in full and final satisfaction of the rights of that Member or former Member under this Plan."

9. Paragraph 17.12 is deleted and replaced with the following in order to add a new paragraph 17.12 (d) to reflect the fact that a member or spouse who qualifies under paragraphs 17.12

has three elections, including to elect have the payment be made to a registered retirement plan.

"17.12 Shortened Life Expectancy

A Member or a Spouse entitled to pension benefits under this Plan who:

(a) who is not receiving a pension under the Plan, including under paragraph 6.3, Section 7, Section 8, Section 9 or paragraph 10.1 of this Plan; and

(b) who has an illness or a disability that is certified by a medical practitioner to be terminal or likely to shorten that person's life considerably;

may elect, subject to and in accordance with Applicable Legislation,

(c) to convert all or part of the Commuted Value of his or her pension benefit to a series of payments to the Member or the Spouse, as applicable, for a fixed term; or

(d) to receive payment of all or part of the Commuted Value of his or her pension benefit as a non-locked-in lump sum, payable in cash, subject to withholding for income tax; or

(e) to transfer all or part of the Commuted Value of his or her pension benefit to a registered retirement savings plan;

provided that in the case of a Member, if that Member has a Spouse, the commutation under this Section 17.12 can only be completed if that Member's Spouse has waived her or his entitlement in the proper manner and completed and filed the appropriate forms as required by the PBSA with the Partnership."

10. Section 18 is deleted and replaced with the following in order to comply with the windup provisions as set out in the Pension Benefits Standards Act and to include the Accrued Supplement if applicable for the purposes of the Commuted Value calculation.

"Section 18 -Rights on Discontinuance of Plan

18.1 If the Plan is discontinued either in whole or in part with respect to a particular group of Members, the assets in the Fund shall, after providing for expenses of the Plan including the expenses of discontinuance, be applied as far as the Fund will extend, for the provision of benefits for the persons entitled thereto under the Plan, excluding any and all benefits for which provision has previously been made, all in the manner as required under the Income Tax Act and the PBSA.

18.2 In no event shall the Partnership receive any amounts from the Fund upon discontinuance of the Plan, except that, any other provision of the Plan notwithstanding, the Partnership shall receive such amounts if any, as may remain after the satisfaction of all liabilities of the Plan.

18.3 Notwithstanding anything in the Plan, the Partnership shall upon termination of the Plan be required to remit those contributions that have accrued to the date of Plan termination but have not yet been submitted to the Fund.

In addition, if the Plan has a solvency deficiency upon termination, the Partnership shall be required to make additional contributions towards amortization of the solvency deficiency in accordance with Applicable Legislation.

18.4 No liability shall attach to the Partnership or the Partners or to a liquidator or trustee in bankruptcy as the case may be, in connection with any application of the Fund in accordance with the provisions of this Section 18 provided such application was made in good faith.

18.5 In the event of the termination of the Plan, Section 11 shall apply in respect of each Member's entitlements from the Plan. For clarity, in the application of this paragraph 18.5, a Member's Date of Determination shall be the date of plan termination and a Member's Accrued Pension and Accrued Supplement, if applicable, shall be based on his or her actual Combined Service to that date.

18.6 **Benefits on Mine Closure**

1. Effective September 30, 2006, the Partnership and the Union agree that a Pension Window will be provided at Mine Closure, which shall be in effect for the ten (10) day period prior to Mine Closure and will conclude at Mine Closure.
2. During the Pension Window, a Member who has attained age 55 and whose age and Combined Service total not less than 80 years may elect to retire immediately and commence receiving his or her pension. Such Member's monthly pension shall be equal to his or her Accrued Pension and Accrued Supplement, if applicable.
3. During the Pension Window, a Member who has attained age 55 and whose age and Combined Service total less than 80 years may elect to retire immediately and commence receiving his or her pension. Such Member's monthly pension shall be equal to his or her Accrued Pension, reduced by $^{1}/_{3}$% for each month between the Member's Retirement Date and the date that would have been his or her Unreduced Early Retirement Date had he or she remained an Employee.
4. During the Pension Window, a Member who has attained age 55 and who has completed not less than 15 years of Combined Service and who elects to retire in accordance with paragraph 18.6.3 above shall be entitled to receive his or her Accrued Supplement, reduced by $^{1}/_{3}$% for each month between the Member's Retirement Date and the date that would have been his or her Unreduced Early Retirement Date had he or she remained an Employee."

Signed this 5th day of May, 2017.

THE TECK HIGHLAND VALLEY COPPER PARTNERSHIP

Per: ______________________
Greg Brouwer

Per: ______________________
Dale Andres

TAB 8

TECK RESOURCES LIMITED

Highland Valley Copper Pension Plan for Hourly-Paid Employees

Actuarial Valuation as at December 31, 2022

September 25, 2023

Registration Numbers

British Columbia Financial Services Authority: P085569
Canada Revenue Agency: 0945113

DISCLAIMERS

This document is an actuarial valuation report of a pension plan. It is technical in nature and the reader should seek expert advice to fully understand it. The actuarial results presented here are based on numerous economic and demographic assumptions as to future events. Emerging experience, differing from the assumptions, will result in gains or losses that will be revealed in future actuarial valuations.

This report is based on the terms of engagement listed in Appendix A.

This report is based on the premise that all the plan's assets, including any letters of credit, are available to meet the plan's liabilities included in this valuation.

This report is based on the premise that the plan remains a going concern. This report does not address the disposition of any surplus assets remaining in the event of plan windup. If an applicable pension regulator or other entity with jurisdiction directs otherwise, certain financial measures contained in this report, including contribution requirements, may be affected.

The results presented in this report have been developed using a particular set of actuarial assumptions. Other results could have been developed by selecting different actuarial assumptions. The results presented in this report are reasonable actuarial results based on actuarial assumptions reflecting our expectation of future events.

Future contribution levels may change as a result of future changes in the actuarial methods and assumptions, the membership data, the plan provisions and the legislative rules, or as a result of future experience gains or losses, none of which have been anticipated at this time.

The results were developed with various data as at the valuation date that were provided to us: plan membership data, plan assets data, plan provisions and statement of investment policy. Towers Watson Canada Inc. ("WTW") has relied on these data after verifying them and assessing their reasonableness. However, WTW has not independently audited these data.

The information contained in this report was prepared for Teck Resources Limited, for its internal use and for filing with the Pension Authorities, in connection with the actuarial valuation of the plan prepared by WTW. This report is not intended, nor necessarily suitable, for other parties or for other purposes. Furthermore, some results in this report are based on assumptions mandated by legislation. These results may not be appropriate for purposes other than those for which they were prepared. Further distribution of all or part of this report to other parties (except where such distribution is required by applicable legislation) or other use of this report is expressly prohibited without WTW's prior written consent. WTW is available to provide additional information with respect to this report to the above-mentioned intended users upon request.

Definitions

CIA means the Canadian Institute of Actuaries.

DB means the defined benefit ("DB") provisions of the plan. Refer to the summary of plan provisions in Appendix F for further details.

Pension Authorities means the British Columbia Financial Services Authority and the Canada Revenue Agency ("CRA").

Pension Legislation means the *Pension Benefits Standards Act (British Columbia)* and Regulation thereto and the *Income Tax Act (Canada)* and Regulations thereto ("ITA").

The terminology used in this report is intended to convey the valuation results in a clear and straightforward manner, and assumes a common understanding of certain terms that are broadly applicable to pension plans in Canada. The terminology used in this report may differ from the corresponding terminology defined in Pension Legislation.

Table of Contents

Introduction

Purpose

This report with respect to the Highland Valley Copper Pension Plan for Hourly-Paid Employees has been prepared for Teck Resources Limited, the "Company" and the plan administrator, and presents the results of the actuarial valuation of the plan as at December 31, 2022.

The principal purposes of the report are:

- to present information on the financial position of the plan on going concern, solvency and hypothetical windup bases; and
- to provide the basis for employer contributions.

Increases in the Lifetime Flat Dollar Benefit Rate due to Copper Bonus

The terms of the Collective Bargaining Agreement and the Memorandum of Agreement between the Company and the United Steelworkers of America (Local 7619) provide for the possibility of future increases to the lifetime flat dollar benefit rate, contingent on the price of copper (referred to as the "Copper Bonus"), as at each January 1st, April 1st, July 1st and October 1st, for the duration of the Collective Bargaining Agreement. It was agreed in 2021 that future payments will be processed utilizing the rate from the preceding quarter to remove the requirement for retroactive authorizations. This adjustment has been reflected in the table below. Section 3 provides details on the financial effects of these future increases in the lifetime flat dollar benefit rate for periods after July 1, 2023.

In aggregate, the application of the Copper Bonus since the last valuation resulted in the following lifetime flat dollar benefit rates:

Effective Date	Copper Bonus Increases	Total Lifetime Flat Dollar Benefit Rate
July 1, 2022	$ 0.77	$ 121.34
Oct 1, 2022	$ 0.64	$ 121.98
Jan 1, 2023	$ 0.82	$ 122.80
April 1, 2023	$ 0.75	$ 123.55
July 1, 2023	$ 0.85	$ 124.40

Significant Events since Previous Actuarial Valuation (December 31, 2021)

On June 27, 2022, the CIA released its final changes to the *Practice-Specific Standards for Pension Plans*, which became effective December 1, 2022.

There have been no changes to the plan provisions.

Changes to the going concern basis, if any, are described in Appendix C. Changes to the solvency and hypothetical windup bases are described in Appendix D.

Subsequent Events

We completed this actuarial valuation on September 25, 2023.

To the best of our knowledge and on the basis of our discussions with Teck Resources Limited, no events which would have a material financial effect on the actuarial valuation, other than the application of the Copper Bonus as discussed above, occurred between the actuarial valuation date and the date this actuarial valuation was completed.

Next Valuation

The next actuarial valuation of the plan must be performed with an effective date not later than December 31, 2025.

Section 1: Going Concern Financial Position

1.1 Statement of Financial Position

	December 31, 2022	December 31, 2021
Going Concern Value of Assets	$ 447,019,000	$ 479,364,000
Actuarial Liability		
Active and disabled members	$ 113,187,000	$ 127,759,000
Retired members and beneficiaries	155,625,000	165,290,000
Transferred members	2,740,000	3,055,000
Terminated vested members	3,559,000	3,467,000
Total actuarial liability	$ 275,111,000	$ 299,571,000
Actuarial Surplus (Unfunded Actuarial Liability)	$ 171,908,000	$ 179,793,000
Provision for adverse deviations (PfAD)	45,118,000	26,362,000
Actuarial Surplus (Unfunded Actuarial Liability) After PfAD	$ 126,790,000	$ 153,431,000
Funded Ratio	139.6%	147.1%
Accessible Going Concern Excess	$ 110,778,000	$ 137,134,000
Excess Actuarial Surplus[1]	$ 46,733,000	$ 71,948,000

Note:

[1] Excess Actuarial Surplus refers to the amount of reported surplus in excess of the amount described in 147.2(2)(d) of the ITA. Considered to be nil if there is a hypothetical windup or solvency deficit.

Comments:

- The going concern actuarial liability for active, disabled and transferred members as at December 31, 2022 reflects the lifetime flat dollar benefit rate in effect as at July 1, 2023 (i.e., $124.40 per month per year of service).
- The going concern actuarial liability for active, disabled and transferred members as at December 31, 2021 reflects the lifetime flat dollar benefit rate in effect as at July 1, 2022 (i.e., $121.34 per month per year of service)
- Section 3 provides information on the change in the going concern financial position due to the application of the Copper Bonus for periods after July 1, 2023

1.2 Reconciliation of Financial Position and Provision for Adverse Deviations

1.2.1 Reconciliation of Financial Position (excluding PfAD)

Actuarial surplus (unfunded actuarial liability) as at December 31, 2021		$	179,793,000
Application of surplus			(990,000)
Plan improvements effective on or between July 1, 2022 and July 1, 2023 due to the Copper Bonus			(3,137,000)
Expected interest on:			
Actuarial surplus (unfunded actuarial liability)	$ 9,889,000		
Application of surplus	(27,000)		
Plan improvements effective on or between July 1, 2022 and July 1, 2023 due to Copper Bonus	(100,000)		9,762,000
Plan experience:			
Investment gains (losses)	(40,460,000)		
Retirement gains (losses)	(1,229,000)		
Withdrawal gains (losses)	(1,410,000)		
Mortality gains (losses)	572,000		
Miscellaneous gains (losses)	(979,000)		(43,506,000)
Change in actuarial basis:			
Demographic assumptions	(4,444,000)		
Liability discount rate for all other benefits	33,066,000		
Liability discount rate for commuted value settlements	1,364,000		29,986,000
Actuarial surplus (unfunded actuarial liability) as at December 31, 2022		$	171,908,000

1.2.2 Reconciliation of Provision for Adverse Deviations

Provision for adverse deviations as at December 31, 2021		$	26,362,000
Expected interest on PfAD			1,450,000
Change in provision for adverse deviations:			
Increase (decrease) due to change in PfAD level	$ 24,019,000		
Increase (decrease) due to change in actuarial liability	(6,713,000)		17,306,000
Provision for adverse deviations as at December 31, 2022		$	45,118,000

1.3 Contributions (Ensuing Year)

		December 31, 2022		December 31, 2021
Employer Normal Actuarial Cost [1]				
Normal actuarial cost in respect of benefit accruals	$	9,342,000	$	10,383,000
Provision for adverse deviation (PfAD)		1,532,000		914,000
Number of active and disabled members		1,082		1,046
Per month per active and disabled member	$	837.49	$	900.02

Note:

[1] Reflects adjustments for members retiring or terminating during the year.

Comments:

- The employer normal actuarial cost as at December 31, 2022 reflects the lifetime flat dollar benefit rate in effect as at July 1, 2023 (i.e., $124.40 per month per year of service).
- Contribution of PfAD on the normal actuarial cost is not required if there is an accessible going concern excess. Excluding the PfAD, the employer normal actuarial cost is $719.50 per month per active and disabled member.
- Section 3 provides information on the change in the normal actuarial cost due to the application of the Copper Bonus.

Reconciliation of Current Service Contribution Rule

Employer normal actuarial cost rule as at December 31, 2021	$	900.02
Increases in lifetime flat dollar benefit rate due to Copper Bonus [1]		21.87
Changes in membership profile		(13.40)
Changes in assumed retirement and withdrawal rates		31.58
Change in assumed liability discount rate for commuted value settlements		(13.25)
Changes in assumed liability discount rate for all other benefits		(144.02)
Change in the PfAD		54.69
Employer normal actuarial cost rule as at December 31, 2022	$	837.49

Note:

[1] As disclosed in the previous actuarial valuation report. For increases effective on and between October 1, 2022 and July 1, 2023.

Section 2: Solvency and Hypothetical Windup Financial Position

2.1 Statement of Solvency Financial Position

	December 31, 2022		December 31, 2021	
Solvency Value of Assets				
Market value of assets	$	425,599,000	$	504,644,000
Provision for plan windup expenses		(500,000)		(500,000)
Total solvency value of assets	$	425,099,000	$	504,144,000
Solvency Liability				
Active and disabled members	$	173,304,000	$	234,343,000
Retired members and beneficiaries		190,760,000		227,471,000
Transferred members		3,547,000		4,710,000
Terminated vested members		5,057,000		6,196,000
Total solvency liability	$	372,668,000	$	472,720,000
Solvency Surplus (Unfunded Solvency Liability)	$	52,431,000	$	31,424,000
Solvency Ratio		1.141		1.066

Comments:

- The solvency valuation is based on the scenario in which plan windup is the result of the closure of the mine and, therefore, includes provision for the additional benefits that may be payable upon mine closure. This scenario is the scenario which maximizes the solvency liabilities.
- The solvency liability as at December 31, 2021 reflects the lifetime flat dollar benefit rate in effect as at December 31, 2021 and does not include provision for increases in the lifetime flat dollar benefit rate after December 31, 2021 due to application of the Copper Bonus.
- The solvency liability as at December 31, 2022 reflects the lifetime flat dollar benefit rate in effect as at December 31, 2022 ($122.80 per month per year of service) and does not include provision for increases in the lifetime flat dollar benefit rate after December 31, 2022 due to application of the Copper Bonus.
- Section 3 provides information on the change in the solvency financial position due to the application of the Copper Bonus.

2.2 Hypothetical Windup Financial Position

The hypothetical windup valuation results presented in this report are determined under the same scenario used for the solvency valuation.

If the plan were to be wound up on the actuarial valuation date, the hypothetical windup value of assets would be equal to the solvency value of assets and the hypothetical windup liability would be equal to the solvency liability. Consequently, the hypothetical windup surplus (unfunded hypothetical windup liability) as at the actuarial valuation date is $52,431,000.

Section 3: Copper Bonus

The collective agreement between the Company and the union provides for further possible increases to the lifetime flat dollar benefit rate on a quarterly basis due to the application of the Copper Bonus. The extent of such future increases are not yet known. As at the effective date of each such future increase, there will be an increase in each of the going concern actuarial liability, the normal actuarial cost, the solvency liability, the hypothetical windup liability and past service contributions, as further described in this section.

This section summarizes the financial effects of an increase in the lifetime flat dollar benefit rate of $1 per month per year of service. The actual financial effects will be pro-rata amounts based on the actual increase granted.

3.1 Going Concern Financial Position

Each increase of $1 per month per year of service in the lifetime flat dollar benefit rate due to the application of the Copper Bonus will increase the going concern actuarial liability by $881,000 excluding PfAD, and by $1,025,000 including PfAD.

3.2 Solvency Financial Position

Each increase of $1 per month per year of service in the lifetime flat dollar benefit rate due to the application of the Copper Bonus will increase the solvency liability by $1,378,000.

3.3 Hypothetical Windup Financial Position

Each increase of $1 per month per year of service in the lifetime flat dollar benefit rate due to the application of the Copper Bonus will increase the solvency liability by $1,378,000.

3.4 Normal Actuarial Cost

Each increase of $1 per month per year of service in the lifetime flat dollar benefit rate due to the application of the Copper Bonus will increase the normal actuarial cost by $73,000, or $5.62 per month per active and disabled member, excluding PfAD, and by $85,000, or $6.55 per month per active and disabled member, including PfAD.

3.5 Past Service Contributions

It is anticipated that there will be sufficient going concern surplus during the three-year period following the valuation date to accommodate future increases in the lifetime flat dollar benefit rate due to the application of the Copper Bonus. It is also anticipated that if increases in the lifetime benefit rate during this period are similar to those observed during the prior 3-year period, they will not deteriorate the solvency ratio such that it drops below 85%. As such, no past service contributions are expected to be required in the three-year period following the valuation date. Based on the solvency financial position as at December 31, 2022 and excluding provision for any other future asset or liability gains or losses, the lifetime flat dollar benefit rate could be increased by approximately $92 per month per year of service before triggering deficit contribution requirements under the 85% solvency funding threshold.

Section 4: Contributions

4.1 Estimated Minimum Employer Contribution (Ensuing Years)

Year		2023		2024		2025
Normal actuarial cost rate per month per active and disabled member (excluding the PfAD)	$	719.50	$	719.50	$	719.50
Estimated number of active and disabled members		1,082		1,082		1,082
Employer normal actuarial cost (excluding the PfAD)		9,342,000		9,342,000		9,342,000
Amortization payments						
Going concern		0		0		0
Solvency		0		0		0
Sub-total	$	0	$	0	$	0
Application of actuarial surplus [1]		(9,342,000)		(9,342,000)		(9,342,000)
Estimated minimum employer contribution	$	0	$	0	$	0

Note:

[1] Lesser of the accessible going concern actuarial excess and the solvency surplus.

