
Notice of Annual General Meeting of Shareholders

Management Proxy Circular

March 8, 2016

TECK RESOURCES LIMITED

Notice of Annual General Meeting of Shareholders and
Management Proxy Circular

March 8, 2016

Dear Shareholders:

You are invited to join us at our annual general meeting of shareholders to be held on Wednesday, April 27, 2016 at 11:00 a.m. Pacific Daylight Time at the Waterfront Ballroom, at the Fairmont Waterfront Hotel, 900 Canada Place Way, Vancouver, British Columbia.

This notice of meeting and management proxy circular outline the business to be conducted at the meeting and provide information on executive compensation and corporate governance at Teck Resources. We hope that you will take the time to read this circular in advance of the meeting as it provides background information that will help you exercise your right to vote. Even if you cannot attend the meeting in person, we encourage you to vote as this is your right as a shareholder. Instructions on how you can exercise your voting rights are found on pages 5 to 7 of this circular.

If you are able to attend the meeting in person, there will be an opportunity to ask questions. If you are unable to attend, a recorded version of the meeting will be available on our website following the meeting at <http://www.teck.com/investors>.

Norman B. Keevil
Chairman of the Board

Donald R. Lindsay
President and Chief Executive Officer

TECK RESOURCES LIMITED

Suite 3300 - 550 Burrard Street
Vancouver, British Columbia
V6C 0B3

Notice of Annual General Meeting of Shareholders

TAKE NOTICE that the Annual General Meeting (the “Meeting”) of the shareholders of TECK RESOURCES LIMITED (the “Corporation”) will be held in the Waterfront Ballroom, at the Fairmont Waterfront Hotel, 900 Canada Place Way, Vancouver, British Columbia, on April 27, 2016, at 11:00 a.m. Pacific Daylight Time, to:

- a. receive the Annual Report of the Corporation containing the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2015 and the report of the auditors thereon;
- b. elect 14 directors;
- c. appoint auditors;
- d. consider and approve an advisory resolution with respect to the Corporation’s approach to executive compensation; and
- e. transact any other business properly brought before the Meeting or any adjournment thereof.

Your vote is important. You have the right to vote your shares if you were a Teck Resources shareholder on March 8, 2016.

If you are unable to attend the Meeting, you are encouraged to vote your proxy by mail, internet or telephone. See pages 5 to 7 for information on how to vote. To be valid, your proxy must be received by CST Trust Company, Attention: Proxy Department, no later than 11:00 a.m. (PDT) on April 25, 2016, or if the Meeting is adjourned, at least 48 hours (excluding weekends and holidays) before the time set for the Meeting to resume. The Chair of the Meeting has the discretion to accept late proxies.

March 8, 2016

By order of the Board of Directors

“Karen L. Dunfee”

Karen L. Dunfee
Corporate Secretary

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General Information

Information in this Management Proxy Circular of Teck Resources Limited (the “Corporation” or “Teck”) is as of March 8, 2016 and all dollar figures are in Canadian dollars, unless otherwise noted.

Shares Outstanding

At the close of business on March 8, 2016 there were 9,353,470 Class A common shares outstanding and 566,907,812 Class B subordinate voting shares outstanding. The Class A common shares trade on the Toronto Stock Exchange (“TSX”) under the symbol “TCK.A”. The Class B subordinate voting shares trade on the TSX under the symbol “TCK.B” and on the New York Stock Exchange (“NYSE”) under the symbol “TCK”.

Voting Shares and Principal Holders of Voting Shares

The Corporation is authorized to issue an unlimited number of Class A common shares, Class B subordinate voting shares and preference shares. At March 8, 2016, there were 9,353,470 Class A common shares outstanding, each carrying the right to 100 votes per share, and 566,907,812 Class B subordinate voting shares, each carrying the right to one vote per share. The Class B subordinate voting shares carry 37.74% of the aggregate voting rights attached to the Class A common and Class B subordinate voting shares. At March 8, 2016 no preference shares were outstanding.

With the exception of the shareholders mentioned below, the directors and officers of the Corporation do not know of any person or company beneficially owning or exercising direction or control over, directly or indirectly, shares carrying more than 10% of the votes attached to any class of voting securities of the Corporation.

Temagami Mining Company Limited (“Temagami”) has informed the Corporation that as at March 8, 2016, it beneficially owned, or exercised direction or control over, directly or indirectly, 4,300,000 Class A common shares (representing 45.97% of the Class A common shares outstanding) and 860,000 Class B subordinate voting shares (representing 0.15% of the Class B subordinate voting shares outstanding) of the Corporation, which shares represent 28.68% of the total votes attached to the combined outstanding Class A common shares and Class B subordinate voting shares. Keevil Holding Corporation beneficially owns 51% of the outstanding shares of Temagami and SMM Resources Incorporated (“SMM”), a wholly-owned subsidiary of Sumitomo Metal Mining Co. Ltd. (“Sumitomo”), beneficially owns 49% of the outstanding shares of Temagami.

In addition to the foregoing, SMM has informed the Corporation that as at March 8, 2016, it beneficially owned and exercised direction or control over, directly or indirectly, 1,469,000 Class A common shares and 295,800 Class B subordinate voting shares of the Corporation. Accordingly, SMM exercises voting rights representing 9.80% of the total votes attached to the combined outstanding Class A common shares and Class B subordinate voting shares of the Corporation.

Based on publically available reports, as of March 8, 2016, Caisse de dépôt et placement du Québec held 1,587,600 Class A common shares, which represents 16.97% of the Class A common shares. Those shares, together with 8,509,797 Class B subordinate voting shares (representing 1.50% of the Class B subordinate voting shares outstanding) held by it, represent 11.13% of the total votes attached to the combined outstanding Class A common shares and Class B subordinate voting shares of the Corporation.

As of March 8, 2016, Fullbloom Investment Corporation, a wholly-owned subsidiary of China Investment Corporation, held 101,304,474 Class B subordinate voting shares, which represent 17.87% of the Class B subordinate voting shares outstanding and 6.74% of the total votes attached to the combined outstanding Class A common shares and Class B subordinate voting shares of the Corporation.

Based on publically available reports, as of February 29, 2016, Dodge & Cox, a U.S. investment advisor, held 71,442,551 Class B subordinate voting shares, which represent 12.60% of the Class B subordinate voting shares outstanding and 4.75% of the total votes attached to the combined outstanding Class A common shares and Class B subordinate voting shares of the Corporation.

Subordinate Voting Shareholder Protection

The attributes of the Class B subordinate voting shares contain so-called "Coattail Provisions" which provide that in the event an offer (an "Exclusionary Offer") to purchase Class A common shares, which is required to be made to all or substantially all holders thereof, is not made concurrently with an offer to purchase Class B subordinate voting shares on identical terms, then each Class B subordinate voting share will be convertible into one Class A common share. The Class B subordinate voting shares will not be convertible in the event an Exclusionary Offer is not accepted by holders of a majority of the Class A common shares (excluding those shares held by the offeror making the Exclusionary Offer).

If an offer to purchase Class A common shares does not, under applicable securities legislation or the requirements of any stock exchange having jurisdiction, constitute a "take-over bid" or is otherwise exempt from any requirement that the offer be made to all or substantially all holders of Class A common shares, the Coattail Provisions will not apply.

The above is a summary only. Reference should be made to the full text of the Coattail Provisions contained in the articles of the Corporation, a copy of which may be obtained on SEDAR at www.sedar.com or by writing to the Corporate Secretary of the Corporation.

Notice and Access

The Corporation is using the "notice and access" model for delivery of meeting materials to its shareholders. Specifically, beneficial shareholders who have requested to receive proxy-related materials and who do not have existing instructions on their account to receive paper material, and registered shareholders who have consented to electronic delivery, will receive paper copies of a notice of meeting and a voting form and will receive the other proxy-related materials through notice and access. Shareholders receiving proxy-related materials through notice and access will

receive a notification containing information on how to obtain electronic and paper copies of the materials in advance of the Meeting. All other beneficial shareholders who have requested to receive proxy-related materials and all other registered shareholders will receive paper copies of the proxy circular and other proxy-related materials.

The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and also will reduce the cost of printing and mailing materials to registered and beneficial shareholders.

The meeting materials can be viewed online under the Corporation's profile at www.sedar.com, on the United States Securities and Exchange Commission website at www.sec.gov, or at the Corporation's website at www.teck.com/reports.

Annual and Interim Reports

As outlined above under the heading "Notice and Access", the Corporation has decided to send proxy-related materials to certain registered and beneficial shareholders using notice and access. If you are a registered shareholder and have not consented to electronic delivery, you will be mailed our 2015 Annual Report unless you requested in writing not to receive one. All other registered shareholders will receive the Annual Report through notice and access. If you wish to receive interim reports, please complete and return the appropriate card in this package or follow the instructions to indicate your preference on the internet.

If you are a beneficial shareholder who has requested to receive proxy-related materials and you do not have existing instructions on your account to receive paper material, you will receive the Annual Report through notice and access. All other beneficial shareholders who have existing instructions on their account to receive paper material and have requested to receive the annual report will be mailed our 2015 Annual Report. If you are a beneficial shareholder and wish to receive the Annual Report and interim reports next year, please complete and return the appropriate card in this package or follow the instructions to indicate your preference on the internet.