Comments:

- Under the Pension legislation, the employer must apply the actuarial surplus of $126,790,000 towards the normal actuarial cost. The amount that can be applied each year is equal to the amount of the surplus in excess of 5% of the actuarial liabilities divided by 5. Accordingly, up to $22,156,000 of actuarial surplus may be applied each year. However, the total application of surplus may not exceed the available solvency surplus of $52,431,000
- If there is an accessible going concern excess, employer normal cost excludes the PfAD.

4.2 Estimated Maximum Employer Contribution (Ensuing Year)

		December 31, 2022
Employer normal actuarial cost (excluding PfAD)	$	9,342,000
Greater of the unfunded actuarial liability and the unfunded hypothetical windup liability		0
Required application of excess surplus		(9,342,000)
Estimated maximum employer contribution	$	0

Comment:

- In general terms, the employer may contribute its total normal actuarial cost plus the largest of the going concern and hypothetical windup deficits and accrued interest. This amount shall be reduced by any excess actuarial surplus and any contributions made since the valuation date. Pension Legislation may require that certain minimum contributions be nevertheless remitted.

4.3 Timing of Contributions

Employer normal cost and member contributions: monthly and within 30 days of the month to which they pertain.

Amortization payments: monthly and within the 30 days of the month to which they are applicable (or replaced by an equivalent letter of credit), if applicable.

Adjustment to contributions made since the valuation date: within 30 days from the date that this report is filed with the Pension Authorities.

Contributions that are remitted to the plan in the taxation year or within 120 days after the end of such taxation year are deductible in such taxation year provided they were made to fund benefits in respect of periods preceding the end of the taxation year.

Section 5: Actuarial Opinions

In our opinion, for the purposes of the going concern, solvency, and hypothetical windup valuations:

- the membership data on which the actuarial valuations are based are sufficient and reliable,
- the assumptions are appropriate, and
- the methods employed in the actuarial valuations are appropriate.

This report has been prepared, and our opinions have been given, in accordance with accepted actuarial practice in Canada. The actuarial valuations have been conducted in accordance with our understanding of the funding and solvency standards prescribed by Pension Legislation.

Towers Watson Canada Inc.

C. Tarzwell

Caleb Tarzwell	Andrew Kwan
FCIA	FCIA

Calgary, AB and Vancouver, BC
September 25, 2023

Appendix A: Significant Terms of Engagement and Certificate of the Plan Administrator

A.1 Significant Terms of Engagement

For purposes of preparing this actuarial valuation report, the plan administrator has directed that:

- The actuarial valuation is to be prepared as at December 31, 2022.
- No margins for adverse deviations are to be used.
- For the purpose of determining the going concern discount rate, the investment policy in effect as at December 31, 2022 should be considered. The current investment policy does not provide for any changes to the target asset class distribution in the future.
- For purposes of determining the provision for adverse deviation level as at December 31, 2022, the portfolio invested in non-fixed income assets should be that contained in the investment policy statement in effect as at December 31, 2022.
- The going concern value of assets is to be determined using the averaging technique described in the Asset Valuation Method section in Appendix C.
- The going concern valuation should use the unit credit (benefit accrual method) described in the Actuarial Cost Method section in Appendix C.
- The solvency and hypothetical windup valuation results are to be determined under a scenario where the employer continues to operate and certain expenses are paid from the pension fund (consistent with past practice) while the employer pays other plan expenses.

Should these directions from the plan administrator be amended or withdrawn, WTW reserves the right to amend or withdraw this report.

A.2 Certificate of the Plan Administrator

I hereby certify that to the best of my knowledge and belief:

- the significant terms of engagement contained in Appendix A of this report are accurate and reflect the plan administrator's judgement of the plan provisions and/or an appropriate basis for the actuarial valuation of the plan;
- the information on plan assets, including the information on the investment policy and intended changes to the asset mix distribution after the valuation date, if any, forwarded to Towers Watson Canada Inc. and summarized in Appendix B of this report is complete and accurate;
- non-investment expenses are not paid from the plan and are paid instead directly by Teck Resources Limited;
- the data forwarded to Towers Watson Canada Inc. and summarized in Appendix E of this report are a complete and accurate description of all persons who are members of the plan, including beneficiaries who are in receipt of a retirement income, in respect of service up to the date of the actuarial valuation;
- the summary of plan provisions contained in Appendix F of this report is accurate; and
- there have been no events which occurred between the actuarial valuation date and the date this actuarial valuation was completed, other than known increases in the lifetime benefit rate due to the application of the Copper Bonus, that may have a material financial effect on the actuarial valuation.

Signature

September 29, 2023
Date

Shindy Ng
Name

Director, Total Rewards & Global Mobility
Title

Appendix B: Assets

2.1 Statement of Market Value

	December 31, 2022	December 31, 2021
Invested assets:		
Canadian equities	49,904,000	69,060,000
Foreign equities	140,754,000	184,372,000
Fixed income	148,873,000	188,401,000
Real estate and infrastructure	85,614,000	53,848,000
Cash and short-term investments	3,260,000	9,929,000
Total invested assets	$ 428,405,000	$ 505,610,000
Net outstanding amounts:		
Contributions receivable		
– Employer normal cost	$ 0	$ 0
– PfAD contributions (on normal cost and on provision for non-investment expenses)	0	0
– Others	0	0
Transfers To HVC Salaried Plan	(421,000)	(421,000)
Benefits payable	(2,385,000)	(545,000)
Expenses and other payables	0	0
Total net outstanding amounts	$ (2,806,000)	$ (966,000)
Total assets	$ 425,599,000	$ 504,644,000

Comments:

- The data relating to the invested assets and net outstanding amounts are based on the financial statements issued by RBC Investor and Treasury Services.
- Transfers to the HVC Salaried Plan are transfers payable from the plan to the HVC Salaried Plan and are in respect of employees who transferred from a union position to a salaried position and who elected to transfer their entitlement under the plan to the HVC Salaried Plan.

2.2 Asset Class Distribution

The following table shows the target asset allocation stipulated by the plan's investment policy in respect of major asset classes and the actual asset allocation as at December 31, 2022.

	Target asset allocation	Actual asset allocation as at December 31, 2022
Canadian equities	10.0%	11.6%
Foreign equities	37.0%	32.9%
Fixed income	35.0%	34.8%
Real estate and infrastructure	18.0%	20.0%
Cash and short-term investments	0%	0.7%
Total	100.0%	100.0%

2.3 Reconciliation of Market Value of Assets (Cash Basis)

Assets as at December 31, 2021			$	505,610,000
Receipts:				
Contributions:				
– Employer normal actuarial cost	$	9,393,000		
– Employer amortization payments		0		
– Employer transfer deficiency payments		0	$	9,393,000
Investment return, net of investment expenses				(61,823,000)
Total receipts			$	(52,430,000)
Disbursements:				
Benefit payments:				
– Pension payments	$	(15,726,000)		
– Lump sum settlements		(9,049,000)	$	(24,775,000)
Non-investment expenses				0
Total disbursements			$	(24,775,000)
Assets as at December 31, 2022			$	428,405,000

Comments:

- This reconciliation is based on the financial statements issued by RBC Investor and Treasury Services.
- The rate of return earned on the market value of assets, net of all expenses, from December 31, 2021 to December 31, 2022 is approximately (12.4)% per annum.

2.4 Development of the Going Concern Value of Assets

Fund investment rate of return for 2022		(12.40)%
Fund investment rate of return for 2021		8.50 %
Fund investment rate of return for 2020		11.00 %
Valuation discount rate for 2022		5.50 %
Valuation discount rate for 2021		5.75 %
Valuation discount rate for 2020		5.75 %
Mean market value of invested assets during 2022		
= ($428,405,000 + $505,610,000)/2	$	467,008,000
Assumed investment gain/(loss) in 2022	$	(83,594,000)
Mean market value of invested assets during 2021		
= ($505,610,000 + $482,937,000)/2	$	494,274,000
Assumed investment gain/(loss) in 2021	$	13,593,000
Mean market value of invested assets during 2020		
= ($482,937,000 + $455,997,000)/2	$	469,467,000
Assumed investment gain/(loss) in 2020	$	24,647,000
Market value of assets as of December 31, 2022	$	428,405,000
Investment gain/(loss) in 2022 (add 75% of $83,594,000 loss)	$	62,696,000
Investment gain/(loss) in 2021 (subtract 50% of $13,593,000 gain)	$	(6,796,000)
Investment gain/(loss) in 2020 (subtract 25% of $24,647,000 loss)	$	(6,162,000)
Adjusted market value of assets as of December 31, 2022	**$**	478,143,000
"Corridor" maximum value (105% of $428,405,000)	$	449,825,000
"Corridor" minimum value (95% of $428,405,000)	$	406,985,000
Preliminary going concern value of assets as at December 31, 2022	**$**	449,825,000
Net outstanding amounts		(2,806,000)
Actuarial value of assets as of December 31, 2022	$	447,019,000

Comment:

The asset valuation method is described in the Appendix C

Appendix C: Actuarial Basis – Going Concern Valuation

3.1 Methods

Asset Valuation Method

The going concern value of plan assets is equal to the market value of assets, less an adjustment to reflect assumed investment gains (losses) in the past three years. Assumed investment gains (losses) are determined as the difference between the actual fund rate of return and the valuation discount rate for the applicable year, multiplied by the "mean" market value of assets for the period. The mean market value of assets is calculated as the average of the beginning of year and end of year market values for the applicable year. The assumed investment gains (losses) are gradually recognized over a three-year period as follows: 25% of gains (losses) in the prior year, 50% of gains (losses) in the year which is two years prior to the valuation date and 75% of gains (losses) in the year which is three years prior to the valuation date.

To ensure that the asset valuation method develops an asset value that appropriately tracks market values over time, the emerging going concern value of assets is adjusted, if necessary, so that it falls within 5% of the market value of assets ("5% corridor"). Finally, any outstanding payables or receivables are reflected.

The objective of the asset valuation method is to produce a smoother pattern of going-concern surplus (deficit) and hence a smoother pattern of contributions, consistent with the long-term nature of a going concern valuation.

Such smoothing is achieved by use of an averaging process which systematically recognizes investment returns different from expectations over a 3-year period. This method will be expected to average periods of outperformance with periods of underperformance.

Actuarial Cost Method

The actuarial liability and the normal actuarial cost were calculated using the unit credit cost method (benefit accrual).

3.2 Actuarial Assumptions

	December 31, 2022	December 31, 2021
Economic Assumptions (per annum)		
Liability discount rate		
Commuted value settlement on withdrawal within 3 years of valuation date	4.10% for 10 years, 4.50% thereafter	2.30% for 10 years, 3.40% thereafter
Commuted value settlement on withdrawal more than 3 years after valuation date	4.25%	Same
All other benefits	6.50%	5.50%
Rate of inflation	2.00%	Same
Demographic Assumptions		
Mortality		
Commuted value settlement on withdrawal	2014 Canadian Pensioners' Mortality Table (CPM2014), projected generationally using Scale B	Same
All other benefits	130% of 2014 Private Sector Canadian Pensioners' Mortality Table (CPM2014Priv), projected generationally using Scale B	Same
Retirement from active membership	Age and service-related rates (Table 1)	Age and service-related rates (Table 3)
Pension commencement after termination of employment	Retire at date member would first qualify for unreduced retirement	Same
Withdrawal	Age-related rates (Table 2)	Age-related rates (Table 4)
Disability incidence/recovery	Nil	Same
Other		
Percentage of members electing a commuted value settlement on withdrawal[1]	85%	Same
Percentage of members with an eligible spouse at pension commencement	85%	Same

	December 31, 2022	December 31, 2021
Years male spouse older than female spouse	3	Same
Provision for non-investment expenses	None	Same

Note:

[1] The balance are assumed to elect a deferred pension.

Table 1 — Retirement Rates (Current)

Age	Below 84 points	Above 84 points
55	0.03	0.03
56	0.03	0.03
57	0.03	0.03
58	0.03	0.35
59	0.05	0.30
60	0.10	0.30
61	0.10	0.30
62	0.10	0.30
63	0.15	0.30
64	0.30	0.30
65	0.50	0.50
66	0.50	0.50
67 or over	1.00	1.00

Table 2 — Sample Withdrawal Rates (Current)

Age	Rates
20	0.055
25	0.050
30	0.045
35	0.040
40	0.040
45	0.030
50	0.025
55 or over	0.000

Table 3 — Retirement Rates (Prior)

Age	Years of Service at Retirement											
	<20	20	21	22	23	24	25	26	27	28	29	30+
55	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020
56	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020
57	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020
58	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.300	0.300	0.300	0.300	0.300
59	0.050	0.050	0.050	0.050	0.050	0.050	0.300	0.200	0.200	0.200	0.200	0.200
60	0.100	0.100	0.100	0.100	0.100	0.300	0.200	0.200	0.200	0.200	0.200	0.200
61	0.100	0.100	0.100	0.100	0.300	0.200	0.200	0.200	0.200	0.200	0.200	0.200
62	0.100	0.100	0.100	0.300	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200
63	0.150	0.150	0.300	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
64	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300
65	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Table 4 — Sample Withdrawal Rates (Prior)

Age	Male	Female
20	0.070	0.105
25	0.060	0.090
30	0.050	0.075
35	0.040	0.060
40	0.030	0.045
45	0.020	0.030
50	0.010	0.015
55 or over	0.000	0.000

3.3 Rationale for Actuarial Assumptions

The rationale for the material actuarial assumptions used in the going concern valuation is summarized below.

The going concern assumptions do not include margins for adverse deviations as a separate provision for adverse deviations has been applied to the actuarial liability and, if applicable, to the normal actuarial cost.

Liability discount rate

Commuted value settlement on withdrawal

For benefits that are expected to be settled by commuted value transfer within 3 years of the valuation date, the liability discount rates have been determined in accordance with the Standards of Practice for Pension Commuted Values ("CV Standards") published by the Canadian Institute of Actuaries in effect at the valuation date ("prescribed rate"). For this actuarial valuation, the December 2022 assumptions have been used.

For benefits that are expected to be settled by commuted value transfer 3 or more years after the valuation date, the liability discount rate is an estimate of the expected long-term prescribed rate over the time period that such benefits are expected to be paid.

All other benefits

The assumption is an estimate of the expected long-term return on plan assets adjusted as follows:

Expected long-term return on plan assets before adjustments based on the plan target asset allocation (actual and including anticipated changes)	5.87%
Effect of rebalancing and diversification	0.68%
Provision for custodial fees	(0.02)%
Rounding	(0.03)%
Net discount rate	6.50%

Other than custodial fees, all expenses incurred in respect of the plan, including investment expenses, are paid by the Company. Therefore, there is no provision for expenses in the discount rate and the expected long-term rate of return on plan assets reflects both a gross rate of return and a net rate of return. Further, although the Company employs an active investment management strategy, no provision has been included for additional returns expected to be generated by such an investment management strategy.

Rate of inflation

Estimate of future rates of inflation considering economic and financial market conditions at the valuation date.

Mortality

Commuted value settlement on withdrawal

For benefits that are expected to be settled by commuted value transfers, the assumption has been determined in accordance with the *Standards of Practice for Pension Commuted Values* published by the Canadian Institute of Actuaries in effect at the valuation date.

All other benefits

A study of the mortality experience over the last 10 years for the plan and 3 other plans of the Company that provide pensions to union employees was undertaken in 2016. Based on this mortality study, the mortality rates for members of these plans have been, in aggregate, approximately 130% of the base mortality rates from the CPM2014Priv table. Given the industry classification, higher rates of mortality are to be expected and it is reasonable to multiply the base mortality rates by 130%.

Applying improvement scale CPM-B generationally provides allowance for improvements in mortality after 2014 and is considered reasonable for projecting mortality experience into the future.

Retirement from active, disabled and transferred membership

The rates of retirement were developed based on a plan experience study for the period from 2012 to 2022, the provisions and our experience with other similar plans.

Pension commencement after termination of employment

All terminated members are assumed to commence their pension at the unreduced retirement date as this date provides them with the maximum value from the plan. The *Standards of Practice for Pension Commuted Values* were amended effective December 2020 to use a retirement assumption equal to 50% of the age that produces the highest value and 50% at the earliest unreduced retirement age. As the pension at the unreduced retirement date typically corresponds to the date that provides them with the maximum value, this change is not expected to have a material effect on the overall liability.

Withdrawal

The rates of withdrawal have been developed based on a plan experience study for the period from 2010 to 2022, and taking into consideration how future rates of withdrawal may vary from past experience and our experience with other similar plans.

Disability incidence/recovery

There are no disability benefits under the plan other than the accrual of retirement income (earnings remain constant) during disability. Consequently, the assumption of no incidence of disability or recovery therefrom makes an appropriate allowance, in combination with the other assumptions, for such continued accruals.

Percentage of members with an eligible spouse at pension commencement and electing joint and survivor pension form

The assumption for the percentage of members electing a commuted value on withdrawal were developed based on a review of plan experience and experience for the Company's other open unionized plans.

Provision for non-investment expenses

No provision for non-investment expenses has been made since, based on past practices, all non investment expenses are assumed to be paid directly by the Company and not charged to the pension fund.

Appendix D: Actuarial Basis – Solvency and Hypothetical Windup Valuations

4.1 Methods

Asset Valuation Method

The market value of invested assets, adjusted for net outstanding amounts, has been used for the solvency and hypothetical windup valuations. The resulting value has been reduced by a provision for plan windup expenses.

Liability Calculation Method

The solvency and hypothetical windup liabilities for members were calculated using the traditional unit credit cost method.

Other Considerations

The solvency and hypothetical windup valuations have been prepared on a hypothetical basis. In the event of an actual plan windup, the plan assets may have to be allocated between various classes of plan members or beneficiaries as required by applicable Pension Legislation. Such potential allocation has not been performed as part of these solvency and hypothetical windup valuations.

D.2 Solvency Incremental Cost Actuarial Method

To calculate the Solvency Incremental Cost ("SIC"), we used the same method as for the solvency valuation.

The SIC reflects expected decrements and related changes in membership status projected using the going concern valuation assumptions. The active and disabled population of 1,082 is assumed to remain constant and future new entrants are assumed to be 100% male, and 35 years old when they join the plan.

D.3 Actuarial Assumptions

	December 31, 2022	December 31, 2021
Economic Assumptions (per annum)		
Liability discount rate		
Annuity purchase	4.90%	2.90%
Commuted value transfer	4.10% for 10 years, 4.50% thereafter	2.30% for 10 years, 3.40% thereafter
Demographic Assumptions		
Mortality	CPM2014 Canadian Pensioners' Mortality Table, projected generationally using Scale CPM-B	Same
Retirement/pension commencement		
Active, disabled and transferred members eligible to retire	Retire immediately	Same
All other members	Retire at date member would first qualify for unreduced retirement	Same
Other		
Percentage of members with eligible spouses at pension commencement	85%	Same
Years male spouse older than female spouse	3	Same
Percentage of members receiving settlement by commuted value transfer		
Active, disabled and transferred members less than age 45:	100%	Same
Active, disabled and transferred members age 45 to 54:	75%	Same
Terminated vested members less than age 55:	50%	Same
Provision for windup expenses	$500,000	Same

D.4 Rationale for Actuarial Assumptions

The rationale for the material actuarial assumptions used in the solvency and hypothetical windup valuations is summarized below.

The actuarial assumptions used in the solvency and hypothetical windup valuations do not include margins for adverse deviations.

Liability discount rate

Portion of the solvency and hypothetical windup liabilities expected to be settled by a group annuity purchase

Based on the CIA annuity purchase guidance applicable at the valuation date which corresponds to an approximation of the annuity purchase rate. The duration of the liabilities assumed to be settled through the purchase of non-indexed annuities is 10.3.

Portion of the solvency and hypothetical windup liabilities expected to be settled by commuted value transfer

Determined in accordance with the *Standards of Practice for Pension Commuted Values* in effect at the valuation date.

Mortality

For the benefits that are expected to be settled by a group annuity purchase

Based on CIA annuity purchase guidance.

For the benefits that are expected to be settled by commuted value transfer

Determined in accordance with the *Standards of Practice for Pension Commuted Values* in effect at the valuation date.

No pre-retirement mortality has been assumed in order to approximate the value of pre-retirement death benefits.

Retirement/pension commencement

For the benefits that are expected to be settled by group annuity purchase

The expected assumption that would be used by the insurers to price the group annuity.

For the benefits that are expected to be settled by commuted value transfer

All terminated members are assumed to commence their pension at the unreduced retirement date as this date provides them with the maximum value from the plan. The *Standards of Practice for Pension Commuted Values* were amended effective December 2020 to use a retirement assumption equal to 50% of the age that produces the highest value and 50% at the earliest unreduced retirement age. As the pension at the unreduced retirement date typically corresponds to the date that provides them with the maximum value, this change is not expected to have a material effect on the overall liability.

Percentage of members with an eligible spouse at pension commencement and electing joint and survivor pension form

See rationale for going concern assumptions in Appendix C.

Percentage of members receiving settlement by commuted value transfer

This assumption has been determined by considering the benefit provisions of the plan, legislative requirements to offer specific settlement options to various classes of members, and, in particular, the options available to members upon plan windup.

The assumption also reflects the expectation that members further from retirement are more likely to elect to settle their pension benefit by a commuted value transfer, while members closer to retirement are more likely to elect to settle their pension benefit through a group annuity purchase where this option is available.

Provision for expenses

Allowance was made for costs which would be incurred if the plan were to be wound up (excluding costs relating to the resolution of surplus or deficit issues). In determining the costs, it was assumed that the period between the termination date and settlement date would not exceed two years, and that the windup date would occur subsequent to the termination date and prior to the settlement date. The actuarial valuation is premised on a scenario in which the employer continues to operate after the windup date. The Company currently undertakes some work related to the administration of the plan internally, such as amendments to plan documents (e.g., plan text and statement of investment policies and procedures) and the calculation of benefit entitlements. In the event that a windup were to occur, it has been assumed that all tasks currently undertaken by the Company will continue to be undertaken by the Company during the windup, and that all external fees relating to the cost of the actuarial windup valuation, regulatory and consulting fees, custodial fees, and costs of liquidating assets would be borne by the plan. Further, it has been assumed that the cost of annuitization would be shared between the plan and the Company.

Appendix E: Membership Data

	December 31, 2022	December 31, 2021
Active and disabled members		
Number	1,082	1,046
Average age	45.4	45.8
Average service	10.0	10.4
Retired members and beneficiaries		
Number	680	672
Average age	73.4	73.0
Average annual lifetime pension	$22,521	$22,070
Total annual temporary pension	$1,442,402	$1,431,862
Transferred members		
Number	27	27
Average age	53.3	52.3
Average credited service	7.1	7.1
Average annual lifetime pension	$9,034	$9,034
Total annual temporary pension	$88,067	$88,067
Terminated vested members		
Number	65	51
Average age	47.3	48.7
Average annual lifetime pension	$6,792	$7,965
Total annual temporary pension	$0	$0

The following distribution relates to active, disabled and suspended members. The following meanings have been assigned to:

- Age: Age as at December 31, 2022
- Credited Service: Credited service as at December 31, 2022

		Credited Service								
Age		*0 - 4*	*5 - 9*	*10 - 14*	*15 - 19*	*20 - 24*	*25 - 29*	*30 - 34*	*35 +*	*Total*
< 20	Number	1								1
	Average Credited Service									
20 - 24	Number	20								20
	Average Credited Service	1								1
25 - 29	Number	50	7							57
	Average Credited Service	2	8							3
30 - 34	Number	84	30	12						126
	Average Credited Service	2	8	11						4
35 - 39	Number	59	51	32	22					164
	Average Credited Service	2	7	12	16					8
40 - 44	Number	46	33	56	29	3				167
	Average Credited Service	2	8	12	16	21				10
45 - 49	Number	33	32	48	29	3	5			150
	Average Credited Service	2	8	12	16	21	27			11
50 - 54	Number	19	27	54	29	13	8	3	1	154
	Average Credited Service	2	8	13	16	22	26	34		
55 - 59	Number	12	24	45	35	11	7	8	5	147
	Average Credited Service	2	9	12	16	21	27	33	37	15
60 - 64	Number	8	7	45	18	4	2	1	2	87
	Average Credited Service	2	8	13	17	21	27		36	
65 +	Number		1	5	2		1			9
	Average Credited Service			12	17					15
Total	Number	332	212	297	164	34	23	12	8	1,082
	Average Credited Service			12	16	22				10

Average Age = 45.4   Average Credited Service = 10.0

Review of Membership Data

The membership data were supplied by the Company as at December 31, 2022.

Elements of the data review included the following:

- ensuring that the data were intelligible (i.e., that an appropriate number of records was obtained, that the appropriate data fields were provided and that the data fields contained valid information);
- preparation and review of membership reconciliations to ascertain whether the complete membership of the plan appeared to be accounted for;
- review of consistency of individual data items and statistical summaries between the current actuarial valuation and the previous actuarial valuation;
- review of reasonableness of individual data items, statistical summaries and changes in such information since the previous actuarial valuation date; and
- comparison of the membership data and the plan's financial statements for consistency.

However, the tests conducted as part of the membership data review may not have captured certain deficiencies in the data. We have also relied on the certification of the plan administrator as to the quality of the data.

Membership Reconciliation

	Active and disabled members	Retired members and beneficiaries	Transferred members	Terminated vested members	Total
As at December 31, 2021	1,046	672	27	51	1,796
New entrants	142				142
Transfer to Non-Union plan					0
Vested termination					
– With lump sum settlement	(47)			(6)	(53)
– With deferred pension	(20)			20	0
Retirement					
– With pension	(24)	24			0
– With lump sum settlement	(13)				(13)
Deceased:					
– With lump sum settlement	(2)				(2)
– With surviving spouse		(15)			(15)
– Without surviving spouse		(16)			(16)
Surviving spouses		15			15
New limited member					0
Benefits expired					0
Data correction					0
Net change	36	8	0	14	58
As at December 31, 2022	1,082	680	27	65	1,854

Appendix F: Summary of Plan Provisions

The following is an outline of the principal features of the plan which are of financial significance to valuing the plan benefits. For a detailed description of the benefits, please refer to the plan document.

Definitions

Accrued Pension

The lifetime flat dollar benefit rate from the following table multiplied by years of Service and multiplied by 12:

Effective Date	Total Lifetime Flat Dollar Benefit Rate	
July 1, 2022	$	121.34
October 1, 2022	$	121.98
January 1, 2023	$	122.80
April 1, 2023	$	123.55
July 1, 2023	$	124.40

The lifetime flat dollar benefit rate may further increase in the future due to the application of the Copper Bonus.

Early Retirement Supplemental Benefit

$25 multiplied by years of Service to a maximum of 40 years and multiplied by 12.

Service

Service while employed by Highland Valley Copper and a member of the United Steelworkers of America (Local 7619), but excluding any periods of layoff.

Unreduced Retirement Date

The earlier of:

a) the date the member would both attain age 58 and have age plus Service total at least 84 years, had the member remained in employment with the Company; and

b) the date the member will attain age 65.

Eligibility for Membership

All permanent employees who are members of the United Steelworkers of America (Local 7619) join the plan on their date of hire. Part-time employees are eligible to join the plan upon the completion of two consecutive years of service with earnings not less than 35% of the Year's Maximum Pensionable Earnings.

Member Contributions

None.

Normal Retirement

Eligibility

Age 65.

Annual Pension

Accrued Pension.

Early Retirement

Eligibility

Age 55.

Annual Lifetime Pension

Accrued Pension, adjusted as follows:

a) If the member has attained the Unreduced Retirement Date, no reduction applies.

b) Otherwise, if the member has completed at least 20 years of Service, Accrued Pension is reduced 0.5% for each month retirement precedes the Unreduced Retirement Date.

c) Otherwise, if the member has completed at least 10 years of Service, Accrued Pension is reduced 0.5% for each month retirement precedes the Normal Retirement Date.

d) Otherwise, Accrued Pension is actuarially reduced to be of equivalent value to the pension that would be payable at the Normal Retirement Date.

Annual Supplement

Early Retirement Supplemental Benefit, adjusted as follows:

a) If the member has attained the Unreduced Retirement Date and completed at least 20 years of Service, no reduction applies.

b) Otherwise, if the member has completed at least 20 years of Service, Early Retirement Supplemental Benefit is reduced 0.5% for each month retirement precedes the Unreduced Retirement Date.

c) Otherwise, no Annual Supplement is payable.

Termination of Employment

Eligibility

Immediate

Annual Lifetime Pension

Accrued Pension payable at the Normal Retirement Date.

Annual Supplement

A member who has completed at least 20 years of Service is entitled to the Early Retirement Supplemental Benefit.

Early Commencement

Member may elect commencement at any time after attaining age 55.

Accrued Pension, adjusted as follows:

a) If the member has attained the Unreduced Retirement Date, no reduction applies.

b) If the member completed at least 20 years of Service prior to termination of employment, 0.5% for each month that pension commencement precedes the Unreduced Retirement Date.

c) Otherwise, if the member completed at least 10 years of Service prior to termination of employment, reduced 0.5% for each month that pension commencement precedes the Normal Retirement Date.

d) Otherwise, actuarially reduced to be of equivalent value to the pension that would be payable at the Normal Retirement Date.

Upon early commencement, the Early Retirement Supplemental Benefit is reduced by 0.5% for each month that pension commencement precedes the Unreduced Retirement Date.

Pre-Retirement Death Benefit

Benefit

Member with an eligible spouse at pre-retirement death and either has completed at least 10 years of Service and has age plus Service of at least 60 years, or has completed at least 15 years of Service: An immediate pension payable to the spouse for the spouse's remaining lifetime equal to 50% of the member's Accrued Pension, subject to the minimum benefit.

Otherwise: Minimum benefit

Minimum Benefit

100% of the commuted value of the member's benefits earned in respect of service prior to the date of death

Normal Form

Lifetime Benefit

Member with a spouse at retirement: joint and 60% survivor pension.

Member without a spouse at retirement: life pension with 60 guaranteed monthly payments.

Annual Supplement

The annual supplement is payable until the earlier of death or age 65.

Mine Closure Provisions

Eligibility

Member must be at least age 55 at the date of mine closure.

Annual Pension

a) If the member has attained age 55 and has age plus Service of at least 80 years, Accrued Pension without reduction, commencing immediately.

b) If the member has attained age 55 but has age plus Service less than 80 years, Accrued Pension reduced by 1/3% for each month that the member's retirement date precedes the Unreduced Retirement Date.

Annual Supplement

a) If the member has attained age 55 and has age plus Service of at least 80 years, Early Retirement Supplemental Benefit, without reduction, commencing immediately.

b) Otherwise, if the member has attained age 55 and has Service of at least 15 years, Early Retirement Supplemental Benefit reduced by 1/3% for each month that the member's retirement date precedes the Unreduced Retirement Date.

Appendix G: Sensitivity Analysis and Other Disclosures

G.1 Sensitivity Information

Amounts determined with a discount rate 1% lower:

Going concern actuarial liability (prior to application of PfAD)	$	312,426,000
As percent increase		13.6%
Solvency actuarial liability	$	430,869,000
As percent increase		15.6%
Normal actuarial cost in respect of benefit accruals (prior to application of PfAD)	$	11,663,000
Per active and disabled member per month	$	898.26
As percent increase		24.8%

G.2 Solvency Incremental Cost

The solvency incremental cost for a given year represents the present value, at the valuation date, of the expected aggregate change in the defined benefit solvency liability during the year, increased for expected benefit payments during the year. The solvency incremental costs in respect of each year between December 31, 2022, and December 31, 2025, the next required valuation date, are derived from the projection of the solvency liability, as follows:

	2023	2024	2025
Projected solvency liability as at beginning of year	$ 372,668,000	$ 387,822,000	$ 399,714,000
Solvency incremental cost for the year[1]	16,369,000	13,189,000	14,451,000
Interest on projected solvency liability, solvency incremental cost and expected benefit payments	17,950,000	18,480,000	19,070,000
Expected benefit payments during year	(19,165,000)	(19,776,000)	(20,369,000)
Projected solvency liability as at end of year	$ 387,822,000	$ 399,714,000	$ 412,866,000

Note:

[1] These amounts are as at the beginning of the projection year. The solvency incremental cost, adjusted with interest as at December 31, 2022, is $12,593,000 for 2024 and $13,175,000 for 2025.

Comment:

- The 2023 solvency incremental cost is comprised of $14,245,000 due to the natural growth in the solvency liability and $2,124,000 due to the known increases in the lifetime flat dollar benefit rate as of January 1, 2023, April 1, 2023, and July 1, 2023 due to the Copper Bonus.

G.3 Provision for Adverse Deviations Level

The provision for adverse deviations is determined in reference to the target asset allocation as at December 31, 2022 summarized in Section B.2 and calculated as follows:

Components	Provision for adverse deviations level
CANSIM Series 122544 as at December 2022	3.28%
5 times CANSIM Series V122544	16.40%
Non-fixed income allocation	65.00%
Adjustment for non-fixed income allocation less than 30%[1]	N/A
Applicable provision for adverse deviations[2,3]	**16.40%**

Notes:

[1] Adjustment required to obtain a provision for adverse deviations equals to 5 times CANSIM Series V122544 prorated based on non-fixed income allocation if less than 30%.

[2] The applicable provision for adverse deviations is the maximum of 5% and margin determined above.

[3] The provision for adverse deviations is applied to the going concern actuarial liability and normal actuarial cost.

G.4 Effects of Plausible Adverse Scenarios

In accordance with CIA Standards of Practice, the risk assessments below have been performed only for the going concern valuation of the plan.

Interest Rate Risk

Yields on the plan's fixed income investments have been assumed to decline immediately by 91 basis points on a weighted average basis, resulting in a reduction in the going concern discount rate of 32 basis points. For this purpose, fixed income investments have been deemed to include only Canadian government and corporate bonds. The market values and expected returns for equities, real estate, infrastructure have been assumed to be unaffected by the bond yield changes.

The provision for adverse deviation (PfAD) has been assumed to decrease from 16.40% to 11.99% due to the change in bond yields.

The smoothed value of assets adopted under the going concern basis has been adjusted to reflect the changes in fixed income investment values under this interest rate risk scenario.

The discount rates underlying the commuted value basis for members who are assumed to elect a commuted value upon termination of plan membership (and retirement) have been assumed to decrease by 97 basis points for the first 10 years and 85 basis points thereafter.

The adverse scenario for interest rate risk is based on the capital market assumptions from WTW's capital market model, with a 10th percentile scenario used for each relevant asset class independently.

No allowance has been made for any other effects on the going concern actuarial liability or total normal cost due to the change in bond yields.

Deterioration of Asset Values

Market values of equities, real estate, infrastructure have been assumed to decline immediately by 18.07% on a weighted average basis. Market values of Canadian government and corporate bonds, expected future returns for all asset classes, as well as the going concern discount rate, have been assumed to be unaffected by this deterioration of asset values.

The smoothed value of assets adopted under the going concern basis has been adjusted to reflect this immediate deterioration of asset values.

No allowance has been made for any other effects of the deterioration of asset values.

The adverse scenario for a deterioration of asset values is based on the capital market assumptions from WTW's capital market model, with a 10th percentile scenario used for each relevant asset class independently.

Longevity Risk

Longevity risk has been assessed by applying a multiplier of 85% to the base mortality rates disclosed in Appendix C (compounded with the existing multiplier(s)).

The mortality assumptions underlying the commuted value basis have been assumed to remain unchanged.

No allowance has been made for any effects on asset values or any effects on the going concern actuarial liability or total normal cost other than the mortality assumption change.

Effects

The effects of the plausible adverse scenarios above on the funded status of the plan and on the total normal cost is shown in the following table. For this purpose, the going concern actuarial liability and total normal cost reflect application of the PfAD.

Scenario	Baseline	Interest Rate Risk	Deterioration of Asset Values	Longevity Risk
Going concern discount rate	6.50%	6.18%	6.50%	6.50%
Commuted value discount rate for first 10 years	4.10%	3.13%	4.10%	4.10%
Commuted value discount rate after 10 years	4.25%	3.40%	4.25%	4.25%
PfAD included in actuarial liabilities and normal actuarial cost	16.40%	11.99%	16.40%	16.40%
Weighted average fixed income yield change	N/A	(0.91)%	N/A	N/A
Fixed income asset value change	N/A	13.22%	N/A	N/A
Non-fixed income asset value deterioration	N/A	N/A	(18.07)%	N/A
Market value of assets	$ 424,405,000	$ 444,059,000	$ 374,072,000	$ 424,405,000
Going concern value of assets	$ 447,018,000	$ 466,403,000	$ 392,917,000	$ 447,018,000
Going concern actuarial liability (including PfAD)	$ 320,229,000	$ 323,497,000	$ 320,229,000	$ 328,388,000
Actuarial surplus (unfunded actuarial liability) after PfAD	$ 126,789,000	$ 142,906,000	$ 72,688,000	$ 118,630,000
Total normal actuarial cost (including PfAD)	$ 10,874,000	$ 11,628,000	$ 10,874,000	$ 11,031,000

TAB 9

Joint Union Pension Committee Meeting

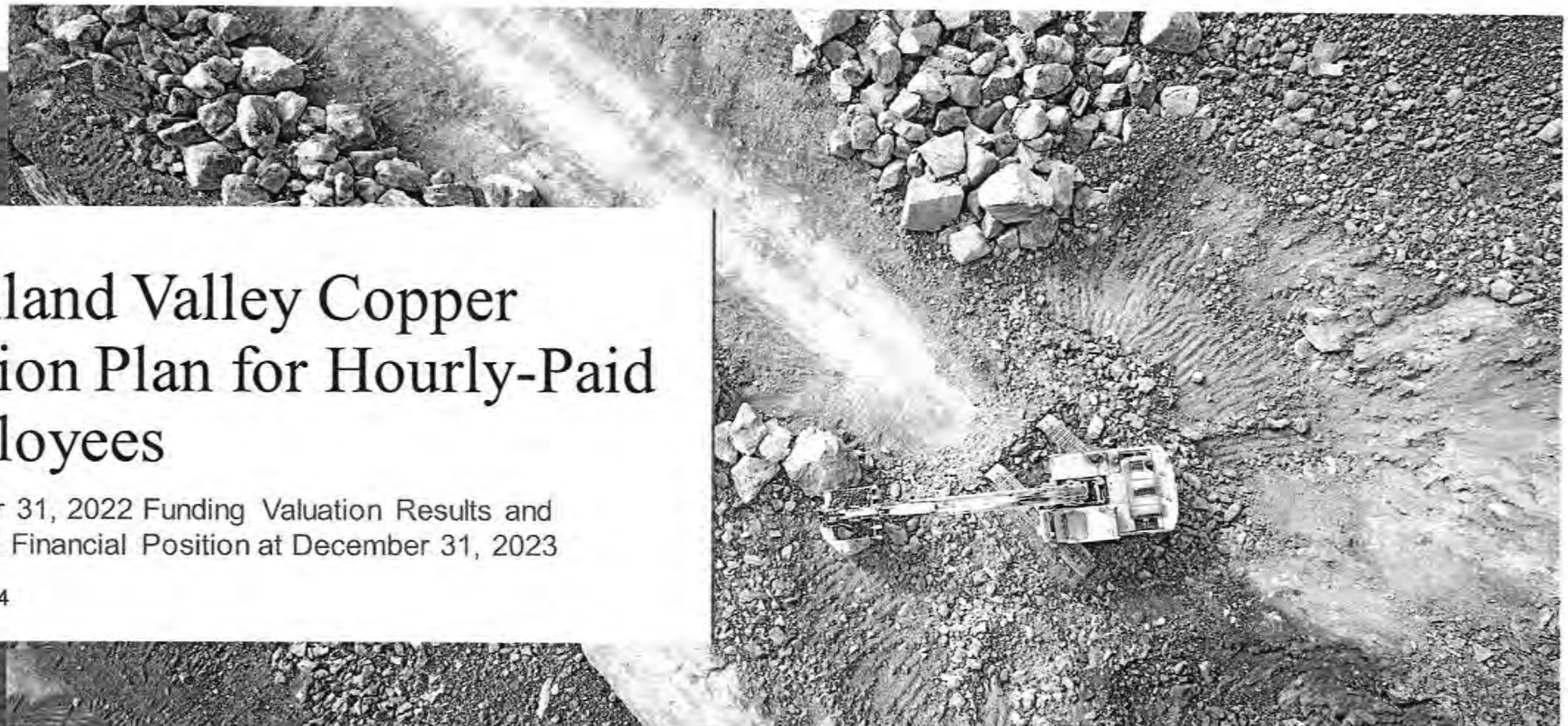
Teck Highland Valley Copper Partnership

June 17, 2024

1:00 p.m.