Availability of Documents

We will send a copy of our Annual Report, Management Proxy Circular, annual information form, audited consolidated financial statements and management's discussion and analysis (MD&A), free of charge to any person upon written request to the Corporate Secretary at Suite 3300 – 550 Burrard Street, Vancouver, British Columbia V6C 0B3. These documents can be viewed (or ordered) on our website (www.teck.com) or on SEDAR (www.sedar.com). Additional information relating to the Corporation is on SEDAR. Financial information is provided in the Corporation's comparative financial statements and the MD&A for the Corporation's most recently completed financial year.

We also file our annual report with the US Securities and Exchange Commission ("SEC") under Form 40-F. This document can be viewed on EDGAR under "Filings and Forms" (www.sec.gov).

Shareholder Proposals

In order to be included in the proxy material for the 2017 Annual Meeting of shareholders, shareholder proposals must be received by the Corporation at its offices at Suite 3300 - 550 Burrard Street, Vancouver, British Columbia, V6C 0B3, Attention: Corporate Secretary, no later than December 9, 2016.

Insurance

General By-law No. 1 of the Corporation provides for the indemnification of each director and officer against all costs, charges and expenses reasonably incurred by him or her in respect of any action or proceeding to which he or she is made a party by reason of being a director or officer of the Corporation, subject to the limitations contained in General By-law No. 1 and in the *Canada Business Corporations Act*. Each director and officer is provided with an Indemnity Agreement consistent with the by-law provisions.

During 2015, the Corporation purchased policies of insurance for the benefit of itself and its directors and officers against liability incurred by them in the performance of their duties. The cumulative amount of the premium paid in respect of the policies in 2015 was approximately US\$1.3 million. The entire premium was paid by the Corporation. The aggregate amount of coverage under the policies was US\$150 million in respect of the directors and officers and US\$125 million in respect of the Corporation. There is no deductible in the case of directors and officers and a deductible of US\$2.5 million for the Corporation. The policies contain standard industry exclusions and no claims have been made to date.

Voting Information

Solicitation of Proxies

This Management Proxy Circular is furnished in connection with the solicitation by the management (“Management”) of the Corporation of proxies to be used at the Annual and Special Meeting of shareholders of the Corporation (the “Meeting”) to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment(s) thereof. Solicitation will be made primarily by mail, but may be supplemented by solicitation personally by directors, officers and employees of the Corporation without special compensation. The Corporation will pay the cost of any solicitation.

Proxy Voting

The persons named in the accompanying form of proxy are officers and/or directors of the Corporation. If you wish to appoint some other person (who need not be a shareholder of the Corporation) to represent you at the Meeting you may do so either by inserting the person's name in the blank space provided in the form of proxy or by completing another form of proxy, and delivering the completed form of proxy as described below under the heading “Registered Shareholders” at least 48 hours before the Meeting.

If a shareholder directs the persons named in the form of proxy to vote for or against or to withhold from voting, the shares represented by the persons named in the form of proxy will be voted accordingly on a ballot or otherwise. **In the absence of any such direction, the management representatives named in the form of proxy will vote the shares: (i) for the election of directors; (ii) for the appointment of the auditors; and (iii) for the advisory resolution on the Corporation’s approach to executive compensation.** The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters discussed above and other matters which properly come before the Meeting. Management knows of no such amendments or variations, or of any matters to come before the Meeting other than the matters referred to in the Notice of Meeting.

Registered Shareholders

You are a registered shareholder if your shares are held in your name and you have a share certificate or if you hold your shares through the Direct Registration System. In the Notice of Meeting, this Management Proxy Circular and the form of proxy provided, all references to shareholders are to registered shareholders. Registered shareholders may vote their shares by one of the following methods:

- If you plan to attend the Meeting and vote your shares in person you do not need to complete and return the form of proxy. Your vote will be recorded and counted at the Meeting. Please register with a representative of CST Trust Company (“CST”), the transfer agent, upon arrival at the Meeting.
- If you are unable to attend the Meeting in person, you may vote by proxy by completing, dating and signing the enclosed form of proxy and sending it by mail or delivery in the enclosed envelope to the Corporate Secretary of the Corporation c/o CST Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1, or if

by hand, 320 Bay Street, Banking Hall Level, Toronto, Ontario, or to the Corporate Secretary of the Corporation at the Corporation's registered office located at Suite 3300 - 550 Burrard Street, Vancouver, British Columbia, V6C 0B3. You may also fax your completed proxy to 1-866-781-3111 or email a scanned copy to proxy@canstockta.com (English) or procuration@canstockta.com (French) or vote by internet at <https://www.cstvotemyproxy.com> in accordance with the instructions on the enclosed proxy form.

Please note that in order for your vote to be recorded, your proxy must be received by CST or the Corporate Secretary at least 48 hours before the Meeting.

Non-Registered Shareholders

Most shareholders of the Corporation are "beneficial shareholders". You are a beneficial shareholder if the shares that you own are registered in the name of an intermediary such as a bank, a trust company, a securities broker, a trustee or other nominee and not in your own name.

There are two kinds of beneficial shareholders: those who object to their names being made known to Teck, referred to as objecting beneficial owners ("OBOs"), and those who do not object to the Corporation knowing who they are, referred to as non-objecting beneficial owners ("NOBOs"). The meeting materials are being sent to both registered and non-registered shareholders.

The meeting materials for NOBOs and OBOs will be distributed through clearing houses and intermediaries, who often use a service company such as Broadridge Financial Solutions to forward meeting materials to non-registered shareholders.

As described above under the heading "Notice and Access", the Corporation has sent meeting materials to certain beneficial shareholders using notice and access.

Non-Objecting and Objecting Beneficial Owners

NOBOs and OBOs will receive meeting materials from their intermediaries unless a NOBO or OBO has waived the right to receive them. Generally, NOBOs/OBOs who have not waived the right to receive meeting materials will be given a voting instruction form ("VIF") which must be completed and signed by the NOBO/OBO in accordance with the directions on the VIF, or more rarely will be given a proxy already signed by the intermediary and restricted as to the number of shares beneficially owned by the NOBO/OBO but which is otherwise not completed.

Should an NOBO/OBO receiving either a proxy or a VIF wish to attend and vote at the Meeting in person (or have another person attend and vote on their behalf), the NOBO/OBO should strike out the names of the persons named in the proxy and insert the NOBO's/OBO's (or such other person's) name in the blank space provided, or in the case of a VIF, follow the instructions on the form. By doing so the NOBO/OBO is instructing the intermediary to appoint them or their designee as proxy holder.

In any event, NOBOs/OBOs should carefully follow the instructions of their intermediaries and their service companies.

Revoking Your Vote

Registered Shareholders

You can revoke a vote you made by proxy by (i) completing a proxy form that is dated later than the proxy form you want to revoke and then mailing it to CST so they receive it at least 48 hours prior to the Meeting; (ii) sending a notice in writing from you or your authorized attorney to our Corporate Secretary so that it is received at least 48 hours prior to the Meeting; or (iii) providing a notice in writing from you or your attorney to the Chairman of the Meeting, at the Meeting or any adjournment.

Non-Objecting and Objecting Beneficial Owners

Please contact your nominee for instructions on how to revoke your voting instructions.

Record Date

Each holder of issued and outstanding Class A common shares or Class B subordinate voting shares of record at the time of the close of business on March 8, 2016 (the "Record Date") is entitled to receive notice of the Meeting and will be entitled to vote at the Meeting, by proxy or in person.

Matters to be Acted on at the Meeting

Financial Statements

Our audited consolidated financial statements for the year ended December 31, 2015 and the report of the auditors thereon will be placed before the Meeting. These audited consolidated financial statements form part of our 2015 Annual Report. Copies of the 2015 Annual Report may be obtained from the Corporate Secretary upon request and will be available at the Meeting.

Election of Directors

Directors are elected annually and the Board of Directors of the Corporation (the “Board”) has determined that the number of directors to be elected is 14. **Unless authority to vote is withheld, the shares represented by the proxies hereby solicited will be voted by the management representatives therein FOR the election of each of the nominees whose names are set forth below.** Twelve nominees are currently members of the Board and the dates on which they were first elected or appointed are indicated below. Management does not contemplate that any nominee will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote **FOR** another nominee in their discretion, unless the shareholder has specified in the accompanying form of proxy that such shareholder’s shares are to be withheld from voting on the election of a director.

Majority Voting Policy

The Board has adopted a policy providing that in an uncontested election of directors, any nominee who receives a greater number of votes “withheld” than votes “for” will tender a resignation to the Board promptly following the relevant shareholder meeting. The Corporate Governance and Nominating Committee will consider the offer of resignation and, except in special circumstances, will be expected to recommend that the Board accept the resignation. The Board will make its decision and announce it in a press release within 90 days following the meeting, including the reasons for rejecting the resignation, if applicable. A director who tenders a resignation pursuant to this policy will not participate in any meeting of the Board or the Corporate Governance and Nominating Committee at which the resignation is considered.

Nominees for Election to the Board

Each of the following persons is nominated to hold office as a director until the next annual meeting or until his or her successor is duly elected or appointed. The following profiles provide information about the nominees including their background, meeting attendance, share ownership and other public company boards on which they serve.