AGENDA

• Introductions	Heidi Sekhon
• Safety Message	Cecilia Gauche
• Valuation Review & Update	Jamie Omichinski
• Plan Investment Review	Michelle Wu
• Member Information	Vanessa Izan
• Other Business	



Highland Valley Copper Pension Plan for Hourly-Paid Employees

December 31, 2022 Funding Valuation Results and Estimated Financial Position at December 31, 2023

June 17, 2024

Today's Discussion

This presentation summarizes the results of the December 31, 2022 actuarial valuation and an estimate of the financial position as at December 31, 2023 of the Highland Valley Copper Pension Plan for Hourly-Paid Employees (the "Plan")

- In accordance with pension legislation, periodic valuations are required at an interval not to exceed 3 years
  - Prior valuation had a review date of December 31, 2022
  - The next required review date must have a valuation date of no later than December 31, 2025
  - Currently preparing valuation as at December 31, 2023

The Actuarial Valuation Explained

December 31, 2022 Valuation Results

Copper Bonus Application

Estimated Financial Position at December 31, 2023

Appendices

The Actuarial Valuation Explained

What is an actuarial valuation?

An **actuarial valuation** is the process used to determine the financial position of a DB plan, the contribution requirements, and the future expected benefits payable from the DB plan

Assets	Represents the value of assets set aside to pay for future benefits
Liabilities	Represents the value today (or "present value") of expected future pension payments based on service earned by plan members to the valuation date
Financial Position	Measured as the excess (or "surplus") or shortfall (or "deficit) of assets over liabilities
Normal cost	Represents the value of the benefits earned by all active plan members for one more year of service

Why do we prepare actuarial valuations?

1. **Pension legislation** requires an actuarial valuation to be filed with the pension regulators once every 3 years
2. To help with financing decisions: cash contributions, financial position/risks, investment strategy
3. To help with collective bargaining, including evaluating alternate plan provisions and projected cash flows
4. To better ensure benefit security, both in the short- term and the long-term

wtw

Pension legislation

The plan is governed by 2 regulatory bodies:

BC Pension Legislation

- *Pension Benefits Standards Act* and supporting regulations
- Objective to balance **long-term plan sustainability** and **benefit security**

Canada Revenue Agency

- *Income Tax Act* and supporting regulations
- Support **tax deductible contributions** for the Company and **tax deferred benefits** for plan members

Two types of valuations for different purposes

Accounting Valuations → Measures pension cost for financial statements (the "operating cost")

Funding Valuations → Determines cash contribution requirements

Only funding valuations will be discussed today

Pension legislation requires two types of funding valuations

	Going Concern	Solvency / Hypothetical Windup
Purpose	• Measures long term financial sustainability	• Measures benefit security
Scenario	• Assumes plan ***continues indefinitely*** • Long term outlook	• Assumes plan ***terminates on valuation date*** and all benefits settled
Benefit level	• ***All negotiated improvements are reflected***	• Based on ***lifetime flat benefit rate in effect at the valuation date*** • No recognition of future increases after valuation date
Assumptions	• Long term best-estimate assumptions, plus explicit provision for adverse deviation (PfAD)	• Largely prescribed by the Canadian Institute of Actuaries, based on current market conditions
Assets	• Smoothed value	• Market value
Funding of deficits	• ***Funded to 100%*** funded ratio • Deficit paid over 10 years	• ***Funded to 85%*** funded ratio • Deficit paid over 5 years

Pension liabilities are highly sensitive to discount rates

.... the *lower* the discount rate, the *higher* the liability (and vice versa)

Let's look at an example ...

- Assume you owe $100 one year from now
- If you can earn 5%, you only need $95 now to pay $100 in one year
  - $95 x 1.05 = $100
  - The liability today is $95
- However, if you can only earn 2.5%, you need $98 now to be able to pay $100 in one year
  - $98 x 1.025 = $100
  - The liability today is $98

Discount rate assumption

- For going concern valuation: based on plan's asset allocation and the expected long-term fund return. Assumption increased from 5.50% to 6.50% between valuations
- For solvency valuation: based on cost of settling benefits, which is based largely on Government of Canada long-term bond yields. Assumption increased from 2.90% to 4.90% between valuations

Discount rate sensitivity for the Plan

for a 1% decrease in the discount rate

14% Going concern liability
Approximately 14% or $37 Million increase in the going concern liability (prior to PfAD)

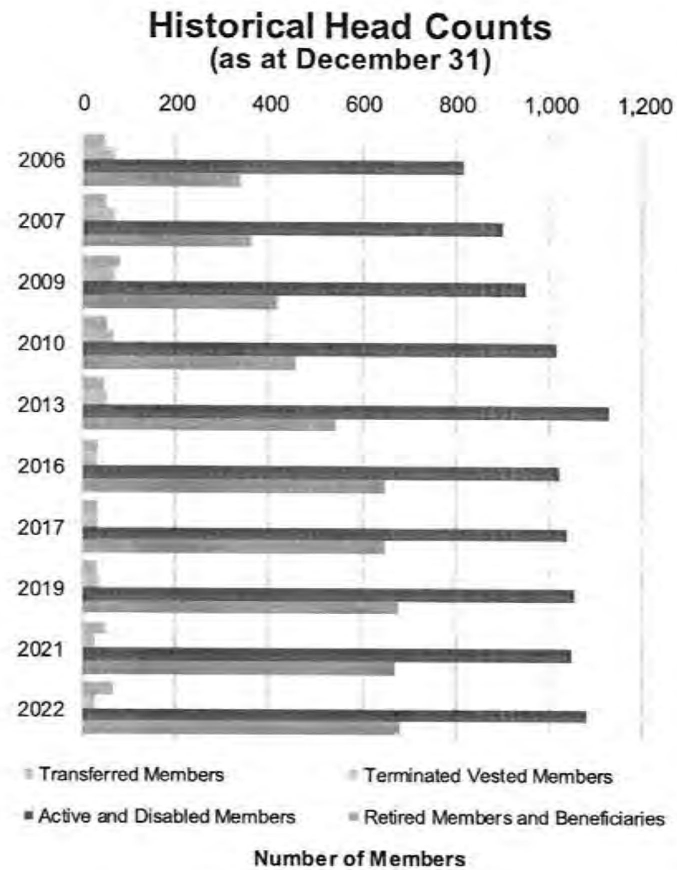
16% Solvency liability
Approximately 16% or $58 Million increase in the solvency liability

25% Normal cost
Approximately 25% or $180 per month per active member increase in the normal cost (excluding PfAD)

Summary of December 31, 2022 Valuation Results

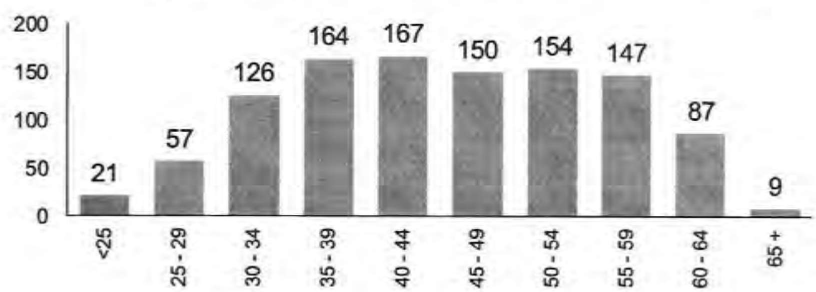
Membership reconciliation

	Active and disabled members	Retired members and beneficiaries	Transferred members	Terminated vested members
As at December 31, 2021	**1,046**	**672**	**27**	**51**
New entrants	142	0	0	0
Transfers	0	0	0	0
Retirements				
• Pension	(24)	24	0	0
• Lump sum settlement	(13)	0	0	0
Terminations of employment:				
• Deferred vested benefit	(20)	0	0	20
• Lump sum settlement	(47)	0	0	(6)
Deaths:				
• With survivor pension	0	(15)	0	0
• With lump sum settlement	(2)	0	0	0
• Without survivor benefit	0	(16)	0	0
New beneficiary	0	15	0	0
Data corrections	0	0	0	0
As at December 31, 2022	**1,082**	**680**	**27**	**65**

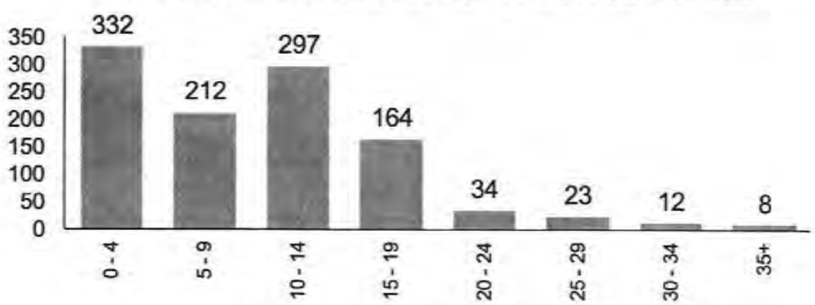


Summary of membership statistics

Age distribution of active and disabled members



Service distribution of active and disabled members



	Dec. 31, 2022	Dec. 31, 2021
Active and disabled members		
• Number	1,082	1,046
• Average age	45.4	45.8
• Average credited service years	10.0	10.4
Retired members and beneficiaries		
• Number	680	672
• Average age	73.4	73.0
• Average annual lifetime benefit	$ 22,521	$ 22,070
Terminated vested members		
• Number	65	51
• Average age	47.3	48.7
• Average lifetime benefit	$ 6,792	$ 7,965
Transferred members		
• Number	27	27
Average age	53.3	52.3
Average lifetime benefit	$ 9,034	$ 9,034

Market value of assets

(in 000's)	Cash basis
As at December 31, 2021	**$ 505,610**
Company contributions	$ 9,393
Benefit payments	
• Pension payments	$ (15,726)
• Lump sum settlements	(9,049)
• Subtotal	$ (24,775)
Investment income	$ (61,823)
As at December 31, 2022	**$ 428,405**
Rate of return over 1-year period	**(12.4)%**

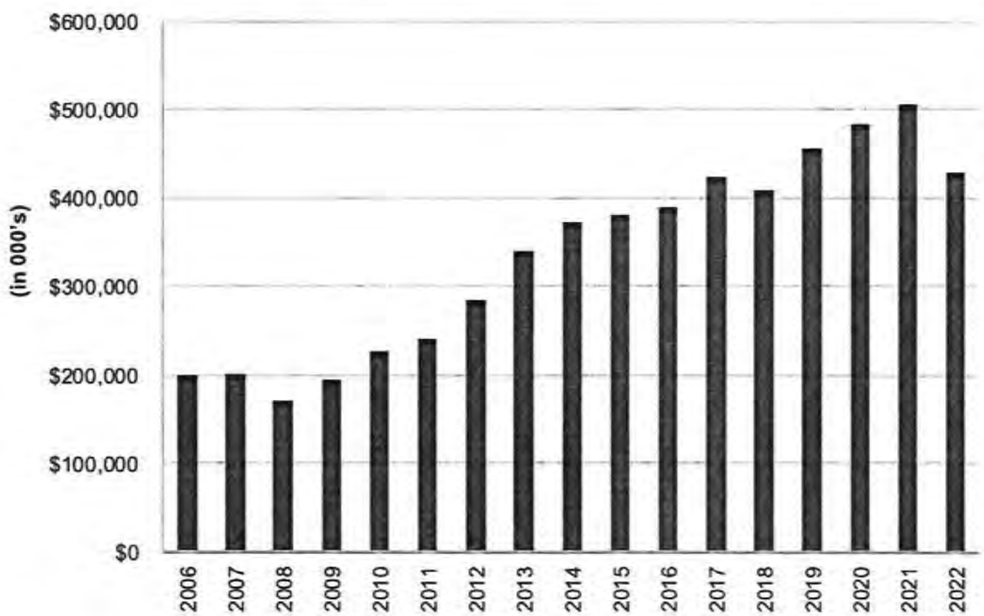
The market value of assets is adjusted for net outstanding amounts (e.g, benefits payable and contributions receivable). The net outstanding amounts at December 31, 2023 is $(2,806,000)

Asset return since prior valuation

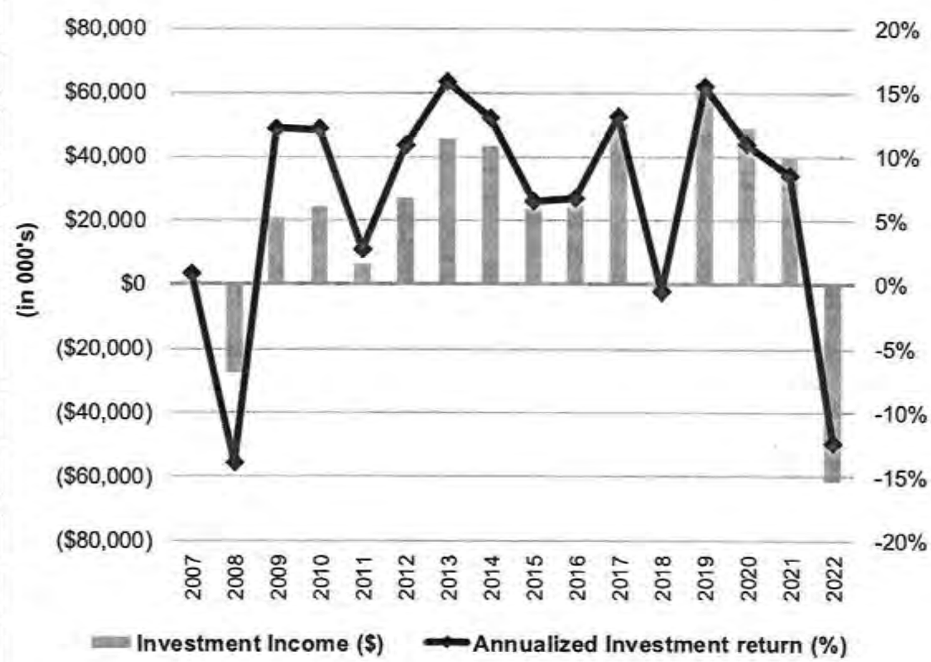
The actual return was less than the expected return, resulting in an **asset loss** on both a going concern and solvency valuation basis

Historical asset values

Asset values as at December 31



Annual investment income and return



Going concern valuation

Financial position

Asset smoothing is used to reduce volatility due to market swings. The smoothed value of assets is currently **$21,420,000 higher** than the market value of assets

(in 000's)	December 31, 2022	December 31, 2021
Smoothed value of assets	$ 447,019	$ 479,364
Actuarial liability		
• Active and disabled members	$ 113,187	$ 127,759
• Retired members and beneficiaries	155,625	165,290
• Terminated vested members	3,559	3,467
• Transferred members	2,740	3,055
• Total	$ 275,111	$ 299,571
Actuarial surplus (deficit)	**$ 171,908**	**$ 179,793**
Funded ratio	**162%**	**160%**
Provision for adverse deviation (PfAD)	$ 45,118	$ 26,362
Actuarial surplus (deficit) after PfAD	**$ 126,790**	**$ 153,431**
Funded ratio after PfAD	**140%**	**147%**
Lifetime flat dollar benefit reflected in actuarial liability:	**$124.40 per month per year of service**	**$121.34 per month per year of service**

Going concern valuation

Reconciliation of financial position (excluding PfAD)

	Dollars (in 000's)	Funded Ratio
As at December 31, 2021 excluding PfAD	**$ 179,793**	**160 %**
Use of surplus to fund benefit accruals	(990)	(2)%
Benefit payments	0	6 %
Plan improvements due to the Copper Bonus	(3,137)	(2)%
Expected interest on above items	9,762	0 %
Investment gains (losses)	(40,460)	(14)%
Gains (losses) due to membership experience		
• Mortality gains (losses)	572	0 %
• Retirement gains (losses)	(1,229)	(1)%
• Withdrawal gains (losses)	(1,410)	(1)%
• Other liability gains (losses)	(979)	0 %
Change in retirement and termination assumptions	(4,444)	(2)%
Change in liability discount rates	34,430	18 %
As at December 31, 2022 excluding PfAD	**$ 171,908**	**162 %**

As benefits are paid at 100% and the plan is over 100% funded, each payment creates a surplus

Quarterly increases based on terms of the Collective Bargaining Agreement

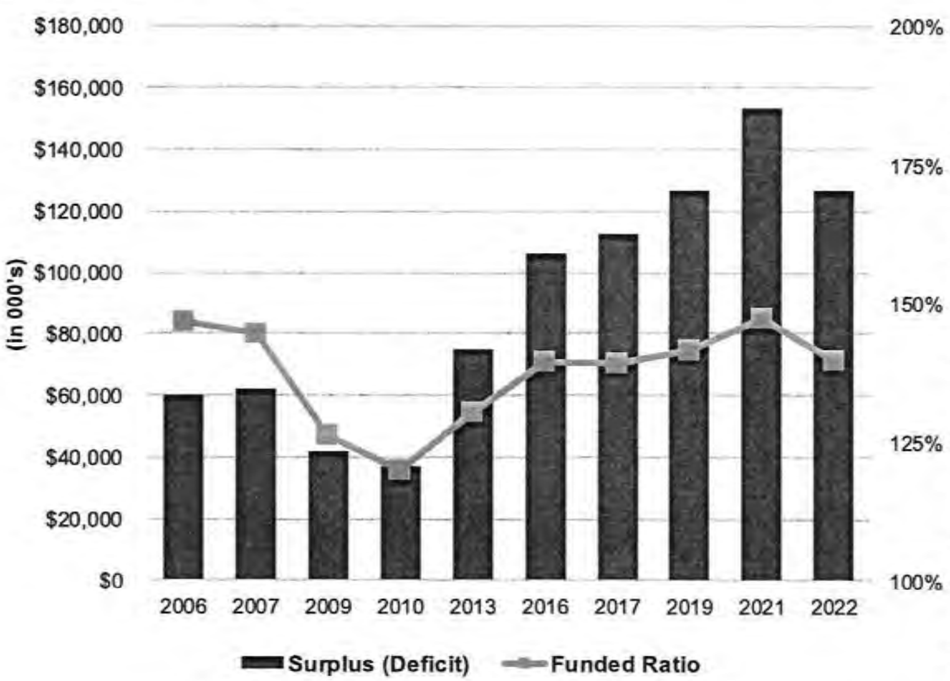
Investment returns in the 1-year period were less than the assumed discount rate

Retirement and withdrawal rates were updated to reflect recent experience

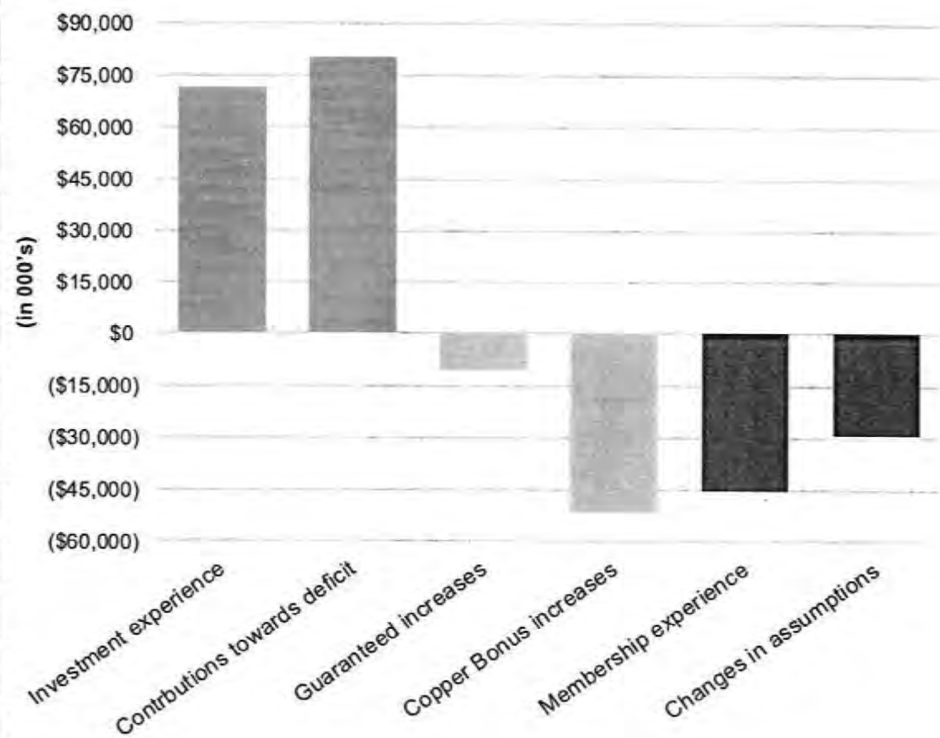
Discount rate increased from 5.50% to 6.50% due to rising bond rates

Historical going concern funded position

Historical funded position at December 31
(Including the PfAD)



Cumulative experience since December 31, 2006



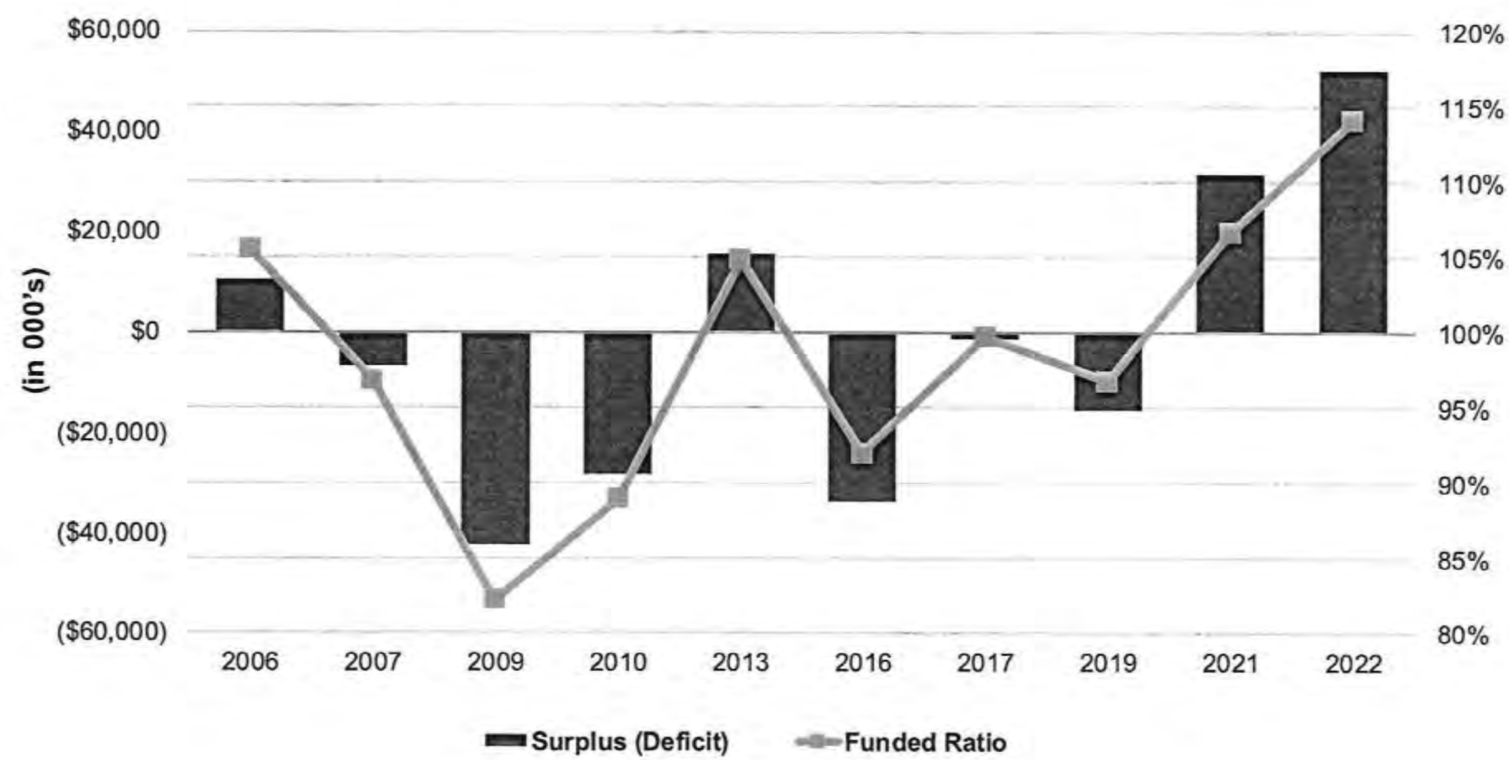
Solvency valuation

Financial position

(in 000's)	December 31, 2022	December 31, 2021
Solvency value of assets		
• Market value of assets	$ 425,599	$ 504,644
• Provision for windup expenses	(500)	(500)
• Total	$ 425,099	$ 504,144
Solvency liability		
• Active and disabled members	$ 173,304	$ 234,343
• Retired members and beneficiaries	190,760	227,471
• Terminated vested members	5,057	6,196
• Transferred members	3,547	4,710
• Total	$ 372,668	$ 472,720
Solvency surplus (deficit)	**$ 52,431**	**$ 31,424**
Solvency ratio	**114%**	**107%**
Lifetime flat dollar benefit reflected in actuarial liability:	**$122.80 per month per year of service**	**$119.15 per month per year of service**

Solvency valuation

Historical funded position as at December 31



Funding requirements

Minimum funding requirements

The December 31, 2022 valuation is used to determine the contribution requirements for calendar years 2023, 2024, and 2025

Normal Cost + **Amortization of Going Concern Deficits** + **Amortization of Solvency Deficits**

Normal Cost

- Cost of active members earning an additional year of pension
- Includes PfAD unless going concern funded ratio is >105%
- May be offset by available surplus (minimum of going concern and solvency)

Amortization of Going Concern Deficits

- Going concern deficit, including PfAD, funded evenly over 10 years

Amortization of Solvency Deficits

- Solvency deficit below 85% funding threshold funded evenly over 5 years
- May take credit for any going concern payments scheduled to be paid in the next 5 years

Funding requirements

Minimum required contributions at December 31, 2022

	Employer normal actuarial cost
Estimated annual employer normal cost (including PfAD)	$ 10,874,000
Number of expected active and disabled members	1,082
Cost per month per active and disabled member	**$ 837.50**

Due to the going concern and solvency surpluses as at December 31, 2022, in accordance with the Income Tax Act, Teck **must use the surplus to fund future benefit accruals ("mandatory contribution holiday")** until the earlier of:

- The going concern funded ratio has decreased to less than 125%, or
- The solvency surplus has been eliminated

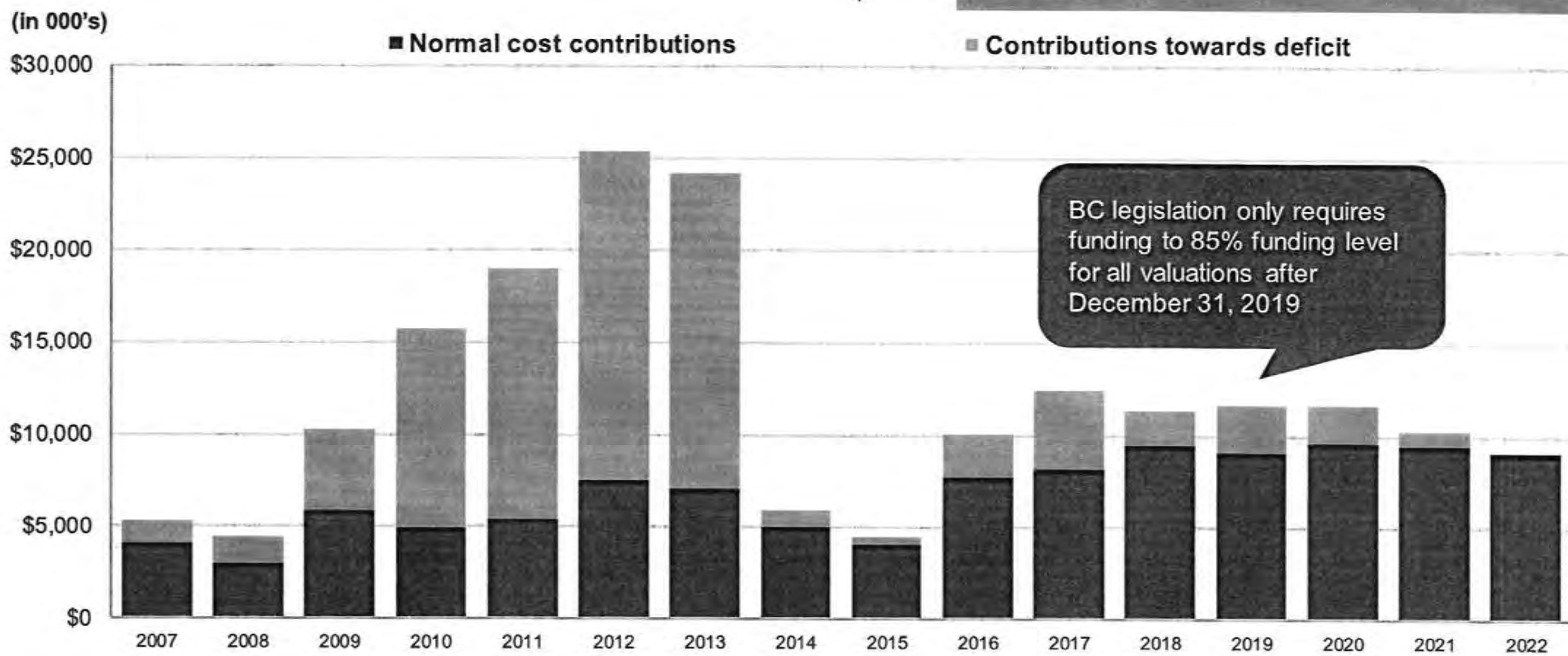
The surplus position will be further reduced by future increases to the liabilities due to the application of the Copper Bonus. It is estimated that the solvency surplus will be sufficient for a contribution holiday through the 3-year intervaluation period.

Funding requirements

History of funding contributions

Contributions towards deficit include:

- Solvency special payments
- "Top-up" payments on lump sum payments



Copper Bonus Application

Application of the Copper Bonus

Overview

Increases in the flat dollar lifetime benefit rate are purchased based on a Copper Bonus notional account **that is accrued in the preceding calendar quarter as follows:**

- Earnings of all Bargaining Unit employees during each quarter
- Copper Bonus Rate based on the average price of copper in $CAD

- The Copper Bonus earned will be converted into an equivalent increase in the flat dollar benefit rate based on the negotiated cost for a $1 improvement in the benefit rate
- Copper Bonus Rate was negotiated at October 1, 2021 as follows:

Average Copper Price (in $CAD):	Bonus Payment
$3.60 or greater	6%
$3.49	5%
$3.38	4%
$3.27	3%
$3.16	2%
$3.04	1%

On October 1st of each year, the average copper price in the table will be increased by the most recent average annual CPI

Application of the Copper Bonus

For funding requirements based on December 31, 2022 valuation

Each $1 increase in lifetime flat dollar benefit rate*

Going Concern Liabilities	**Increase by $1,025,000 (including PfAD)**
Solvency Liabilities	Increase by $1,378,000
Contribution Requirements	Increase normal cost by $85,000 per year or $6.55 per month per active and disabled member (including PfAD)

** Per month per year of service*

Application of Copper Bonus during the 3-year period following December 31, 2022
(assuming total increase in dollars provided is similar to amounts provided in 2019 – 2022) :

- Anticipate will not deteriorate going concern ratio below 100% funding threshold
- Anticipate will not deteriorate solvency ratio below 85% funding threshold
- Anticipate will not result in deficit funding requirements
- Anticipate that the contribution holiday will continue through the entire 3-year period

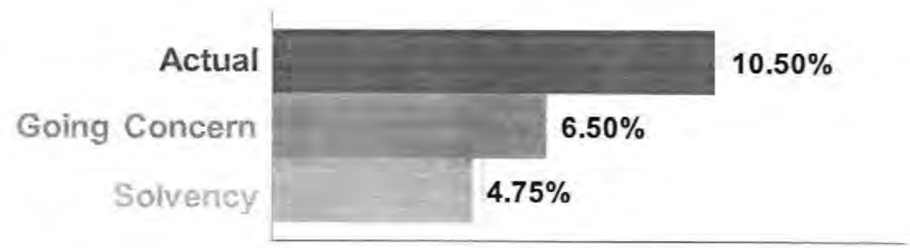
Estimated Financial Position as at December 31, 2023

Estimated financial position as at December 31, 2023

Market value of assets

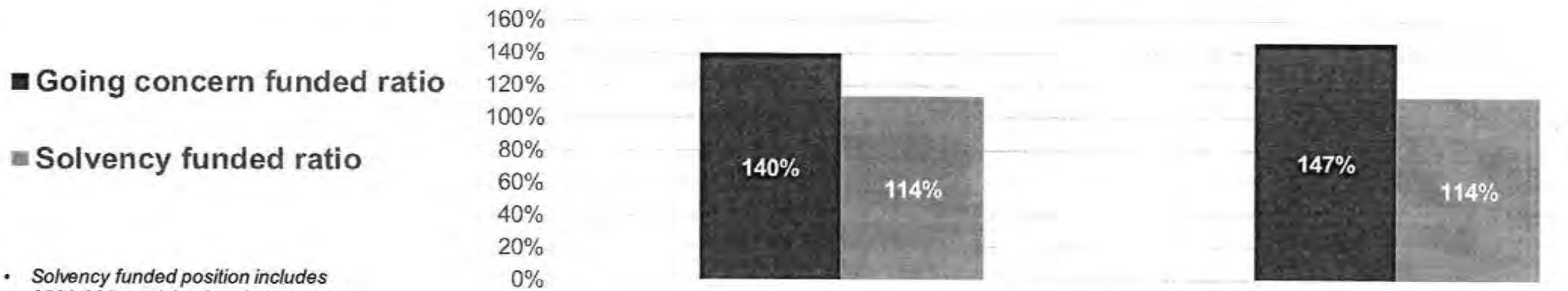
(in 000's)	Cash basis
As at December 31, 2022	**$ 428,405**
Company contributions	0
Benefit payments	(24,869)
Investment income	43,717
As at December 31, 2023	**$ 447,253**
Rate of return over 1-year period	10.51%

Asset return since prior valuation



The actual return was more than the expected return, resulting in an **asset gain** on both a going concern and solvency valuation basis

Estimated financial position



- *Solvency funded position includes $500,000 provision for windup expenses*

	December 31, 2022	Estimated at December 31, 2023
Going Concern Position		
Going concern assets	$ 447.0 M	$ 469.6 M
Going concern liability	(275.1) M	(278.3) M
Provision for adverse deviations (PfAD)	(45.1) M	(41.2) M
Going concern surplus (deficit)	**$ 126.8 M**	**$ 150.1 M**
Solvency Position		
Solvency assets	$ 425.1 M	$ 446.8 M
Solvency liability	(372.7) M	(392.9) M
Solvency surplus (deficit)	**$ 52.4 M**	**$ 53.9 M**

Lifetime flat dollar benefit for December 31, 2022 estimate: $125.81

Estimated financial position as at December 31, 2023

Reconciliation of funded ratios

	Going Concern	Solvency
As at December 31, 2022	**140 %**	**114 %**
▪ Application of surplus	(4) %	(5) %
▪ Copper bonus increases	(1) %	(1) %
▪ Benefit payments	3 %	1 %
▪ Change in assumed discount rate	0 %	(2) %
▪ Investment performance	6 %	7 %
▪ Change in PfAD	3 %	N/A
Estimated as at December 31, 2023	**147 %**	**114%**

Solvency discount rates slightly decreased during the period, resulting in losses
Annuity purchase rate: 4.6% ***(previously 4.9%)***
CV rates: 4.5% for 10 years, 4.5% thereafter ***(previously 4.1%/4.5%)***

The PfAD decreased during the period, resulting in a gain ***(currently 14.80%, previously 16.40%)***

Appendices

Actuarial Certification

The results presented in this presentation are based on the data and assumptions contained in this presentation and the methods and plan provisions contained in the funding actuarial valuation report as at December 31, 2022. Therefore, the descriptions of the data, assumptions, methods, plan provisions and limitations of the valuation report and its use, should be considered part of this presentation.

In our opinion, for the purposes of this presentation, the data are sufficient and reliable, the assumptions are, in aggregate, appropriate and the methods employed in the valuation are appropriate. This presentation has been prepared, and our opinion has been given, in accordance with:

- The funding and solvency standards prescribed by the *Pension Benefits Standards Act (British Columbia)* and Regulation thereto;
- The requirements of the *Income Tax Act (Canada)* and Regulation thereto; and
- Accepted actuarial practice in Canada, except that this presentation has been appropriately abbreviated.