All information is as of December 31, 2015 unless otherwise indicated. Class A and Class B shares and Share Unit holdings are as of December 31, 2015 and valued at the closing price of the Class A shares (\$8.28) and the Class B shares (\$5.34) on the Toronto Stock Exchange on December 29 and December 31, 2015 respectively. The Share Units are valued at the Class B price (\$5.34). As a member of management, Donald R. Lindsay is the only nominated director eligible to receive Performance Share Units.

The overall attendance was 94.7% at Board meetings and 97.4% at Committee meetings for the year. All directors with the exception of Mr. Ashar, Mr. Chee and Mr. Chong and Mr. Fukuda, who are nominated for the first time for election at the Meeting, were present at last year's annual meeting of shareholders.

Directors unable to attend a meeting receive all the materials on the business to be considered in advance. The director's views, including dissenting views if applicable, would be communicated to the Chair prior to the meeting.

MAYANK M. ASHAR, 61

Calgary, Alberta, Canada
and Delhi, India
Independent⁽²⁾
Director Since: 2007

Other Public Company Directorships:
Cairn India Limited

2015 AGM Voting Results

For: 1,163,310,784 (99.44%)
Withheld: 6,573,132 (0.56%)

Mayank M. Ashar was appointed to the Board of Teck in November 2007. He is a graduate of the University of Toronto (M.Eng, MBA). Mr. Ashar was appointed Managing Director and Chief Executive Officer of Cairn India Limited in November 2014. He was the President of Irving Oil from 2008 to April 2013. From 1996 to 2008, he was Executive Vice President at Suncor Energy with operations roles in Oil Sands, U.S.A. and Corporate Strategy.

Meetings Attended:

Board	13 of 17	76%
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Committee Meetings Attended:

Compensation	5 of 5	100%
Corporate Governance & Nominating	4 of 4	100%
Safety & Sustainability (Chair)	4 of 4	100%
Reserves	3 of 4	75%

Securities Held

Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	58,000 (\$309,720)	53,592 (\$286,181)	(\$0)	\$595,901	Yes (375%)

QUAN CHONG, 63

Beijing, China
Independent⁽²⁾
Director Since: New Nominee

Other Public Company Directorships:
None

2015 AGM Voting Results
N/A

Quan Chong is standing for election to the Board of Teck Resources Limited for the first time. He received a BA in English from the Beijing Institute of Foreign Trade in 1978 and is a graduate of Harvard Business School's executive management program (1998). Among other positions he has held during his career, Mr. Chong has worked extensively for the Ministry of Foreign Trade, as well as the United Nations Office in Geneva, the Commercial section of the Chinese Embassy in the U.K., and the Department of Foreign Affairs, Ministry of Commerce. He has extensive experience in bilateral negotiations with numerous countries and oversaw WTO dispute settlements and Antitrust reviews while at the Ministry. Most recently, from 2010 he was Deputy China International Trade Representative (Vice-Ministerial level). He currently serves as a deputy of the National People's Congress of China.

Meetings Attended:

Board	n/a	n/a
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Securities Held

Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	0 (\$)	0 (\$0)	0 (\$0)	(\$0)	Not Yet*

*Mr. Chong has until 2021 to meet share ownership guidelines.

JACK L. COCKWELL, 75⁽⁶⁾

Toronto, Ontario, Canada
Independent⁽²⁾
Director Since: 2009

Other Public Company Directorships:
Brookfield Asset Management Inc.
Norbord Inc.

2015 AGM Voting Results

For: 1,163,248,929 (99.43%)
Withheld: 6,623,087 (0.57%)

Jack L. Cockwell was elected to the Board of Teck in April 2009. He is a graduate of the University of Cape Town (MComm). Mr. Cockwell is Group Chairman of Brookfield Asset Management Inc. and has served as a director of Brookfield since September 1979. He is also a director of Brookfield Properties Advisory Board, Norbord Inc. and a Heritage Governor of the Royal Ontario Museum.

Meetings Attended:

Board	16 of 17	94%
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Committee Meetings Attended:

Audit	3 of 4	75%
Reserves	4 of 4	100%

Securities Held

Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	5,000 (\$26,700)	47,986 (\$254,245)	0 (\$0)	\$282,945	Yes (178%)

LAURA L. DOTTORI-ATTANASIO, 48

Toronto, Ontario, Canada
Independent⁽²⁾
Director Since: 2014

Other Public Company Directorships:
None

2015 AGM Voting Results

For: 1,166,710,381 (99.73%)
Withheld: 3,163,424 (0.27%)

Laura L. Dottori-Attanasio was appointed to the Board of Teck in November 2014. She holds a Bachelor's degree from the University of Western Ontario. Ms. Dottori-Attanasio is currently the Chief Risk Officer for the Canadian Imperial Bank of Commerce (CIBC). Ms. Dottori-Attanasio joined CIBC as Global Head of Corporate Credit Products in 2009. Ms. Dottori-Attanasio is a director of the Children's Aid Foundation, Mount Sinai Hospital Foundation and the Global Association of Risk Professionals (GARP).

Meetings Attended:

Board	17 of 17	100%
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Committee Meetings Attended:

Audit	6 of 6	100%
Corporate Governance & Nominating	2 of 2	100%

Securities Held

Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	3,372 (\$18,006)	13,754 (\$73,446)	0 (\$0)	\$91,452	Not Yet* (57%)

*Ms. Dottori-Attanasio has until 2019 to meet share ownership guidelines.

EDWARD C. DOWLING, 60

Greenwood Village, Colorado, U.S.A.
Independent⁽²⁾
Director Since: 2012

Other Public Company Directorships:
Alacer Gold Corp.

2015 AGM Voting Results

For: 1,163,713,857 (99.47%)
Withheld: 6,157,819 (0.53%)

Edward C. Dowling was appointed to the Board of Teck in September 2012. Mr. Dowling holds a BSc. in Mining Engineering as well as a Master of Science and a Doctor of Philosophy in Mineral Processing, all from Pennsylvania State University. He was President and Chief Executive Officer of Alacer Gold Corp. from 2008 to July 2012 and is currently the Chairman of Alacer Gold Corp.

Meetings Attended:

Board	17 of 17	100%
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Committee Meetings Attended:

Compensation (Chair)	5 of 5	100%
Corporate Governance & Nominating	2 of 2	100%
Reserves	3 of 4	75%

Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	0 (\$0)	26,695 (\$142,551)	2,794 (\$14,920)	\$157,471	Not Yet* (99%)

*Mr. Dowling has until 2017 to meet share ownership guidelines.

EIICHI FUKUDA, 62

Tokyo, Japan
Independent⁽²⁾
Director Since: New Nominee

Other Public Company Directorships:
None

2015 AGM Voting Results

N/A

Eiichi Fukuda is standing for election to the Board of Teck Resources Limited for the first time. He is a graduate of the Institute of Mineralogy, Petrology and Economic Geology, Faculty of Science, Tohoku University, Sendai, Japan (B.A. Geology). Mr. Fukuda has held various positions with Sumitomo Metal Mining Co. from 1986 and is currently General Manager of Exploration and Development Department, Mineral Resources Division a position he has held since 2013. He is a director of Sumitomo Metal Mining Chile Ltda., Sumitomo Metal Mining Peru S.A., Cordillera Explorations Co. Inc. and Newminco Pacific Mining Corporation.

Meetings Attended:

Board	n/a	n/a
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Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	2,000 (\$10,680)	0 (\$0)	0 (\$0)	\$10,680	No* 6%

*Mr. Fukuda has until 2021 to meet share ownership guidelines.

NORMAN B. KEEVIL, 78

West Vancouver, B.C., Canada
Not Independent⁽¹⁾
Director Since: 1963

Other Public Company Directorships:
None

2015 AGM Voting Results

For: 1,162,195,680 (99.34%)
Withheld: 7,687,296 (0.66%)

Norman B. Keevil joined the Board of Teck in 1963. He is a graduate of the University of Toronto (B.A. Sc.) and the University of California at Berkeley (Ph.D.). He received an honorary LL.D from the University of British Columbia in May 1993. He was Vice President Exploration at Teck Corporation from 1962 to 1968, Executive Vice President from 1968 to 1981, President and Chief Executive Officer from 1981 to 2001 and has been Chairman of the Board of Teck since 2001. He is a lifetime director of the Mining Association of Canada. Dr. Keevil was inducted into the Canadian Mining Hall of Fame in January 2004 and the Canadian Business Hall of Fame in 2012.

Meetings Attended:		
Board	17 of 17	100%

Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	418,880 (\$3,468,326)	214,232 (\$1,143,999)	0 (\$0)	29,686 (\$158,523)	\$4,612,325	Yes (427%)

NORMAN B. KEEVIL, III, 52

Victoria, B.C., Canada
Not Independent⁽³⁾
Director Since: 1997

Other Public Company Directorships:
Lupaka Gold Corp.

2015 AGM Voting Results

For: 1,165,619,567 (99.64%)
Withheld: 4,262,298 (0.36%)

Norman B. Keevil, III was appointed to the Board of Teck in 1997. He graduated from the University of British Columbia (B.A. Sc.) with a Mechanical Engineering degree. Mr. Keevil is Chief Operating Officer of Sunpump Solar Inc., a Vancouver based clean tech company developing and manufacturing solar heat pumps for the residential heating market. From 2009 to 2015, Mr. Keevil was President of Poncho Wilcox Engineering, a company specializing in technology development. He is a director of Lupaka Gold Corp.

Meetings Attended:		
Board	17 of 17	100%

Committee Meetings Attended:		
Safety & Sustainability	4 of 4	100%
Reserves (Chair)	4 of 4	100%

Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	10,000 (\$53,400)	22,522 (\$120,267)	4,307 (\$22,999)	\$196,666	Yes (124%)

TAKESHI KUBOTA, 61

Tokyo, Japan
Independent⁽²⁾
Director Since: 2012

Other Public Company Directorships:
Sumitomo Metal Mining Co. Ltd.
Nickel Asia Corporation

2015 AGM Voting Results

For: 1,163,228,929 (99.43%)
Withheld: 6,644,987 (0.57%)

Takeshi Kubota was elected to the Board of Teck in 2012. He is a graduate of Keio University, (B.A. Economics). Mr. Kubota has held various positions with Sumitomo Metal Mining Co., Ltd. from 1977 and is currently Director & Senior Managing Officer, a position he has held since June 2012. He is a director of Nickel Asia Corporation, Coral Bay Nickel Corporation and Taganito HPAL Nickel Corporation.

Meetings Attended:		
Board	16 of 17	94%

Committee Meetings Attended:		
Safety & Sustainability	4 of 4	100%
Reserves	4 of 4	100%

Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	2,000 (\$10,680)	31,867 (\$170,170)	0 (\$0)	\$180,850	Yes (114%)

DONALD R. LINDSAY, 57

Vancouver, B.C., Canada
Not Independent⁽⁵⁾
Director Since: 2005

Other Public Company Directorships:
Manulife Financial Corporation

2015 AGM Voting Results

For: 1,165,857,018 (99.66%)
Withheld: 4,005,428 (0.34%)

Donald R. Lindsay joined Teck as President in January 2005, was appointed to the Board in February 2005 and was appointed Chief Executive Officer in April 2005. He is a graduate of Queens University (B.Sc., Hons.) and Harvard Business School (M.B.A.). He is currently a director of Manulife Financial Corporation. Mr. Lindsay was employed by CIBC World Markets Inc. (investment banking) from 1985 to 2004 where he was President of CIBC World Markets Inc., Head of Investment and Corporate Banking and Head of the Asia Pacific Region.

Meetings Attended:		
Board	17 of 17	100%

Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	302,056 (\$1,612,979)	293,866 (\$1,569,244)	275,448* (\$1,470,892)	\$4,653,115	Yes (1,244%)

*Includes 137,724 Performance Share Units and assumes full vesting of these units. Compensation paid to D. R. Lindsay is fully reflected in the summary of total compensation for NEOs on page 73.

TRACEY L. McVICAR, 47⁽⁷⁾

Tracey L. McVicar was appointed to the Board of Teck in November 2014. She is a graduate of the University of British Columbia (B.Comm, Finance). She holds the Chartered Financial Analyst designation and is an Institute Certified Director (ICD.D). Ms. McVicar is currently the Managing Partner at CAI Capital Management Co., a private equity firm she joined in 2003. Prior to this role she held senior positions in investment banking at Raymond James Ltd. and RBC Capital Markets. She is a past director of BC Hydro Corporation where she chaired the Audit and Finance Committee.

Vancouver, B.C., Canada
Independent⁽²⁾

Director Since: 2014

Other Public Company Directorships:
None

2015 AGM Voting Results

For: 1,166,462,524 (99.71%)

Withheld: 3,411,392 (0.29%)

Meetings Attended:		
Board	17 of 17	100%

Committee Meetings Attended:		
Audit (Chair)	6 of 6	100%
Safety & Sustainability	2 of 2	100%

Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	0 (\$0)	15,483 (\$82,679)	0 (\$0)	\$82,679	Not Yet* (52%)

*Ms. McVicar has until 2019 to meet share ownership guidelines.

KENNETH W. PICKERING, 68

Chemainus, B.C., Canada
Santiago, Chile
Independent⁽²⁾
Director Since: 2015

Other Public Company Directorships:

Endeavour Silver Corporation
Northern Dynasty Minerals Ltd.
Enaex SA

2015 AGM Voting Results

For: 166,564,996 (99.72%)
Withheld: 3,307,520 (0.28%)

Kenneth W. Pickering was elected to the Board of Teck in April, 2015. He is a graduate of the University of British Columbia (BASc) and the Harvard Business School Advanced Management Program. Mr. Pickering is currently an international mining operations and project development private consultant. Prior to this role he held a number of senior positions worldwide over a 39 year career with BHP Billiton Base Metals including President of Minera Escondida Ltda. and most recently Vice President Major Projects, Closed Mines and North American Assets. He is a director of Endeavour Silver Corporation, Northern Dynasty Minerals Ltd. and Enaex SA.

Meetings Attended:		
Board	11 of 11	100%

Committee Meetings Attended:		
Safety & Sustainability	2 of 2	100%
Reserves	2 of 2	100%

Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	0 (\$0)	12,748 (\$68,074)	0 (\$0)	\$68,074	Not Yet* (43%)

*Mr. Pickering has until 2020 to meet share ownership guidelines.

WARREN S. R. SEYFFERT, Q.C., 75

Toronto, Ontario, Canada
 Independent⁽²⁾
 Director Since: 1989

Other Public Company Directorships:
 None

2015 AGM Voting Results

For: 1,159,990,349 (99.16%)

Withheld: 9,881,227 (0.84%)

Warren S. R. Seyffert, Q.C. was elected to the Board of Teck in 1989 and was a member of the Board of Cominco Ltd. from 2000 to its acquisition by Teck in 2001. He is a graduate of the University of Toronto Law School (LL.B.) and York University, Osgoode Hall (LL.M). He is currently Chair of Coco Paving Inc. (a private heavy construction company). He was a partner of the law firm Lang Michener LLP from 1969 to 2001 and counsel from 2002 to 2007. He taught "Law of Corporate Management" for over 12 years at Osgoode Hall Law School. He is a director of various private corporations including The Kensington Health Centre, The Kensington Foundation, The Kensington Cancer Screening Centre and Chair of The Kensington Research Institute. He is an Honourary Trustee of the Royal Ontario Museum.

Meetings Attended:		
Board	17 of 17	100%

Committee Meetings Attended:		
Audit	6 of 6	100%
Compensation	5 of 5	100%
Corporate Governance & Nominating (Chair)	4 of 4	100%
Safety & Sustainability	4 of 4	100%

Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	121,902 (\$650,957)	70,499 (\$376,465)	0 (\$0)	\$1,027,421	Yes (647%)

TIMOTHY R. SNIDER, 66

Timothy R. Snider was elected to the Board of Teck in April, 2015. He is a graduate of Northern Arizona University (B.Sc). Mr. Snider is currently Chairman of Cupric Canyon Capital, LLC. Prior to this role, he had a 38 year career with Phelps Dodge Corporation and its successor Freeport-McMoRan Copper and Gold, Inc. during which he held numerous technical, operating and executive positions including President and Chief Operating Officer.

Tucson, Arizona, U.S.A.
Independent⁽²⁾
Director Since: 2015

Other Public Company Directorships:

IAMGOLD Corporation

2015 AGM Voting Results

For: 1,166,672,225 (99.73%)

Withheld: 3,200,480 (0.27%)

Meetings Attended:		
Board	11 of 11	100%

Committee Meetings Attended:		
Audit	4 of 4	100%
Compensation	3 of 3	100%

Securities Held						
Year	Class A (Value)	Class B (Value)	DSUs (Value)	RSUs (Value)	Total Value	Meets share ownership requirement (% of req'mt.)
2015	0 (\$0)	0 (\$0)	12,748 (\$68,074)	0 (\$0)	\$68,074	Not Yet* (43%)

*Mr. Snider has until 2020 to meet share ownership guidelines.

Notes:

- (1) N.B. Keevil is a director of Keevil Holding Corporation and trustee of a trust which holds shares carrying 98% of the votes attached to outstanding shares of Keevil Holding Corporation. The holdings of Keevil Holding Corporation are reported under the heading "Voting Shares and Principal Holders of Voting Shares" in this Management Proxy Circular. Dr. Keevil retired as Chief Executive Officer of the Corporation in 2001. The Board has determined that, as Chairman of the Board, he is not independent.
- (2) Director who is: (a) not a member of management and is free of any interest and any business, family or other relationship which could reasonably be perceived to interfere with the director's ability to act with a view to the best interests of the Corporation other than interests and relationships arising solely from holdings in the Corporation, and (b) not considered to have a direct or indirect material relationship with the Corporation under subsection 1.4 of National Instrument 52-110.
- (3) Family relationship with N.B. Keevil.
- (4) Mr. Kubota and Mr. Fukuda are employees of Sumitomo and, as such, are required to hold these shares in trust for Sumitomo.
- (5) Officer of the Corporation.
- (6) Mr. Cockwell was a director of Fraser Papers Inc. until April 29, 2009. On June 18, 2009, Fraser Papers Inc. announced that it, together with its subsidiaries, initiated a court-supervised restructuring under the Companies' Creditors Arrangement Act in the Ontario Superior Court of Justice and that they would be seeking similar relief pursuant to chapter 15 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the district of Delaware.
- (7) Ms. McVicar was a director of G.L.M. Industries LP ("GLM"), a portfolio company of CAI Capital Management Co. in July 2015, when a court order granted by the Court of Queens's Bench of Alberta placed GLM into receivership and appointed a receiver of GLM.