Caleb Tarzwell, FCIA
Andrew Kwan, ACIA

Going concern valuation

Economic assumptions

(per annum)	December 31, 2022	December 31, 2021
Liability discount rate		
• Commuted value transfer on withdrawal within 3 years of valuation date	4.10% for 10 years, 4.50% thereafter	2.30% for 10 years, 3.40% thereafter
• Commuted value transfer on withdrawal more than 3 years after valuation date	4.25%	Same
• All other benefits	6.50%	5.50%
Rate of inflation	2.00%	Same

Going concern valuation
Demographic assumptions

	December 31, 2022	December 31, 2021
Mortality		
• Commuted value transfer on withdrawal	2014 CPM Table projected generationally using CPM Improvement Scale B	Same
• All other benefits	130% of 2014 Private Sector CPM Table projected generationally using CPM Improvement Scale B	Same
Withdrawal	Age-related rates *(new)*	Age-related rates *(prior)*
Retirement	Age and service-related rates *(new)*	Age and service-related rates *(prior)*
Pension commencement for terminated vested members	Retire at date member would first qualify for unreduced pension	Same

Going concern valuation

Other assumptions

	December 31, 2022	December 31, 2021
Percentage of members electing commuted value transfer on withdrawal	85%	Same
Percentage of members with an eligible spouse at pension commencement	85%	Same
Years male spouse older than female spouse	3	Same
Provision for non-investment expenses	None	Same

Going concern valuation

Termination Rates

	New Termination Rates	Prior Termination Rates	
Age	*Unisex*	*Male*	*Female*
20	5.5%	7.0%	10.5%
25	5.0%	6.0%	9.0%
30	4.5%	5.0%	7.5%
35	4.0%	4.0%	6.0%
40	4.0%	3.0%	4.5%
45	3.0%	2.0%	3.0%
50	2.5%	1.0%	1.5%
55 or over	Nil	Nil	Nil

Going concern valuation

New Retirement Rates

	Retirement Rates	
Age	Less than 84 points years	More than 84 points
55	3.0%	3.0%
56	3.0%	3.0%
57	3.0%	3.0%
58	3.0%	35.0%
59	5.0%	30.0%
60	10.0%	30.0%
61	10.0%	30.0%
62	10.0%	30.0%
63	15.0%	30.0%
64	30.0%	30.0%
65	50.0%	50.0%
66	50.0%	50.0%
67	100.0%	100.0%

Going concern valuation

Prior Retirement Rates

	Retirement Rates											
Age	<20	20	21	22	23	24	25	26	27	28	29	30+
55	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
56	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
57	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
58	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	30.0%	30.0%	30.0%	30.0%	30.0%
59	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	30.0%	20.0%	20.0%	20.0%	20.0%	20.0%
60	10.0%	10.0%	10.0%	10.0%	10.0%	30.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
61	10.0%	10.0%	10.0%	10.0%	30.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
62	10.0%	10.0%	10.0%	30.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
63	15.0%	15.0%	30.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
64	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
65	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Solvency valuation

Economic assumptions

(per annum)	December 31, 2022	December 31, 2021
Liability discount rate		
• Settlement by commuted value transfer	4.10% per year for 10 years, 4.50% per year thereafter	2.30% per year for 10 years, 3.40% per year thereafter
• Settlement by annuity purchase	4.90% per year	2.90% per year

Solvency valuation

Demographic and other assumptions

	December 31, 2022	December 31, 2021
Mortality	2014 CPM table projected generationally using CPM improvement Scale B	Same
Retirement	If eligible to retire, retire immediately	Same
	Otherwise, retire at earliest unreduced retirement date	
Percentage of members with eligible spouses at pension commencement	85%	Same
Years male spouse older than female spouse	3	Same
Windup expenses	$500,000	Same

Solvency valuation

Other assumptions

	December 31, 2022	December 31, 2021
Percentage of members receiving settlement by commuted value transfer		
• Retired members and beneficiaries	0%	Same
• Terminated vested members under age 55	50%	Same
• Terminated vested members aged 55 and over	0%	Same
• Active, disabled and transferred members under age 45	100%	Same
• Active, disabled and transferred members between 45 to 54	75%	Same
• Active, disabled and transferred members aged 55 and over	0%	Same

Highland Valley Copper Pension Meeting

Teck Highland Valley Copper Partnership Pension Plan for Hourly-Paid Employees

June 17, 2024
Presented by: Michelle Wu

Teck

THVC Defined Benefit Pension Plans

Teck Highland Valley Copper

THVC Hourly Pension Plan

$453 million in assets

Open to new members

1,927 members (1,130 active)

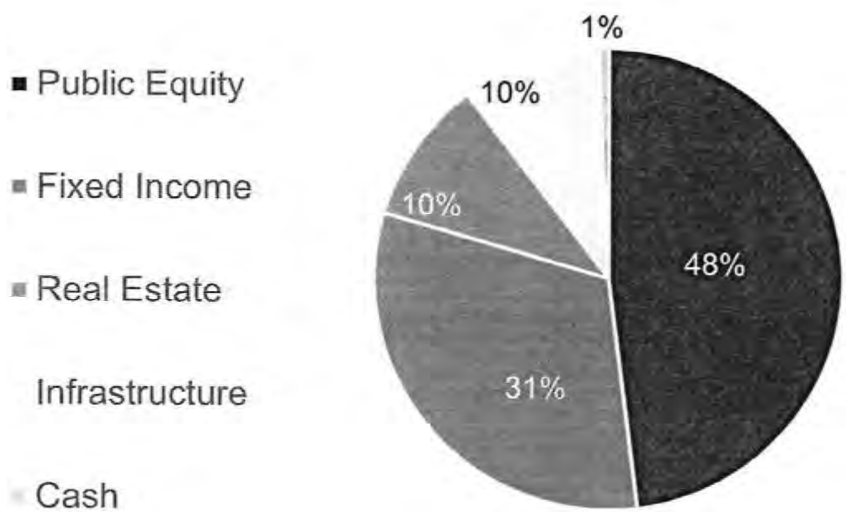
THVC Salaried Pension Plan

$94 million in assets

Open to new members

194 members (7 active)

Asset Allocation as at March 31, 2024



Total Assets: $453 million

Public Equity Investments

Public Equity: $218 million

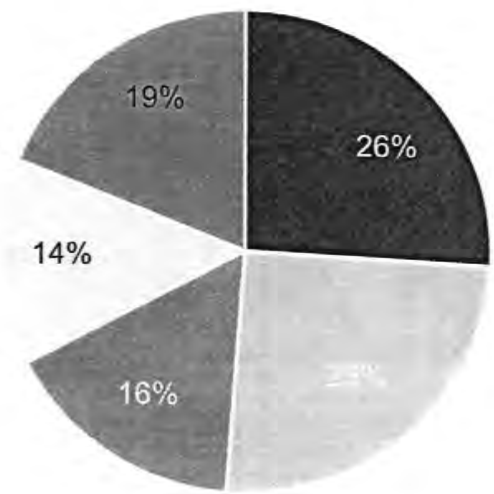
- Canadian Equity:
  Beutel Goodman, TDAM, BMO, CC&L

  US Equity:
  TDAM, Fisher

- EAFE (Europe Australia and Far East):
  Mawer

  Global:
  Robeco

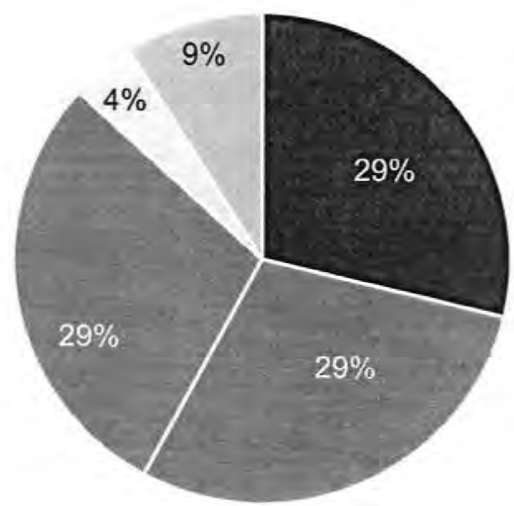
- Emerging Markets:
  Robeco, Fiera



Fixed Income Investments

Fixed Income: $143 million

- Long Core Plus: Phillips Hager and North
- Long Core Plus: TD Asset Management
- Long Core Plus: Fidelity
- Long Private Debt: TD Asset Management
- Private Debt: Neuberger Berman

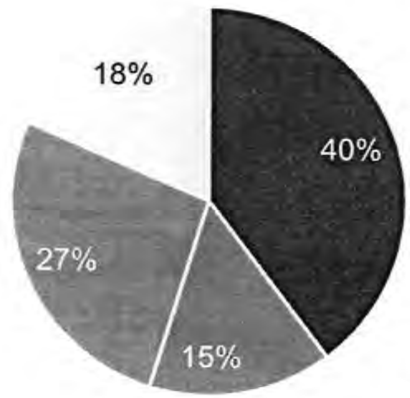


Real Estate Assets

Real Estate: $46 million

- Global Real Estate: CBRE
- Canadian Real Estate: TD Asset Management
- US Real Estate: Barings

  European Real Estate: JP Morgan



Office: Paris, France

Office: NY US

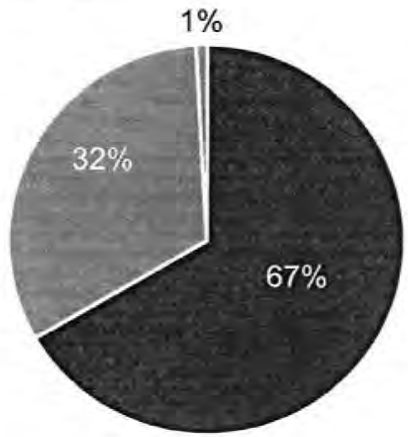
Logistics: Chicago, US

Senior Housing: Arizona, US

Infrastructure Assets

Infrastructure: $44 million

- Global Infrastructure: JP Morgan
- North American Infrastructure: InstarAGF
- European Real Estate: Macquarie (in wind down)

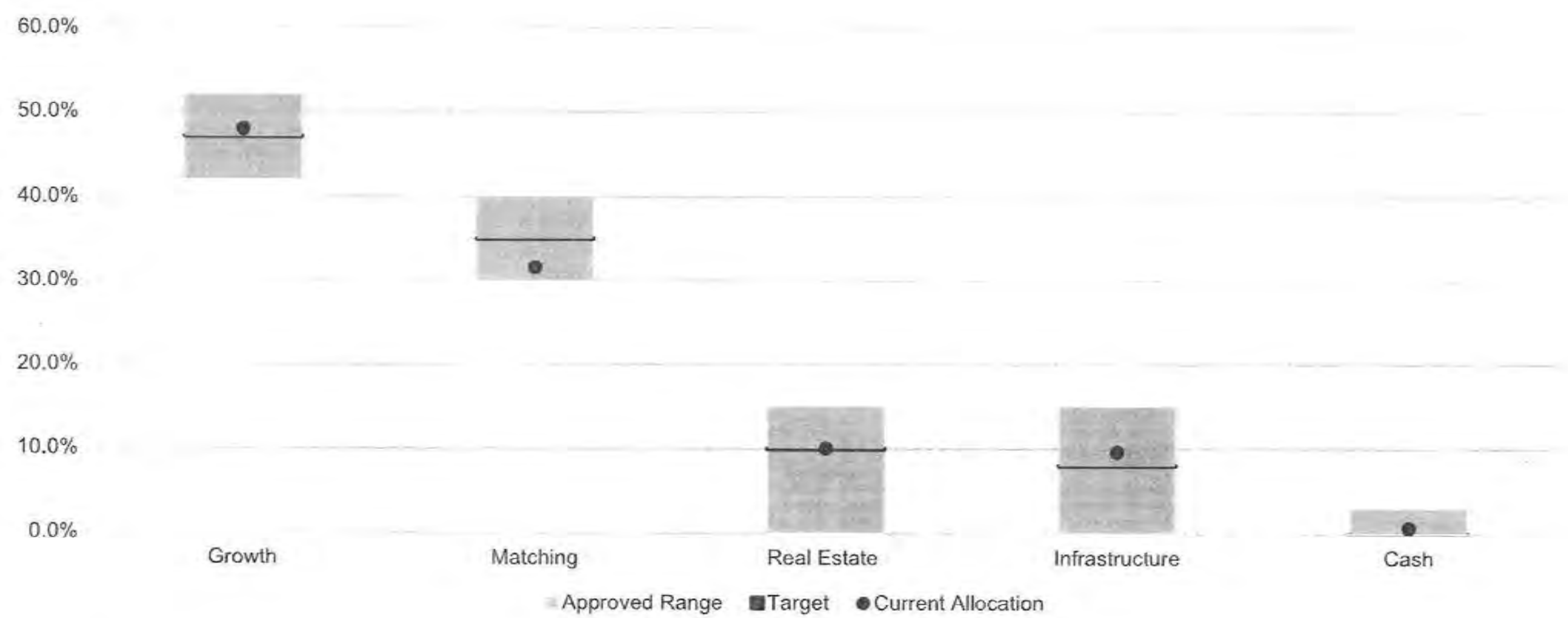



Water Treatment: UK


Airport: Billy Bishop Terminal, Toronto


Transportation: Bulk Terminal, Holland

Asset Allocation Summary



Changes since last meeting

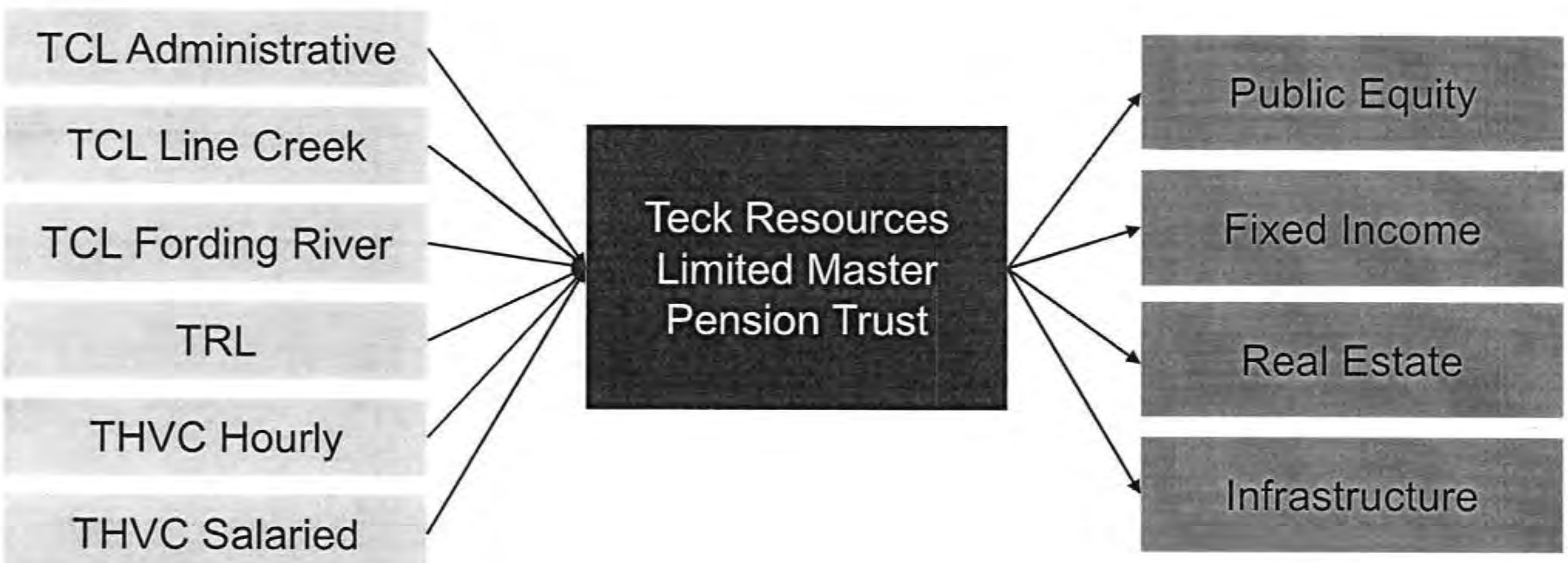
Terminations

- T. Rowe Price (US equity) – November 2023

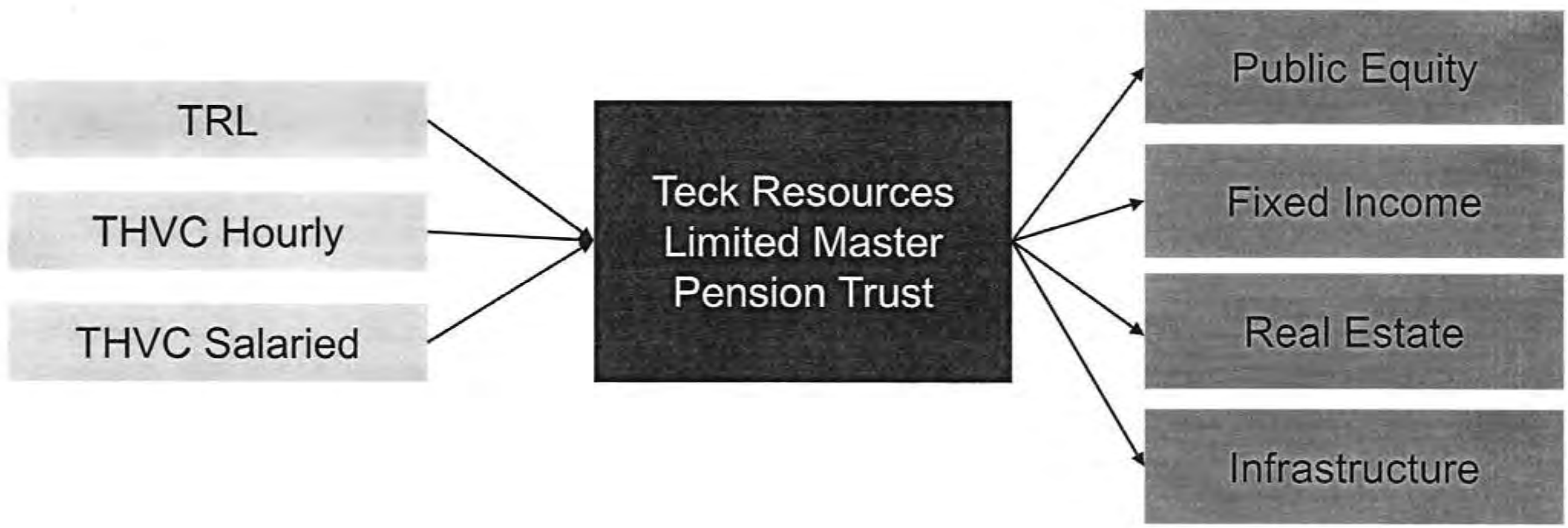
Additions

- TDAM (US equity) – November 2023

Teck Resources Limited Pension Structure
at March 31, 2024



Teck Resources Limited Pension Structure
Current



Teck Resources Limited Master Trust Ownership

	Equity	Fixed Income	Real Estate	Infrastructure
Teck Coal				
Fording River	33%	29%	31%	34%
Admin	12%	17%	14%	10%
Line Creek	11%	7%	9%	10%
Teck Highland Valley Copper				
Hourly	**35%**	**31%**	**34%**	**37%**
Salaried	6%	9%	7%	5%
Teck Resources Limited				
Senior Salaried Plan	3%	7%	5%	4%

Changes in Assets

(in $ millions of CAD)	Q1	Year to Date
Assets, beginning of period	445	445
Additions:		
Contributions	-	-
Investment Income	2	2
Realized & Unrealized Gains (losses)	12	12
Deductions:		
Pension Payments	(6)	(6)
Transfers/withdrawals	0	0
Fees	(0)	(0)
Assets, end of period	**453**	**453**

Plan Performance Overview

Annualized Returns

	1 Year	3 Years	5 Years
Plan	**8.4%**	**3.0%**	**5.0%**
Benchmarks			
Policy	9.8%	3.9%	5.5%
CPI +4%	6.8%	8.6%	7.4%

TAB 10

Your Information Booklet

Teck Highland Valley Copper Partnership Pension Plan for Hourly-Paid Employees

March 2023

Teck

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Table of Contents

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Welcome to the Teck Highland Valley Copper Partnership Pension Plan for Hourly-Paid Employees

Teck Highland Valley Copper Partnership (**Company**) is pleased to offer you participation in the Teck Highland Valley Copper Partnership Plan for Hourly-Paid Employees (**Plan**) as part of your total compensation package. The **Plan** is registered with the BC Financial Services Authority (BC FSA) under registration number P085569-1 and the Canada Revenue Agency (CRA) under registration number 945113. Teck Highland Valley Copper Partnership is the legal administrator of the Plan and can be contacted through the Site Support HR Team, Jennifer Rogowski at 250-523-3868 (Jennifer.rogowski@teck.com) or Heidi Sekhon at 250-523-3278 (Heidi.Sekhon@teck.com).