Shareholdings of Board Members as at March 8, 2016

- Total number of Class A common shares held by all directors: 418,880
- Total number of Class A common shares held by all non-executive directors: 418,880
- Total number of Class B subordinate voting shares held by all directors: 718,748
- Total number of Class B subordinate voting shares held by all non-executive directors: 416,692
- Total value of Class A common shares held by all directors: \$5,399,363
- Total value of Class A common shares held by all non-executive directors: \$5,399,363
- Total value of Class B subordinate voting shares held by all directors: \$7,144,355
- Total value of Class B subordinate voting shares held by all non-executive directors: \$4,141,918

Only Norman B. Keevil holds Class A common shares. All other directors hold Class B subordinate voting shares. Values are based on the closing price of Class A common shares and Class B subordinate voting shares on the TSX on March 8, 2016 (\$12.89 and \$9.94, respectively).

Appointment of Auditors

Unless otherwise instructed, the persons named in the enclosed form of proxy intend to vote **FOR** the reappointment of PricewaterhouseCoopers LLP as the auditors of the Corporation to hold office until the next annual meeting of shareholders and to authorize the directors to fix the auditors' remuneration. PricewaterhouseCoopers LLP or its predecessor have been the auditors of the Corporation for more than 5 years.

Auditors' Fees

For the years ended December 31, 2015 and 2014, the Corporation paid the external auditors \$4,532,828 and \$5,196,265, respectively, as detailed below:

	Year Ended 2015 (\$000)	Year Ended 2014 (\$000)
Audit Services ⁽¹⁾	3,756	4,249
Audit Related Services ⁽²⁾	703	776
Tax Fees ⁽³⁾	11	65
All Other Fees ⁽⁴⁾	63	107

Notes:

- (1) Includes services that are provided by the Corporation's external auditors in connection with the audit of the financial statements and internal controls over financial reporting.
- (2) Includes assurance and related services that are related to the performance of the audit, principally for quarterly reviews, pension plan and special purpose audits and prospectuses.
- (3) Fees are for corporate and international tax services and advice provided to foreign offices.
- (4) For 2015, amounts relate to a number of projects, including ISO 14001/9001 audits and greenhouse gas verification.

Advisory Resolution on Executive Compensation

The Board has determined to put before shareholders a non-binding advisory vote on executive compensation to provide shareholders with the opportunity to vote “For” or “Against” the Corporation’s approach to executive compensation through the following advisory resolution:

“RESOLVED THAT, on an advisory basis and not to diminish the role and responsibilities of the Board, the shareholders accept the approach to executive compensation disclosed in the Corporation’s Management Proxy Circular delivered in advance of the 2016 Annual Meeting of shareholders.”

The “Compensation Discussion and Analysis” section of this Management Proxy Circular discusses the Corporation’s approach to compensation, the objectives of the different elements of the Corporation’s executive compensation programs, how the compensation process is administered, how objectives and goals are set and the outcomes of that process. As outlined below, the purpose of the Corporation’s compensation program is to attract, motivate and retain highly qualified and experienced executives, and to ensure that a significant proportion of compensation reflects the financial performance of the Corporation.

Since this is an advisory vote, it will not be binding on the Board. The Compensation Committee and the Board will, however, consider the outcome of the vote as part of their ongoing review of executive compensation.

The Board recommends a vote **FOR** the advisory resolution to accept the approach to executive compensation disclosed in this Management Proxy Circular.

Report of the Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee considers and recommends corporate governance programs to the Board, proposes nominees for Board and committee appointments and assists with Board, committee and director evaluations to ensure that our governance practices are rigorous, relevant and appropriate to Teck. The Committee continually reviews and considers current developments in governance practices, policies, and standards; continually monitors the ethics, conflict of interest and conduct standards of the Corporation; and makes recommendations on governance to the Board. The Committee's primary focus is on effective oversight of, and independence from, Management and to ensure that the interests of all shareholders are considered and protected in our governance process.

The Board appoints a Chair of the Committee who, in consultation with the Committee members, determines the schedule and frequency of Committee meetings, provided that the Committee meets at least four times per year.

All of the members of the Committee are independent as described below, and knowledgeable about corporate governance principles and have been appointed to the Committee because of their substantial and diversified board experience. Their biographies are set out on pages 10 to 18. The Committee is chaired by the Deputy Chairman and Lead Director of Teck, Warren Seyffert, who has an extensive background in corporate law and governance matters. Mr. Seyffert is either a member of, or an ad hoc member of, each of the committees of the Board.

The Committee welcomes input from shareholders on governance matters. Correspondence in this regard may be sent to lead.director@teck.com.

Independence Determination

Each year, prior to the annual shareholders meeting, a detailed questionnaire is circulated to all nominees to elicit the basic information required to assess the independence of each director. The Committee assists the Board in its consideration of each director's independence both for general Board purposes and for service on the Audit Committee. In making its determination, the Board considers both the requirements of National Instrument 52-110 and the rules of the NYSE applicable to Teck.

A majority of the Board is independent. The Audit, Corporate Governance and Nominating and Compensation Committees are comprised entirely of independent directors.

For this purpose the Board considers a director to be independent who is: (a) not a member of Management; and (b) free of any interest or any business, family or other relationship which could reasonably be perceived to interfere with his or her ability to act with a view to the best interest of the Corporation, other than interests and relationships arising solely from holdings in the Corporation. The Board also considers whether directors have a direct or indirect material relationship with the Corporation as defined in subsection 1.4 of National Instrument 52-110. Any such material relationships will lead the Board to conclude that the relevant director is not independent. As a result of this analysis, the Board has concluded that Mr. Lindsay is not independent, as he is an officer of the Corporation. The Board has further concluded that Dr.

Norman B. Keevil and Norman B. Keevil III are not independent, on the basis that Dr. Keevil is a former chief executive officer of the Corporation and continues as its chairman, and that Norman Keevil III is his son. The Board has considered each other nominee to the Board and has concluded that each other nominee is independent.

The Canadian Securities Administrators' corporate governance guidance suggests that independent directors hold regularly scheduled meetings at which non-independent directors and members of Management are not in attendance. The Board has adopted a policy of scheduling an in camera session without Management present for a portion of every meeting. We believe, however, that the experienced counsel of all Board members is valuable on many occasions, and open and candid discussion among the independent directors is not inhibited by the presence of the non-independent directors. Accordingly, their exclusion from a portion of each Board meeting is not always warranted.

Key Activities

In addition to its regular duties, since the last annual meeting of shareholders, the Committee:

- reviewed the composition of the Board and its Committees;
- reviewed, made changes, and carried out a more extensive annual evaluation of the performance of the Board and its Committees and reported to the Board;
- at each meeting, reviewed and considered various emerging governance issues, including those relating to dual-class share structures; director term limits; proxy voting process reform; proxy access; advance notice by-laws; regulation of proxy advisory firms; "overboarding"; gender diversity (board and executive officers), and share ownership guidelines;
- reviewed and discussed engagement with shareholders and other stakeholders in connection with governance matters;
- reviewed the independence of, and recommended the nomination for election at the Meeting of, 14 directors to the Board;
- reviewed comments received from shareholders and responses thereto;
- reviewed and recommended approval of the Executive Committee Charter;
- reviewed and approved a revised Skills Matrix form;
- reviewed and recommended changes to the Board's retirement policy;
- following engagement with a shareholder, requested a detailed review of possible measures to help ensure auditor independence and enhance audit quality;
- reviewed the Director orientation process and possible revisions; and
- completed its annual charter review.

Risk Oversight

The Board has the responsibility to take reasonable steps to ensure that Management identifies, understands, and evaluates the principal risks of and to the Corporation's business; implements appropriate systems to manage these risks; and achieves a proper balance between risk and reward. As a policy, the Board receives regular quarterly reports from Management on global

and site-specific risk management, ethical conduct, environmental management and employee health and safety, in addition to detailed reports on particular risk issues. The Board, as a matter of routine at each meeting, discusses risks associated with the Corporation's business and reviews the Corporation's risk tolerance for existing operations as well as for new projects and developments.

The Board considers that the most significant risks facing the Corporation vary from time to time depending on the prevailing economic climate and the specific nature of the Corporation's activities at the relevant time. At each meeting of the Board, the Board reviews and considers general as well as particular risks faced by the Corporation. The Board closely monitors the potential vulnerability of the Corporation's operations and financial condition in light of risks that arise in relation to the Corporation's business, including:

- risks related to commodity prices, exchange rates and general economic conditions;
- risks related to project development, including the risk of capital cost overruns and delays in receipt of permits or governmental approvals;
- risks related to existing operations, such as those associated with natural catastrophes, labour disputes and potential social issues;
- risks relating to outstanding litigation that the Corporation may be involved in from time to time; and
- longer-term risks such as political risk generally, and risks related to adverse developments in tax legislation or environmental regulation.

As noted above, the relative significance of these risks shifts over time and the Board's assessment of the relative significance of these risks will depend in part on the issues before the Board at the time. The Board regularly reviews Management's processes in place for identification, monitoring, transfer and mitigation of all of these risks. The Audit Committee has separate processes in place to monitor risks related to financial reporting and financial matters, and Management's processes to deal with those risks.

Dual-Class Share Structure – Governance Considerations

The Committee regularly assesses those governance principles that pertain particularly to a corporation with a dual-class share structure. The Board believes that our governance practices and track record reflect a consistent regard for the interests of all shareholders, notwithstanding the different voting rights inherent in our capital structure.

The Corporation's dual-class share structure has been in place for over 40 years, since a 1969 corporate reorganization in which all of the outstanding shares of Teck Corporation (as it then was) were converted into Class A common shares. The structure facilitated the consolidation of a group of related operating and exploration companies that were under common management into a single vehicle, one in which all shareholders could participate. Since 1969, Teck has continued to issue Class B subordinate voting shares to enable the Corporation to grow by acquisition and new mine development.

The Class B subordinate voting shares carry in aggregate approximately 37.74% of the votes available at joint shareholder meetings. The Class B shares rank equally with Class A shares in

all respects, except voting. Although the holders of Class A shares exercise a majority of total votes, under the *Canada Business Corporations Act*, the approval of the holders of each class of shares, voting separately as a class, is generally required for fundamental corporate changes. In 2001, with the approval of both its Class A and Class B shareholders, the Corporation amended its articles to adopt “coattail” provisions for the benefit of Class B shareholders, with the aim of ensuring fair treatment of Class B shareholders in the event of a takeover bid which is accepted by holders of a majority of Class A shares. These coattail provisions are discussed above at page 2 under the heading “Subordinate Voting Shareholder Protection”.

There are approximately 9.4 million Class A common shares and 566.9 million Class B subordinate voting shares currently outstanding. Both classes of shares are widely held and are listed on The Toronto Stock Exchange. The Class B shares are also listed on the New York Stock Exchange. The voting attributes of the Class A and Class B shares are clearly disclosed. While the trading volume of the Class A shares is modest when compared to the trading volume of the Class B shares, there are no restrictions on an investor purchasing Class A shares in the market.

Keevil Holding Corporation and Sumitomo Metal Mining Co. Ltd. and related parties hold Class A shares which carry approximately 38.40% of the votes available at joint shareholder meetings. Institutional and individual investors unrelated to these companies also hold Class A shares which carry 23.86% of the total votes.

The Committee believes that the major long-term holders of Class A shares are committed long-term investors, many with a deep knowledge of Teck’s business and its industry. The Board considers that this longer-term perspective has permitted Teck to make decisions which have helped it to grow shareholder value significantly over the last number of decades and will continue to be of benefit to all shareholders. The Board rejects the proposition that dual-class share structures are inherently unfair or improper. In many forms of business organizations, certain investors and stakeholders have few or no voting rights. Purchasers of preferred shares, limited partnership units and many forms of debt instruments often hold voting rights more restrictive than those attached to Teck’s Class B subordinate voting shares. It is widely accepted that appropriate governance practices can ensure that the interests of all these security holders are considered and respected, and the Board believes that the same is true in the case of a dual-class structure.

While in the vast majority of matters that come before the Board, the interests of the Class A and Class B shareholders are entirely aligned, the Committee and the Board recognize that to fulfill Teck’s commitment to good governance, a dual-class share structure requires vigilance and robust governance practices. The dual-class share structure does create a disparity between voting interests and equity interests and this could create some potential for conflicts of interest, as it would in any public company where there is an identifiable shareholder or group of shareholders holding majority voting control, whether under a dual-class share structure or a single voting class structure.

Accordingly, the Board and the Committee are alert to closely scrutinize any situation in which the interests of Class A shareholders and Class B shareholders could possibly diverge.

In this respect, our governance practices are intended to avoid even the appearance of a potential conflict of interest. For example:

- Only four directors out of 14 have any interest in or relationship with any of the major Class A shareholders of the Corporation;
- All of our Board committees are constituted with a majority of independent directors, and our Audit, Corporate Governance and Nominating, and Compensation Committees are composed entirely of independent directors, who have no relationship with Management or any of the major holders of Class A shares;
- Directors, with the exception of the Chairman, hold only Class B shares;
- Directors are required to maintain minimum holdings of Class B shares or stock units linked to the price of Class B shares;
- Our equity-linked compensation for directors and senior officers is linked only to the price of Class B shares;
- We publicly report in detail the voting results of shareholder meetings, with a breakdown of votes by class; and
- Only one director, the CEO, is a member of Management.

Teck's dual-class share structure has been key in facilitating its growth into a major diversified Canadian mining company. Ultimately, any decision about the appropriateness of the structure is a question for all shareholders, as any change in voting rights would require the approval of the affected class or classes of shareholders, voting separately. So long as the Corporation has more than one class of voting shares, the Committee and the Board will diligently apply appropriate measures to ensure governance that respects the interests of all shareholders.

Canadian Securities Administrators Governance Guidelines and Disclosure Requirements

Our governance practices are consistent with the governance guidelines set out in National Policy 58-201, as adopted by the Canadian Securities Administrators. Our disclosure is responsive to and complies in full with the requirements of National Instrument 58-101 and Form 58-101F1. The table in Schedule B sets out, in summary form, our compliance with these disclosure requirements.

Comparison with NYSE Corporate Governance Standards

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

Notwithstanding that Teck is a "foreign private issuer" for purposes of its NYSE listing, and as such, not all of the NYSE director independence requirements that are applicable to U.S. domestic issuers apply to Teck, the Board has established a policy that at least a majority of its directors must satisfy the director independence requirements under Section 303A.02 of the

NYSE corporate governance standards. As noted above, the Board annually reviews and makes such determination as to the independence of each director for both Canadian and NYSE purposes.

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

Succession and Nomination of New Directors

The Committee's responsibilities with respect to the nomination of directors include: the identification of the appropriate competencies and skills considered to be necessary for the Board as a whole; assessing and determining the skills of each director; developing and annually updating a long-term plan for the Board's composition that takes into consideration the independence, age, skills and experience required for the effective conduct of the Corporation's business; identifying nominees for election or re-election to the Board or to fill any vacancy that is anticipated; identifying and recommending to the Board individual directors to serve as members or chairs of committees of the Board; and reviewing and making recommendations regarding programs for the orientation and education of new Board members and their ongoing education. The Committee maintains a standing list of potential candidates as directors in anticipation of the need to replace existing directors, which takes into account the relevant skills and experience expected to be required by the Board.

The Board believes that a broad range of competencies and skills is necessary for the Board to discharge its responsibilities. Specific skills and competencies must be considered in the context of integrity and good judgment, together with the ability to devote sufficient time to Board affairs. The following skills matrix sets out the areas of expertise that the Board considers important in the context of our business, and identifies the top three areas of expertise as identified by each director. This matrix is used to assess the needs of the Board in the context of succession planning.

Area of Expertise	Asher	Chee	Cockwell	Dottori-Attanasio	Dowling	Keevil	Keevil III	Kubota	Kuriyama	Lindsay	McVicar	Pickering	Seyffert	Snider
Corporate Governance		X									X		X	
Strategic Planning	X	X		X	X	X	X	X	X	X		X		X
International Business	X				X			X	X	X				
Mining					X	X			X			X		X
Oil & Gas	X										X			
Mining Finance						X				X			X	
Commodities Business								X						X
Human Resources & Compensation			X											
Finance & Financial Reporting		X	X	X							X			
Corporate Responsibility & Sustainable Development			X				X					X		
Legal													X	
Risk Management				X										
Technology							X							

Retirement Policy and Term Limits

The Board has a policy requiring directors to stand down from the Board at the annual meeting of the Corporation if they have reached age 75 by that date. On occasion, exceptions have been made to this policy with the concurrence of the Board.

In 2012, and then again in early 2015 having regard to the state of commodity markets, the Committee approached Dr. Keevil and requested that he postpone his plans to leave the Chair. These requests were made in recognition of the Dr. Keevil's deep experience in the industry and his contribution to the development of the Corporation's business, and the particular value of that experience and Dr. Keevil's guidance in the current difficult commodity markets. Dr. Keevil has agreed to serve on the Board until at least April 2017.

In late 2015, the Committee considered the application of the Board's retirement policy to Messrs. Cockwell and Seyffert. The Committee considered the fact that Messrs. Cockwell and Seyffert were two of only three independent directors still serving who served on the Board during the financial crisis in 2008-2009, and the importance of institutional memory. In light of the needs and general composition of the Board, the contribution made by those two directors, and the general pace of Board renewal which will (assuming the election of Messrs. Chong and Fukuda at the meeting) have seen six new directors elected to the Board in the past 3 years, the Committee determined, and the Board agreed, to ask each of Messrs. Cockwell and Seyffert to stand for re-election at the Meeting, notwithstanding that they have reached the age of 75. Messrs. Cockwell and Seyffert have agreed to this request.