The Plan is only one piece of your retirement savings puzzle. Your personal savings, such as RRSPs, are an important aspect of reaching your financial goals in retirement. Your government benefits, such as the Canada Pension Plan (CPP) and, if you qualify, Old Age Security (OAS) also contribute to your total retirement income.

We strongly encourage you to seek independent financial advice to ensure that your overall savings and planning strategies will meet your individual retirement income needs.

This Booklet

This booklet is intended to provide you with some basic information about your pension entitlements in order to help you understand the Plan and how it works. Please note an employee booklet cannot contain every detail.

While care has been taken in the preparation of this booklet, to the extent that there is any conflict between the content of this booklet and a provision of the Plan or applicable legislation, the Plan or legislation (as the case may be) will prevail. This booklet is not a contract and does not confer or grant any rights, contractual or otherwise.

Keep this booklet somewhere you can find it – so you can easily refer to it in the future as other questions arise.

Booklet Qualifications

Since this booklet was prepared in January 2023, the information in the booklet may not be current.

For questions about the **Plan**, contact your Pension & Benefits Coordinator or Support HR Team.

The Company reserves the right to make changes to the **Plan, subject to applicable law.**

Membership in the Plan

Who is a member of the Plan?

Full-time hourly-paid employees of the Company who are members of the United Steelworkers (Local 7619) (**Union**) shall become members of the **Plan** as of the date they become a full-time employee.

Part-time hourly-paid employees of the Company who are members of the **Union** are eligible to and shall become members of the **Plan** if they:

- Completed two years of **continuous employment** with the Company, *and*
- Earned at least 35% of the Year's Maximum Pensionable Earnings (YMPE) in each of two consecutive calendar years before joining the Plan.

All **Plan** members are fully **Vested** after becoming a member of the **Plan**. Vesting means that you own all the benefits you have earned in the **Plan**, regardless of your length of service.

Once you join the **Plan**, you continue to be a member until you retire or leave the Company, or on your death or termination of the Plan.

An eligible employee must complete and sign a beneficiary declaration form and any other prescribed forms, as provided by Site Support HR Team.

Are you required to contribute to the Plan?

No! You do not currently contribute to the **Plan** and members are not permitted or required to contribute to the **Plan.**

How much does the Company contribute?

The Company is responsible for making regular contributions to the **Plan** and is responsible for funding the Plan in accordance with applicable pension legislation.

Can you make optional contributions?

Members cannot make contributions to the **Plan**. Instead, we encourage you to save for your retirement through other individual savings vehicles, such as a personal **Registered Retirement Savings Plan (RRSP)**, a **Tax Free Savings Account (TFSA)**, or other alternative savings vehicles that work for your personal financial situation.

Important note about your Beneficiary

When you enrolled in the **Plan** you are asked to designate a **Beneficiary**. If you have an eligible Spouse at your date of death, you Spouse is entitled to any death benefit that may be payable from the Plan. If you do not have an eligible Spouse or your Spouse has waived their entitlement to any spousal death benefits, your **Beneficiary** is the person who may receive any death benefit that may be payable from the Plan when you die. If you do not have a Spouse and you have not designated a Beneficiary, any death benefit will be paid to your estate. If you have not already done so, please designate your **Beneficiary** on the *Teck Designation Form - Defined Benefit Pension Plan* form and return it to your Site Support HR Team as soon as possible. Subject to applicable law, you can change your Beneficiary at any time by reaching out to Site Support HR Team. For purposes of this booklet, the term Beneficiary will include your estate, if applicable.

Calculating Your Pension

Your pension benefit is calculated according to a formula that uses your Combined Service and a flat dollar benefit rate at the **Date of Determination.**

All Plan members are eligible for a lifetime monthly pension. As more fully described below, if you retire prior to your **Normal Retirement Date** (see page 10) and are a long-service employee, you may also be eligible for an additional *temporary* pension referred to as the Accrued Supplement.

What is the definition of Combined Service?

Your **Plan** benefits are based on your **Combined Service (Prior Plan Service (if any) + Plan Service)** at your Date of Determination.

- **Plan Service** is the total number of years and days you have worked for the Company while a member of the Union on a continuous basis since you were most recently employed by the Company.
- **Prior Plan Service** generally refers to total service accrued under the Pension Plan for Employees of Lornex Mining Corporation Ltd, and the Cominco Ltd. Pension Plan for Certain Employees and does not apply to all members. **Prior Plan Service** is a frozen amount, and since 1986 all service is accrued under **Plan Service**.

Combined Service includes certain periods of absence, but not all periods of absence, as more fully set out in the Plan terms.

What is the Date of Determination?

The **Date of Determination** is the earliest of your date of retirement, your date of termination of membership, your date of death, or the date the Plan terminates.

What is the flat dollar benefit rate used to calculate the lifetime monthly pension?

The lifetime flat dollar benefit rate is comprised of two collectively bargained components:

(1) Lifetime flat dollar benefit rate; and

(2) Copper Bonus Supplement.

For a **Date of Determination** that is on or after October 1, 2015, the lifetime flat dollar benefit rate is: **$75.50 per month per year of Combined Service.**

For a **Date of Determination** that is on or after January 1, 2023, the Copper Bonus Supplement is: **$47.30 per month per year of Combined Service.**

In aggregate, subject to Income Tax Act limits, the lifetime flat dollar benefit rate for a date of determination that is on or after January 1, 2023 is: **$122.80 per month per year of Combined Service.** For more information on the current lifetime flat dollar benefit rate, please refer to the quarterly Copper Bonus Memo provided to all hourly employees or contact Site Support HR Team.

What is the Copper Bonus Supplement?

The terms of the current **agreement** between the Company and the Union provide for the possibility of future increases to the lifetime flat dollar benefit rate, contingent on the price of copper (the Copper Bonus Supplement). The quarterly Copper Bonus Supplement is determined based on a prescribed formula in the Plan text. Applicable increases to the Copper Bonus Supplement, if any, occur as at each January 1st, April 1st, July 1st and October 1st. For more information on how the Copper Bonus Supplement is calculated, or the current rate, please refer to the quarterly Copper Bonus Memo provided to all hourly employees or contact Site Support HR Team.

What is the Accrued Supplement?

In addition to the above lifetime retirement pension, certain members may be entitled to an additional monthly pension known as the Accrued Supplement. The Accrued Supplement is a temporary monthly pension that is payable to eligible members from their date of early retirement to the earlier of their death and age 65. In order to be eligible for the Accrued Supplement, you must have at least 20 years of Combined Service and have attained age 55 on your Date of Determination. The Accrued Supplement is calculated according to a flat dollar benefit rate and your years of **Combined Service** at your **Date of Determination**.

For a Date of Determination that is on or after October 1, 1995, subject to the Income Tax Act limits, the collectively bargained Accrued Supplement flat dollar benefit rate is: $25.00 per month per year of Combined Service, up to a maximum of 40 years of Combined Service.

Can these rates change?

Yes. These rates are subject to collective bargaining between the Company and Union. Subject to applicable pension legislation governing amendments to reduce benefits, the rates could change each time a new collective bargaining agreement is ratified. The lifetime flat dollar benefit rate and the Accrued Supplement flat dollar benefit rate are fixed for the duration of the current collective bargaining agreement. The Copper Bonus Supplement may increase quarterly depending on the price of copper and in accordance with the Plan terms.

How is your monthly pension calculated?

Part 1: Lifetime Monthly Pension

Total Lifetime Flat Dollar Benefit rate in effect at **Date of Determination**
multiplied by
Your **Combined Service**

Part 2: Accrued Supplement

Accrued Supplement rate in effect at **Date of Determination**
multiplied by
Your **Combined Service**
(maximum of 40 years)

How You Receive Your Monthly Pension

Pension payments are made in equal monthly instalments and are made on the first day of the month following your retirement date. The "normal" form of payment for your pension depends on whether you have a **Spouse** on the date of your retirement.

Form of payment for your lifetime pension

The forms of payment are summarized in the following table:

Normal Form If you do not have a **Spouse, or your Spouse has waived entitlement to the 60% survivor pension below**	**Lifetime Pension, Guaranteed 60 months** You will receive a monthly pension for your lifetime, guaranteed for 60 months. If you die before receiving 60 monthly payments, your beneficiary will receive the balance of the 60 guaranteed monthly payments. If you die after 60 months of payments, the last payment will be made on the first day of the month of your death and no death benefit is payable.
Normal Form If you have a **Spouse**	**Joint & 60% Survivor Pension** You will receive a monthly pension for your lifetime. If you die before your **Spouse**, 60% of the pension you were receiving at the time of your death will continue to be paid to your **Spouse** until their death.
Alternative Forms** In lieu of the Normal Form of pension, subject to any required spousal waiver, you may elect an alternative form of pension.	**Lifetime Pension, Guaranteed 120 months** You will receive a monthly pension for your lifetime, guaranteed for 120 months. If you die before receiving 120 monthly payments, your beneficiary will receive the balance of the 120 guaranteed monthly payments. If you die after 120 months of payments, the last payment will be made on the first day of the month of your death and no death benefit is payable. **OR** **Lifetime Pension, Guaranteed 180 months** You will receive a monthly pension for your lifetime, guaranteed for 180 months. If you die before receiving 180 monthly payments, your beneficiary will receive the balance of the 180 guaranteed monthly payments. If you die after 180 months of payments, the last payment will be made on the first day of the month of your death and no death benefit is payable. **OR** **Lifetime Only Pension, No Guarantee** You will receive a monthly pension for your lifetime only. The last payment will be made on the first day of the month of your death and no death benefit is payable.

**** If you have a Spouse and wish to elect an alternative form of payment that provides less than a 60% survivor benefit (such as a lifetime only pension or a transfer of the commuted value in lieu of a monthly pension from the Plan), your Spouse must waive entitlement to the 60% survivor benefit by completing and submitting the *Spousal Waiver Form* in the manner required by the Company. Your Spouse will be the Beneficiary of any guaranteed payments unless your Spouse further waives such entitlement in the form and manner required by the Company.**

"Normal" form of payment for your Accrued Supplement

If you are eligible for the Accrued Supplement when you retire, you will receive this monthly pension until the earlier of your death or your attainment of age 65. There are no survivor benefits payable to your **Spouse** or **Beneficiary** for the Accrued Supplement.

Starting a pension under the Plan

One of the important dates you will eventually start to think about is the date when you can retire. The **Plan** allows some flexibility in your choice of retirement date. You must provide at least 3 months notice in advance of your retirement date. You must make an election within the timelines set out by the Company in your retirement statement.

"Normal" retirement age

In the **Plan**, the **Normal Retirement Date** is the first day of the month coinciding with or following your 65th birthday.

If you retire on your **Normal Retirement Date**, you will receive an immediate monthly pension.

Let's look at an example...

For an employee who retires at age 65 with 30 years of **Combined Service** to retirement, the pension would be calculated as follows:

Lifetime Monthly Pension for Combined Service at Normal Retirement Date

Assuming the benefit rate in effect is $122.80 (January 2023) your pension for this period of **Combined Service** would be calculated as:

Pension Formula...	In this example...	The Benefit
Benefit Rate in effect	= $122.80	**$ 122.80**
Multiplied by		
Years of **Combined Service**	= 30 years	**X 30 years**
Equals monthly pension		**$ 3,684.00**

The employee is entitled to a lifetime pension of $3,684.00 per month. Note that as you are 65 when you retire, you would not be eligible for the Accrued Supplement benefit. The amount of the monthly pension payment will vary depending on the form of payment that you elect.

Teck

Retiring early (age 55-64)

You can retire from the Company up to 10 years before your **Normal Retirement Date** as follows.

Unreduced Early Retirement:

You can retire any time after you have reached age 58, and if the sum of your age and **Combined Service** totals 84 or greater (**Unreduced Early Retirement**). In addition to receiving your Accrued Pension unreduced, you will also be eligible to receive your Accrued Supplement unreduced. If you terminated employment with the Company before age 55 and you elected a **Deferred Monthly Pension**, then your **Early Unreduced Retirement Date** will consider your **Combined Service** if you had continued your employment with the Company.

Reduced Early Retirement:

You can retire any time after you have reached age 55 with the following reductions. These reductions reflect that the pension payments are expected to be paid for a longer period than if you had retired at your **Normal Retirement Date**.

If you retire after age 55 with 20 years of **Combined Service**, your **Accrued Pension** will be reduced by 1/2% for each month (or 6% per year) that your retirement precedes your **Unreduced Early Retirement Date.** In this retirement scenario, you would also be eligible to receive your Accrued Supplement. It will be reduced in the same manner as your **Accrued Pension.**

If you retire after age 55 with at least 10 years (but less than 20 years) of **Combined Service**, your **Accrued Pension** will be reduced by 1/2% for each month (or 6% per year) that your retirement precedes your **Normal Retirement Date**. If you retire under this scenario, you will not be eligible to receive your **Accrued Supplement** as you must have a minimum of 20 years of **Combined Service** to qualify for this benefit.

If you retire after age 55 with less than 10 years of **Combined Service**, your **Accrued Pension** will be the **Actuarial Equivalent** of the **Accrued Pension** would have been payable on your **Normal Retirement Date**. **Actuarial Equivalent** means the pension amount for the early retirement option will be actuarially reduced to reflect the anticipated longer payment period. If you retire under this scenario, you will not be eligible to receive your **Accrued Supplement** as you must have a minimum of 20 years of **Combined Service** to qualify for this benefit.

Let's look at an example...

For an employee who retires on January 1, 2023 at age 55 with 30 years of **Combined Service** and elects to receive an immediate pension, the pension would be calculated as follows:

Pension Formula...	In this example...	The Benefit
Unreduced Early Retirement Date		January 1, 2026 (Age 58)
Part 1 : Lifetime Pension		
Benefit Rate	= $ 122.80	**$ 122.80**
Multiplied by		
Years of **Combined Service**	= 30 years	**X 30 years**
Monthly pension before reduction		**$ 3,684.00**
Unreduced Early Retirement Date Reduction	12 X 3 = 36 months	**-0.5% X 36**
Equals monthly lifetime pension		**$ 3,020.88**
Part 2 : Accrued Supplement		
Benefit Rate	= $25.00	**$25.00**
Multiplied by		
Years of **Combined Service**	= 30 years	**X 30 years**
Accrued Supplement before reduction		**$750.00**
Unreduced Early Retirement Date Reduction	12 X 3 = 36 months	**-0.5% X 36**
Equals monthly Accrued Supplement		**$ 615.00**

Example (Continued)

Total Pension before age 65

The total monthly pension would be the sum of Part 1 and Part 2, as follows:

- Lifetime pension: $ 3,020.88
- Accrued Supplement: $ 615.00
- Total monthly pension $ 3,638.88

Once the employee reaches age 65, the Accrued Supplement would cease being paid, and the monthly pension would consist of the lifetime pension only in the amount of $3,020.88.

Postponed retirement (age 65-71)

If you reach age 65 and continue working for the Company, you can postpone your retirement. If you defer your retirement, your pension will be based on your **Combined Service** and the applicable flat dollar benefit rate as of your postponed retirement date. Note that as you are over age 65 when you retire, you would not be eligible for the Accrued Supplement benefit. If you have elected a Deferred Monthly Pension (see "Leaving The Company" below), you cannot defer pension commencement later than your Normal Retirement Date.

Note: To comply with the Income Tax Act requires the **Plan** benefits to be paid no later than the end of the month you reach age 71.

Commuted Value

In lieu of a monthly pension you can transfer the lump-sum Commuted Value of your Accrued pension and, if applicable, Accrued Supplement out of the Plan For more information, please see below: "Leaving The Company". When making this decision, we strongly encourage you to seek independent financial advice to ensure that your decision, when considered in the context of your overall retirement savings strategy, will serve your individual retirement income needs.

Leaving The Company

If you leave the Company and do not elect an immediate pension or you are not eligible for an immediate pension, you can elect to either:

(1) Transfer the lump-sum pension value (also known as the **Commuted Value**) out of the Plan, or

(2) Receive a **Deferred Monthly Pension** benefit to commence on or before your Normal Retirement Date.

When making this decision, we strongly encourage you to seek independent financial advice to ensure that your decision, when considered in the context of your overall retirement savings strategy, will serve your individual retirement income needs. You must make an election within the timelines set out by the Company in your termination statement.

Commuted Value

You can choose to transfer out of the Plan, the lump-sum **Commuted Value** of your **Accrued Pension** and, if applicable, your **Accrued Supplement**.

The **Commuted Value** is the lump-sum equivalent value of your monthly pension benefit calculated on the **Date of Determination.** The Commuted Value is determined based on interest rates and certain other assumptions prescribed by the Canadian Institute of Actuaries.

If you elect to transfer the Commuted Value out of the Plan, you will have to decide what you are going to do with the money. Your lump-sum **Commuted Value** will be **Locked-In** and must be used to provide a retirement income from one of the following options:

- Transfer to a **Locked-In Retirement Account (LIRA),** sometimes called a "**Locked-In RRSP**." You will be able to direct how the money is invested. You will have to transfer the full amount to a **Life Income Fund (LIF)** (see below) or use it to buy an **Annuity** from an insurance company by December 31 of the year you reach age 71.
- Transfer to a Life Income Fund **(LIF).** You will be able to direct how the money is invested but regular payments must also be made to you from the **LIF**. Legislation defines the minimum and maximum annual withdrawal. There are certain age and spousal waiver restrictions for being able to transfer funds into a **LIF.**
- Purchase an **Annuity** from an authorized Canadian insurance company.
- Transfer to a new employer's registered pension plan if the rules of that plan will allow the transfer.

If your lump-sum **Commuted Value** exceeds the maximum lump sum benefit allowed to be transferred on a tax-deferred basis under the Income Tax Act, the excess will be paid to you in cash less applicable withholding taxes.

The term **Locked-In**, when used to describe a pension benefit, means that you cannot withdraw its value in cash. Instead, the benefit must be used to provide you with retirement income. All benefits under the Plan are Locked-In, with some exceptions under applicable pension law, such as for small benefits that fall below a specified amount.

Deferred Monthly Pension

You can choose to receive a **Deferred Monthly Pension** starting on the first of any month between your earliest retirement date and your Normal Retirement Date. A **Deferred Monthly Pension** is a pension benefit that does not start immediately. If you have a elected a Deferred Monthly Pension, you cannot defer pension commencement later than your Normal Retirement Date.

You must provide at least 3 months but not more than six months' notice in advance of your retirement date. Please see "How You Receive Your Monthly Pension" and "Starting a pension under the Plan" for details of the pension payment options.

Special Circumstances and "*What Ifs*"

What happens if you die before your pension starts?

If you have a surviving Spouse and your Spouse has not waived entitlement to the spousal death benefit

If you die before your pension starts and you have a surviving **Spouse** when your death occurs, and if at the date of your death either:

- The aggregate of your **Combined Service** and your age is at least 60 years and you have at least 10 years of **Combined Service**; *or*
- Your **Combined Service** is at least 15 years,

then an immediate monthly pension shall be payable to your Spouse for your Spouse's lifetime, equal to 50% of your **Accrued Pension**. If your Spouse is not eligible under the conditions listed above, or your Spouse elects not to receive a lifetime pension, they will receive a **Locked-In** death benefit from the **Plan** equal to the lump-sum **Commuted Value** of your **Accrued Pension** and, if applicable, **Accrued Supplement** as of the date of your death. Your Spouse must make an election within the timelines set out by the Company in the death benefits statement.

If your Spouse elects to receive a Locked-in **Commuted Value**, they will have to decide what they are going to do with the money. The lump-sum **Commuted Value** must be transferred to a Locked in Plan, as described above in "Leaving the Company".

If the lump-sum **Commuted Value** of the death benefit exceeds the maximum lump sum benefit allowed to be transferred on a tax-deferred basis under the Income Tax Act, the excess will be paid to your spouse in cash less applicable withholding taxes.