Overboarding

The Board believes that directors must have sufficient time available to properly prepare for and attend board meetings in order to make a full contribution to the Board. While each candidate for nomination to the Board will be reviewed on a case by case basis, in general, the Committee will not recommend to the Board nominees who serve on more than three public company boards, in addition to the Board of the Corporation, if the nominee is not otherwise employed full time, or more than one public company board, in addition to the Board of the Corporation, if the nominee is employed full time. The Committee may make exceptions to this policy if satisfied that a nominee will be in a position to devote sufficient time and attention to Board matters notwithstanding outside commitments in excess of those outlined above. Once on the Board, directors are required to consult with the Lead Director prior to accepting additional public company directorships.

Diversity

Teck values diversity. The Committee believes that a Board with directors having a diversity of backgrounds and different experiences benefits the Corporation by enabling the Board to consider issues from a variety of perspectives. Diversity can enhance effective decision-making and strategic planning. When assessing potential candidates for nomination to the Board, the Committee considers gender, national origin, and ethnicity in addition to business skills, qualifications and career history, including experience in foreign jurisdictions. In the final analysis, the Committee values the insight and judgment that can be garnered from the broad spectrum of different approaches that a board can bring to the issues facing a global mining enterprise when the board has a diverse composition of directors.

The Committee considers the level of representation of women in identifying and nominating candidates for election or re-election to the Board and has adopted specific measures to ensure that women nominees are considered when candidates for election to the Board are considered. The Board has adopted a written policy in this regard, which includes a requirement that search consultants retained to assist with the identification of potential candidates to the Board be instructed to ensure that candidates reflecting the Board's diversity criteria, including those pertaining to gender diversity are brought forward for consideration.

Having carefully considered the question, the Board has elected not to adopt a target number or percentage of women directors, on the grounds that appropriate skills and experience must

remain the overriding criteria for nomination to the Board, and to guard against any perception that directors may have been nominated solely or primarily on the basis of gender. If all nominees proposed to be elected as directors at the Meeting are elected, two of 14 or 14.3% of directors will be women. The Committee will annually review the process for ensuring that diversity criteria are considered in accordance with the Policy when nominees to the Board are considered. The Board will measure the effectiveness of the Policy over time by tracking Board diversity and reviewing candidate pools for diversity criteria.

The Board considers the level of representation of women in Executive Officer positions when making Executive Officer appointments, as part of a broader focus on diversity in our workforce and management. For this purpose we define diversity to include differences in age, race, gender, physical attributes, belief, language, sexual orientation, education, social background and culture.

The Board believes that diversity in Teck's workforce and management can help create a stronger company. We recognize that women in particular are underrepresented in management roles within our company and within the mining industry as a whole. Although the number of women in leadership roles within Teck has almost doubled since 2010, women still represent only 13.7% of all employees. We are committed to equality of opportunity, and are taking concrete steps to increase the representation of women in management ranks within the Corporation. These include: proactively identifying talented individuals for leadership training programs and encouraging them to apply for more senior roles; developing flexible scheduling programs and other family-friendly policies for mid-career women to assist with recruitment and retention; and changing job descriptions and job titles to be more gender neutral.

The Board has not adopted specific numerical targets regarding numbers of women in Executive Officer positions, on the grounds that appropriate skills and experience must remain the primary criteria for such appointments, and out of a concern that the establishment of numerical targets could create a perception that women in Executive Officer roles have been appointed solely or primarily on the basis of their gender rather than their specific qualifications. We are committed, however, to taking measures to enhance the advancement of women in management. To that end we have appointed a committee of senior executives to oversee diversity-related initiatives, and have adopted objectives regarding the further development of a diversity strategy, as well as the implementation of specific measures aimed at attracting and retaining a diverse workforce and ensuring that diversity is taken into account in management appointments.

Of the Corporation's 11 Executive Officers, currently only one (or 9%) is a woman.

Board Interlocks

The Committee does not believe that it is necessary to set a formal limit on the number of its directors who serve on the same board of another company in order to ensure the independence of directors and their ability to act in the best interest of the Corporation. The Committee does consider board interlocks in the course of assessing each director's ability to serve as a director of the Corporation, and supports the disclosure of interlocks. There are currently no interlocking board memberships of the directors of the Corporation.

Management Succession Planning

In accordance with its mandate, the Board as a whole has oversight of succession planning for senior Management. Succession plans for all senior positions are developed and maintained by the Vice President, Human Resources in consultation with other senior executives. The Board annually reviews and considers a report from the Chief Executive Officer regarding potential succession candidates by position, as well as Management's action plans for positions where no succession candidate has been identified. The Board separately considers succession as it relates to the Chief Executive Officer. The Chief Executive Officer annually presents a detailed report on potential successors to his position, which takes into account the state of readiness of internal succession candidates to succeed the Chief Executive Officer on an emergency, interim or permanent basis, as well as critical experiences and other attributes required in order for each candidate to enhance his or her readiness for succession. The Board goes over the report in detail and discusses the individual attributes of each member of Management in camera with the Chief Executive Officer.

Orientation and Continuing Education of Directors

As part of the Corporation's orientation program, new directors are given copies of all policies, codes and mandates. They are also provided with guidance concerning trading in the Corporation's securities, blackout periods, and the Corporation's disclosure practices. Senior officers from each business division are made available to meet with new members to familiarize them with the Corporation's operations, programs and projects. Presentations made at these meetings, together with site visits, are intended to provide insight into the Corporation's business and familiarize new directors with the policies and programs they require to effectively perform their duties. In light of the Board renewal process referred to above, all recently elected new directors are assisting the Committee in a current review and assessment of our orientation program. In 2016, the Committee plans to review and enhance the program to ensure that it meets the Corporation's objectives.

The Corporation's ongoing director education programs entail, as a matter of routine each year, site visits, presentations from outside experts and consultants, briefings from staff and Management, and reports on issues relating to the Corporation's projects and operations, sustainability and social matters, competitive factors, reserves, the economy, accounting and financial disclosure issues, mineral and hydrocarbon education and other initiatives intended to keep the Board abreast of new developments and challenges that the Corporation may face. Analysts' reports relating to the industry are distributed to directors regularly, and selected press clippings covering the industry, actions by competitors, and commodity issues are distributed daily. Directors participate at the Board's annual strategy meeting in assessments of the Corporation's possible growth paths and other strategic matters and are encouraged to attend, at the Corporation's expense, industry conferences and director education seminars and courses. Directors' Continuing Education during 2015 included the following:

Presented by	Topic	Attendees
Site Personnel	Site visits to Elkview Coal Operations and Trail Operations	Ashar, Cockwell, Dottori-Attanasio, Dowling, Keevil, Keevil III, Kubota, Kuriyama, Lindsay, McVicar, Pickering, Seyffert and Snider
Management	IFRS accounting requirements for Decommissioning and Restoration provisions and Asset Impairment accounting	Chee, Cockwell, Dottori-Attanasio, Lindsay, McVicar, Seyffert and Snider
Paul Gait, Bernstein & Co.	Commodity outlook.	Ashar, Chee, Cockwell, Dowling, Keevil, Keevil III, Kubota, Kuriyama, Lindsay, McVicar, Pickering, Seyffert and Snider
Management	Treasury Matters	McVicar
Management	Internal Audit	Dottori-Attanasio, Keevil III, McVicar, Pickering, Seyffert and Snider
Management	Project Corridor	Ashar, Cockwell, Dowling, Keevil III, Kubota, Kuriyama and Pickering
BMO Capital Markets	Global Mining and Metals Conference	Dowling
National Association of Corporate Directors	Conference on Compensation	Dowling
Society for Mining, Metallurgy & Exploration	Conference on Resource and Reserve calculations	Dowling
Various	Denver Gold Forum	Dowling
Harvard	Business Strategy Course	McVicar
McKinsey Ernst & Young	One-on-one learning session	Dottori-Attanasio
Various	Roundup Conference, Vancouver PDAC, Toronto	Keevil III
Institute of Corporate Directors	Education Sessions, Victoria and Vancouver	Keevil III
Site Personnel	Site visit to Duck Pond Operation	Kuriyama
Site Personnel	Site visit to QB and CdA	Pickering

Evaluation of Directors

Each year, the Committee considers the competencies and skills required by the Board as a whole, together with the competencies and skills that the existing directors possess, with a view to assisting the Board in assessing the participation, contribution and effectiveness of individual members of the Board. As part of this process, in 2014 directors were interviewed by an experienced independent consultant who provided comments on Board composition and Board

information, processes and structure. The Deputy Chairman and Lead Director and the Committee reviewed the results of this process, identified areas requiring follow-up, and reported to the full Board on the results of the assessment process and the resulting action items. Specific recommendations from the Committee were approved by the Board and action plans to follow up on specific issues are being monitored by the Committee.

In 2015, the Lead Director oversaw a new process of director evaluation and peer evaluations, which included base-line questionnaires for each committee member followed by individual interviews with each member of a committee by the chair of that committee. The focus of the program was to determine each member's assessment of the effectiveness of each committee on which they served, together with an assessment of their contribution and an assessment of the contribution of each other member of the relevant committee. In a similar fashion and with the same focus, each director provided written comments to the Lead Director about the Board's effectiveness, followed up by individual interviews by the Lead Director with each director regarding his or her own performance, the performance of the other directors, and the Board as a whole. Comments on the assessment of the Lead Director were directed to the Chair of the Board. While intensive and time-consuming, the outcome of this new process was to provide the Board with a number of initiatives to improve its structure and effectiveness.