If you do not have a surviving Spouse or your Spouse has waived entitlement to the spousal death benefit

If you have a Spouse, your Spouse may waive entitlement to a death benefit by completing and submitting the *Spousal Waiver Form* in the form and manner required by the Company.

If you do not have a surviving **Spouse** when you die or your Spouse has waived entitlement to the spousal death benefits, your designated **Beneficiary** will receive the death benefit paid as a lump-sum cash payment, less applicable withholding tax. Your Spouse cannot be the Beneficiary of the cash payment that is not **Locked-In**.

What happens when you die after you retire?

If your death occurs after your pension has started, the death benefits will depend on the form of pension you elected at retirement. Please see "How You Receive Your Monthly Pension". Note the **Spouse** eligible for any spousal death benefit after your pension has started is your **Spouse** at your date of retirement.

What happens if you are on leave or become disabled?

Disability leave and workers' compensation leave

If you are on disability leave or workers' compensation leave from the Company as defined in the **Plan** due to total disability certified by a qualified medical doctor, you will continue to earn **Plan Service** until the earliest of your recovery, your death, termination of your employment, the date of **Plan** termination or your **Normal Retirement Date,** subject to certain limits and eligibility requirements.

If you are on disability leave from the Company as defined in the **Plan** and it is not due to total disability certified by a qualified medical doctor, you will continue to earn **Plan Service** for up to two years in respect of any single period of absence, or if earlier, the earliest of your recovery, your death, termination of your employment, the date of **Plan** termination or your **Normal Retirement Date,** subject to certain limits and eligibility requirements

For more information, please contact your Site Support HR Team.

Maternity/parental leave and other statutory leaves

While you are on maternity or parental leave or any other statutory leave granted by the Company pursuant to applicable employment standards legislation, you will continue to earn **Plan Service** as if you were working during that period if the employment standards legislation so requires, subject to applicable law including any Income Tax Act limits.

What happens if you divorce or separate from your Spouse?

If your relationship ends, you may have to assign a portion of the pension you accumulated while working for the Company during your relationship to your former-**Spouse**. You should contact Site Support HR Team for specific information on the implications of an assignment on relationship breakdown.

Government programs

In addition to the retirement benefits you will receive from the **Plan**, under current legislation you may be eligible for payments from two government-sponsored programs: the **Canada Pension Plan (CPP)**, and the **Old Age Security (OAS)** program.

Canada Pension Plan (CPP)

As an employee of the Company, you contribute to the **CPP** through payroll. The retirement benefit you receive is based on your earnings history, the contributions you made while you were working, and the age you decide to start your CPP pension. Under current legislation, you can retire as early as age 60 or as late as age 70; however, your pension will be adjusted to reflect payments that start either before or after your reach age 65. The benefit you receive will also be adjusted each year to keep up with changes in the cost of living.

When you die, your surviving spouse and/or dependent children may be eligible for a death benefit and survivors' benefits.

For more information regarding your **CPP** benefits please visit the Government of Canada website at www.canada.ca/en/services/benefits/publicpensions/cpp

Old Age Security (OAS)

The **OAS** program is for people below a certain income level, and may include certain other amount such as the Guaranteed Income Supplement (GIS) and spouse's allowance. The **OAS** is a flat-rate monthly payment you may receive once you reach age 65, if you are eligible. The amount you receive depends on your income and how long you lived in Canada. You do not contribute to OAS.

General Information

How the Pension Plan affects RRSP contributions

Each calendar year, your **RRSP** contribution limit is 18% of your earned income in the previous calendar year, up to an annual limit established by the Income Tax Act. This limit is reduced by your **Pension Adjustment (PA)** for the **Plan** from the previous calendar year.

What is a Pension Adjustment (PA)?

Your **PA** is the deemed value of the benefit that you earned in the year, calculated by the **Plan** benefit formula for that year.

The Company reports your **PA** on your T4 slip every year. The government uses your prior year's **PA** and the information from your tax return to calculate your **RRSP Contribution Room** for the current year. This calculation is shown on the **Notice of Assessment** you receive from Canada Revenue Agency after you file your tax return.

Your personal **RRSP** contribution limit applies to all the **RRSPs** you hold, including any Group **RRSPs**, personal **RRSPs,** and any spousal **RRSPs** you contribute to on behalf of your **Spouse**. You are responsible for keeping track of all your contributions to retirement plans to make sure you do not over-contribute to your RRSPs, otherwise Income Tax Act penalties may apply.

What is a Pension Adjustment Reversal (PAR)?

A **Pension Adjustment Reversal (PAR)** may be issued if you leave the Company and withdraw the total value of your benefit from the **Plan**. A **PAR** is issued if the total of the **Pension Adjustments** reported to the government is greater than the post-1989 amount you withdrew from the **Plan**. A **PAR** restores some of the **RRSP** room you may have lost.

Where to Find More Information

It's likely that from time to time you will have questions about the **Plan**.

Annual pension statement

It's important that you understand your pension benefit. In fact, pension legislation requires annual communication to all **Plan** members to help them better understand their **Plan** and how they earn a benefit. You will be provided with your personalized annual pension statement by June 30 each year to share valuable information about the Plan for the previous year and confirm the personal information that we have on record about you.

Member's rights

Any person entitled to a benefit under the Plan, or a spouse, designated beneficiary or agent of the person entitle to the benefit has a right to examine certain documents pertaining to the Plan as set out in sections 37(2) and 37(4) of the British Columbia Pension Benefits Standards Act. Currently, these documents include:

a. the Plan Booklet;
b. the Plan text document and any Plan amendments not included in the Plan text;
c. the record that authorizes the establishment of the Plan or under which the Plan is established or, if the record applies to more than the establishment of the Plan, the portion of the record that applies to the establishment of the Plan;
d. the three most recent Annual Information Returns;
e. the two most recent actuarial valuation reports and associated cost certificates;
f. the three most recent audited financial statements;
g. any applicable trust agreements, insurance contracts, etc.; and
h. any other official document that relates to the conditions of the plan and membership entitlements.

Questions

For more information about the Plan, contact your Site Support HR Team, Jennifer Rogowski at 250-523-3868 (Jennifer.rogowski@teck.com) or Heidi Sekhon at 250-523-3278 (Heidi.Sekhon@teck.com).

For more information, please contact your Site Support HR Team.

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Teck

TAB 11

(c) Employees who are required to write an exam for a course to advance in their Line of Progression, and such exam falls on a scheduled day of rest, will be paid eight (8) hours at their regular rate of pay.

17.06 Upon reasonable prior notice in writing, the Company will grant any employee an unpaid Leave of Absence for the first term of office as a Member of Parliament of Canada, as a Member of the Legislative Assembly of British Columbia, or as a Member of Indigenous governance.

17.07

(a) Employees shall be entitled to Maternity / Parental leave in accordance with the provisions of the Employment Standards Act. Such employees shall not lose seniority because of this leave and shall be restored to their former or equivalent position. Additional Leave of Absence may be granted under Article 17 sub section 17.07 (b) provided the appropriate medical certificates are provided for the dependent on request.

(b) Notwithstanding the preceding and upon mutual agreement of the Company and the Union, the times referred to in this Article may be altered.

(c) On advice of the Physician, a pregnant employee who requests a transfer to an alternate workplace due to workplace conditions will be provided with alternative work if available.

17.08 The Company recognizes that a request for Maternity / Parental Leave, Compassionate Care Leave, Leave respecting Domestic or Sexual Violence and Family Responsibility Leave, as defined by legislation, is a legitimate reason for Leave of Absence.

ARTICLE 18 – INSURANCE BENEFITS

18.01 The Company agrees to pay the full cost of providing the benefits set out below for any employee who has elected to, or in the future may elect to be covered by the Plans; provided that such employee meets the eligibility requirements for enrolment.

NOTE: Employees choosing to work past age 65 will be entitled to the benefits provided in the C.B.A. except where specifically excluded.

(a) The Medical Services Plan of British Columbia and the Extended Health Benefit Plan of the insurance carrier. The lifetime maximum for the Extended Health Benefit will be $110,000 per family member.

Effective October 1, 2021

- the annual maximums per person for Chiropractor, Naturopath, Podiatrist, Physiotherapist, Massage Practitioner, Speech Therapist, and Acupuncturist, all combined, shall be $1,400.
- The annual maximums per person for Licensed Psychologist or Social Workers, or Clinical Counsellor who are active members of a Provincial Association which is approved by Sunlife the benefit provider, all combined, shall be $2,500.
  - Cognitive Behavioral Therapy and Therapist Guided Programs are included
  - Employees are encouraged to use the Sunlife mobile app or website to search for Clinical Counsellors that are approved by Sunlife
- hearing aids (including batteries, recharging device, accessories) for members and dependent children to a maximum of $500 per five calendar years.
- Prescribed contraceptives.
- Health and Wellness Benefit (Healthy Living Allowance) of five hundred ($500) per calendar year, including members on LTD.

(b) The Basic Dental Insurance Plan "A" provided by the insurance carrier. The Plan shall provide one hundred percent (100%) of basic service claims.

(c) The Basic Dental Insurance Plan "B" provided by the insurance carrier. The Plan provides for payment of eighty five percent (85%) of claims respecting prosthetic appliances, implants, crown and bridge procedures as therein set out.

(d) The Dental Insurance Plan "C" provided by the insurance carrier. The plan provides for the payment of fifty percent (50%) of the claims for orthodontal services to a lifetime maximum of twenty-six hundred dollars ($2,600) per family member.

(e) A Group Life Insurance Benefit of $100,000 for the term of this C.B.A. commencing on the date of ratification of the C.B.A.

(f) A non occupational Accident, Death and Dismemberment Benefit (A.D.&D.) of $100,000 for the term of this C.B.A. commencing on the date of ratification of the C.B.A.

(g) Employees may opt to purchase through payroll deduction an equivalent Group Life Insurance and/or A.D.&.D. benefit at age related rates.

(h) A Weekly Indemnity Benefit for sickness and non occupational accident insurance providing payment of sixty six and two thirds percent (66 2/3%) of the maximum insurable benefits established by the Unemployment Insurance Commission. The minimum benefits payable per week are as follows:

i) October 1, 2021 $850.00 per week

Such benefit is provided from the first (1st) day of accident and third (3rd) scheduled working day of sickness or from the first day of day surgery for fifty-two (52) weeks.

Benefits are payable weekly in arrears, commencing on the later of:

- the completion of the elimination period, and
- the first day the employee consults a Physician.

Any employee who chooses to work past the age of 65 and subsequently becomes unable to attend work due to illness or non-occupational injury, will retire to pension after fifty-two (52) weeks of absence, whether or not the employee has chosen to apply for Weekly Indemnity benefits (short-term disability).

(i) A Long Term Disability benefit for employees who suffer an illness or non occupational injury commencing upon the expiration of Weekly Indemnity payments and continuing until recovery, retirement or death. Benefit payments shall be calculated as follows less the total of all payments made by government (calculated monthly) to such disabled employees :

i) October 1, 2021 $2,200.00 per month

Employees on Long Term Disability will be paid semi-monthly

Long Term Disability coverage and Long Term Disability benefits will apply to employees until the employee attains the age of 65. Any employee in receipt of Long Term Disability benefits upon turning age 65 will retire to pension.

(j) Employees may opt to purchase through payroll deductions a matching Long Term Disability benefit.

(k) The Company will continue to provide the non contributory defined benefit pension plan, the terms and conditions of which are found in the "Teck Highland Valley Copper Partnership Pension Plan for Hourly Paid Employees represented by the United Steelworkers (Local 7619)" which is incorporated into and forms part of this C.B.A.

In the event that the Parties agree to amend the pension plan, the amending Memorandum of Agreement shall become effective upon ratification of the C.B.A. by the Parties, and such changes will be incorporated into and form part of the pension plan.

In addition, the Parties agree to meet within 3 months of the signing of a new C.B.A. and annually thereafter to discuss matters pertaining to pension funding. For such meetings the Company will provide the following:

- A copy of the most recent pension actuarial valuation, or for those years when the plan is not subject to a valuation, an estimate by the Company's Actuaries of the status of the plan.

- Teck Highland Valley Copper Partnership representatives who are knowledgeable about pension funding issues.

The following is a summary of the major pension benefits:

Eligibility and membership

An employee becomes a member on date of hire.

Basic benefit rate

Effective October 1, 2021 to September 30, 2026 $89.00* per month per year of service.

*Total pension (basic benefit plus copper bonus) at October 1, 2021 is $119.15.

Unreduced early retirement

Eligibility:

Age 58 and total of age plus service at least 84 years

Supplement to age 65

Effective October 1, 1995

$25 per month per year of service, to a maximum of 40 years.

Reduced early retirement

Age 55 with 20 years of service basic pension reduced by 0.5% per month to unreduced early retirement date plus supplement to age 65 for service to retirement date, reduced for early retirement by 0.5% per month to unreduced early retirement date.

Age 55 with 10 years of service

basic pension reduced by 0.5% per month to age 65

Survivor's benefits

After retirement

60% of basic pension to spouse, or 60% of the actuarially reduced basic pension as set out in the B. C. Pension Benefits Standards Act.

Postponed Pension Date

The Company pension plan for hourly employees will be amended to provide that employees may choose to postpone their pension beyond age 65 up to the end of the month in which they turn 71 or such age as is permitted by the pension benefit regulations in the Province of British Columbia and the Canada Revenue Agency. This date shall be known as the "postponed pension date". Employees retiring on their postponed pension date will be entitled to a pension based upon their pensionable service, including service beyond age 65, according to the pension formula in effect at the date of the employee's retirement.

Before Retirement, with Spouse

Eligibility

Either 15 years service or 60 "points" (total of age plus service) plus 10 years service.

Amount

Payable to the spouse, the greater of:

An immediate pension equal to 50% of the accrued basic pension (unreduced) that would have been payable to the member had they been retirement eligible.

OR

The pension that can be provided by 100% of the commuted value of the accrued basic pension, which can be taken as a monthly pension or locked-in plan.

BEFORE RETIREMENT, NO SPOUSE

100% of commuted value of vested pension.

PORTABILITY

Terminated members, surviving spouses, beneficiaries may transfer value of vested benefits to a locked in RRSP.

LONG TERM DISABILITY

Pensionable service continues to accrue on total disability.

(l)

i) For employees who retired on or after January 1, 2006 and before October 1, 2011 the Company agrees to continue to pay the premium cost to provide the benefits set out below, provided that such retiree meets the eligibility requirement for enrolment:

The Medical Services Plan of British Columbia and the Extended Health Benefit Plan of the insurance carrier. The life time maximum benefit for the insurance carrier shall be $25,000 each for the retiree and spouse established effective the date the employee retires. Health Care expenses covered will be the same as the plan for active employees except the life time maximum will not be re-instated.

ii) For employees who retire on or after October 1, 2011, the Company agrees to pay the premium cost to provide the benefits set out below, provided that such retiree meets the eligibility requirement for enrolment:

The Medical Services Plan of British Columbia and the Extended Health Benefit Plan of the insurance carrier. The lifetime maximum for the Extended Health Benefit referred to in Article 18 sub section 18.01 (a) will continue into retirement for each retiree and retiree's spouse. Health Care expenses covered will be the same as the plan for active employees except the life time maximum will not be re-instated.

iii) For both groups referred to in i) and ii) above, a Group Life Insurance Benefit of $10,000 on the date of retirement and reduced annually by $1,000 to $6,000 on the fifth anniversary of retirement.

iv) Eligibility Requirements for Post Retirement Benefits

a. An employee must have age plus completed years of service adding up to a minimum of 75 points and the employee must be a minimum of 55 years of age in order to be eligible for post-retirement benefits.

b. An employee who retires, but does not have 75 or more points, is not eligible for post-retirement benefits, except as provided for in paragraph "f".

c. An employee electing to take the commuted value of their pension rather than an immediate monthly pension is not eligible for post-retirement benefits.

d. An employee who meets the eligibility requirements must also commence receiving a pension immediately upon retiring from employment at HVC and an employee who quits or who is discharged and is not subsequently re-instated, or who otherwise leaves employment with HVC but does not retire to pension is not eligible for post-retirement benefits.

e. Only an employee's legal spouse on the day the employee retires is entitled to post-retirement benefits. If the employee and the employee's spouse separate, divorce or the spouse dies, a new spouse will not qualify for post-retirement benefits. If an eligible employee and their spouse separate or divorce subsequent to the employee's retirement, HVC will not be obligated to provide to the employee and their former spouse post-retirement benefits that cost greater than the amount required to provide post-retirement benefits to the employee and their spouse.

f. At mine closure employees with age plus completed years of service totaling 73 points and a minimum of 50 years of age may, at the time they are laid off, elect to defer their pension until age 55 or later. If an employee makes this election, the employee will be eligible for post-retirement benefits at the same time as the employee begins to receive a monthly pension.

(m) A Plan to provide for reimbursement for basic B.C. Hospital Co Insurance charged from time to time (currently set at $8.50 per day) incurred by Bargaining Unit employees.

18.02

(a) The Company shall supply to the Union copies of the master Agreements to all benefit plans agreed to in this C.B.A. No changes shall be made to any agreement during the term of the Collective Agreement without the agreement of the Union.

(b) The Company and the employees agree at all times to comply with the policies and regulations of the insurance carriers for benefit plans agreed to in the C.B.A.

18.03 Eligibility for benefits under the Plan are as follows:

Medical Services Association Benefits a transfer from participatory plan is effective immediately. Coverage for new applicants shall become effective in accordance with the eligibility requirements for enrolment in the Plans.

18.04

(a) The Company shall provide an Optical Plan which provides for a payment of three hundred ($300.00) on claims, including laser eye surgery or eye examinations, each twenty four (24) months.

(b) The Company shall continue the safety glasses program instituted during 1972, wherein it agreed to initially provide glasses for all employees. Under this program, the Company agrees to provide prescription glasses to those employees who require them and to replace glasses upon proof of prescription change or damage.

18.05 The Company will pay Insurance premiums beginning the first (1st) of the month following the month of employment.

18.06

(a) Birth mothers who are eligible for maternity under the Employment Standards Act are eligible for a Company-paid top-up premium for a maximum of seventeen (17) weeks commencing the first day of their maternity leave. The top-up premium is:

a. 100% of the employee's pre-maternity leave average weekly wage and the EI waiting period up to a maximum of one week; and

b. an amount equal to the difference between 100% of the employee's pre-maternity leave average weekly wage and the EI Standard Parental Leave benefit for the remainder of the maternity leave up to a maximum period of 16 weeks. For greater certainty, the Company will always use the Standard Parental Leave benefit for the purpose of calculating this top-up premium.

(b) "Average weekly wage" is defined as forty (40) hours x base rate.

(c) To qualify for the top up premium set out in this Article, the employee must:

a. have completed at least 12 months of continuous service with the Company; and

b. be approved for receipt of EI Parental Leave benefits prior to the end of the one-week waiting period.

(d) If an employee receives any top-up premium and voluntarily terminates their employment within 6 months of returning to work from the maternity/parental leave, the employee will pay back the top-up premium to the Company as follows:

a. 100% of top-up premium repayable to the Company if employment ends less than one month after the end of the employee's maternity/parental leave; or

b. repayable on a pro-rated bases to the Company if employment ends more than one month or up to six months after the end of the employee's maternity/parental leave.

(e) The purpose of the top-up premium in this Article is to support the health and well-being of pregnant women and new birth mothers associated with pregnancy and childbirth so that they can effectively return to the workforce.

ARTICLE 19 - GENERAL PROVISIONS

19.01

(a) It is understood that no payment shall be made by the Company under Article 11 sub section 11.14 if the injured employee receives payment from the Workers' Compensation Board for the time lost.