Ethical Business Conduct

The Board has adopted a written Code of Ethics for the directors, officers and staff employees (the "Code") that requires that the highest ethical standards of behaviour be followed while conducting the Corporation's business. The Code is filed on SEDAR and posted on the Corporation's website. A copy of the Code can also be obtained from the Corporate Secretary of the Corporation at Suite 3300 – 550 Burrard Street, Vancouver, British Columbia, V6C 0B3.

We maintain an anonymous Whistleblower Hotline under our "Doing What's Right Program" to encourage employees to report unethical conduct. All staff employees are required to undergo a web-based ethics training program. Compliance with the Code is monitored by an annual survey of directors and staff employees. Directors and staff are required to certify that they have complied with the Code, and are either not aware of any non-compliance or that they have reported instances of apparent Code infractions to Management, the Chair of the Audit Committee, or otherwise as prescribed in our "Doing What's Right Program".

Directors and executive officers are required to disclose a material interest in any transaction or agreement that the Board is considering. To ensure the exercise of independent judgment, directors or executive officers who have disclosed such an interest are prohibited from participating in the Board discussion or in voting on the transaction.

Furthermore, to ensure that the Committee has access to outside assistance should it require it, the Committee is authorized at any time to engage outside advisors or legal counsel at the expense of the Corporation to assist the Committee in the performance of its duties.

Presented by the Corporate Governance and Nominating Committee:

W.S.R. Seyffert (Chairman)
M. M. Ashar
L. L. Dottori-Attanasio
E. C. Dowling

Report of the Audit Committee

For more disclosure regarding the Corporation's Audit Committee, please refer to the section titled "Audit Committee Information" in the Corporation's Annual Information Form for 2015.

The purpose of the Audit Committee of the Board is to provide an open avenue of communication between Management, the external auditors, the internal auditors and the Board and to assist the Board in its oversight of the:

- integrity, adequacy and timeliness of the Corporation's financial reporting and disclosure practices;
- processes for identifying the principal financial reporting risks of the Corporation and reviewing the Corporation's internal control systems to ensure that they are adequate to ensure fair, complete and accurate financial reporting;
- Corporation's compliance with legal and regulatory requirements related to financial reporting;
- accounting principles, policies and procedures used by Management in determining significant estimates;
- anti-fraud programs and controls, including Management's identification of fraud risks and implementation of anti-fraud measures;
- mechanisms for employees to report concerns about accounting policies and financial reporting;
- engagement, independence and performance of the Corporation's external auditor; and
- internal audit mandate, internal audit plans, internal audit and Sarbanes Oxley ("SOX") audit programs and results of internal audits and SOX compliance audits performed by the Corporation's internal audit department; and
- management and overall governance of the Corporation's various pension plans.

The Audit Committee also performs any other activities consistent with its charter, the Corporation's by-laws and governing laws as the Audit Committee or Board deems necessary or appropriate.

The Audit Committee is made up of six independent members of the Board. All of the members of the Audit Committee are financially literate to enable them to discharge their responsibilities in accordance with applicable laws and/or requirements of the stock exchanges on which the Corporation's securities trade. In addition, the Board has determined that there is at least one Audit Committee member who has the attributes of an audit committee financial expert as defined by the U.S. Securities and Exchange Commission's regulation implementing Sections 406 and 407 of the Sarbanes-Oxley Act of 2002. In carrying out its responsibilities, the Audit Committee meets regularly with the Chief Executive Officer and the Chief Financial Officer and, without Management present, with the external auditors, with the Corporation's internal auditors, and alone.

The following is a brief summary of the Audit Committee's activities in 2015.

Financial Reporting

The Audit Committee:

- reviewed the annual financial statements and Management's Discussion and Analysis with Management and the external auditors prior to approval by the Board and reviewed interim financial statements and Management's Discussion and Analysis, news releases and other material financial disclosures with Management and the external auditors prior to publication. These reviews included a discussion of matters required or recommended to be disclosed under International Financial Reporting Standards ("IFRS") and securities regulations and laws.
- obtained assurances from Management and the external auditors that the Corporation is in full compliance with legal and regulatory requirements related to financial reporting;
- ensured that an adequate system is in place for employees to report, on a confidential and anonymous basis, accounting, auditing, financial reporting and disclosure practices they find questionable; and
- based on this information and the work throughout the year, including the internal audit and financial controls program and work with the external auditors outlined below, the Audit Committee recommended to the Board that the audited financial statements be approved and included in the Annual Report to shareholders.

With Respect to the External Auditors

The Audit Committee:

- reviewed, with the external auditors, the overall scope, the audit plans and results and all matters pertaining to professional auditing guidelines and standards in Canada and the United States;
- received the written disclosures from the external auditors as recommended by the Chartered Professional Accountants of Canada;
- reviewed, with the external auditors, the independence of the external auditors including a review of non-audit services and the receipt of the external auditors' written assurance of its independent relationship with the Corporation;
- required prior approval of all non-audit services provided by the external auditors;
- approved the fees payable to the external auditors; and
- reviewed the overall performance of the external auditors and, on the recommendation of the Audit Committee, the Board is recommending that shareholders re-appoint PricewaterhouseCoopers LLP as the auditors of the Corporation for 2016.

With Respect to the Internal Auditors

The Audit Committee:

- reviewed the independence of the internal auditors; and
- reviewed with the Director, Audit and Operational Review the mandate, qualifications, resources and annual work plan of the internal audit department and the results of internal audits.

With Respect to Pension Matters

The Audit Committee:

- reviewed the design of the Corporation's pension plans and the coverage afforded by the plans;
- reviewed the funding policies for the Corporation's defined benefit plans and the level of the contributions to the Corporation's defined contribution plans;
- oversaw and monitored the authority delegated to Management's Executive Pension Committee to administer each of the pension plans in accordance with relevant pension legislation, the terms of the plans and all other requirements of law;
- reviewed compliance with minimum funding requirements prescribed by applicable pension legislation and the policies and procedures in place in respect thereof, including requisitioning and reviewing actuarial reports;
- reviewed and monitored the investment of pension fund assets (in the case of a defined benefit plan), including the policies and procedures in place in respect thereof;
- reviewed and monitored the sufficiency and appropriateness of the investment choices available to plan members of the defined contribution plans and the Corporate communication and educational materials provided to plan members; and
- reviewed and monitored the performance of the investment managers chosen by Management for the Corporation's pension plans, including the process established for the selection, retention or replacement of any investment manager or advisors.

Financial Controls Program

The Audit Committee:

- continued its oversight of the Financial Controls Program ("FCP") to ensure that the program established in 2007 complies with Section 404 of the U.S. Sarbanes-Oxley Act of 2002 related to internal controls over financial reporting, and that compliance with equivalent Canadian rules is sustained. The FCP enabled Management to certify the effectiveness of the Corporation's internal controls structure and procedures for financial reporting, in accordance with the relevant rules. The external auditors have reported on and attested to Management's certification. The Audit Committee continues to monitor the FCP and oversee Management's maintenance of the Corporation's internal controls over financial reporting.

Charter

The Audit Committee:

- in November 2015, conducted its annual review of its mandate;
- reviewed and approved the fees of the external auditors. A detailed breakdown of fees is set out on page 19 of this Management Proxy Circular;
- ensured that the full text of the Audit Committee's Charter is included in the Corporation's Annual Information Form, which is filed on SEDAR (www.sedar.com) and on the Corporation's website;

- had a presentation on IFRS accounting requirements for Decommissioning and Restoration provisions and Asset Impairment accounting; and
- held education sessions on the functions of the Corporation's Treasury and Audit and Operational Review departments.

Presented by the Audit Committee:

T. L. McVicar (Chair)
F. P. Chee
J. L. Cockwell
L. L. Dottori-Attanasio
W. S. R. Seyffert
T.R. Snider

Director Compensation

The main objective of our director compensation program is to attract and retain directors with a broad range of relevant skills and knowledge, and the ability to successfully carry out the Board's mandate. Directors are required to devote significant time and energy to the performance of their duties, including preparing for and attending Board meetings, participating on committees and ensuring that they stay informed about our business and trends and developments affecting the global mining industry. In order to attract and retain directors who meet these expectations, the Board believes that we must offer a competitive compensation package.

We pay director compensation only to non-executive directors, consisting of cash fees (annual retainer, meeting attendance fees, Committee and Chair fees and travel fees) and a share-based award consisting of Deferred Share Units ("DSUs") and Restricted Share Units ("RSUs") (see "Share Unit Plans" on page 87). We do not issue stock options to non-executive directors.

The Directors' Total Compensation table on page 73 sets out the total compensation earned by non-executive directors in 2015. No increases have been made to Teck's director compensation since April 2010.

We require directors to maintain minimum holdings of Teck shares. See "Mandatory Shareholdings for Directors" on page 44 for more details. The Board believes that the share ownership requirements along with the mixture of equity-linked compensation further promote the objectives of director retention and alignment with long-term shareholders.

Process for Determining Director Compensation

The Compensation Committee of the Board is responsible for recommending compensation policies to the Board. The Committee annually reviews director compensation. Late in 2013, the Committee engaged Meridian Compensation Partners, its independent consultant, to prepare a review of directors' compensation. This report reviewed director compensation practices among Canadian mining and other resource-based companies. Notwithstanding the results of that report, the Committee has determined not to make any adjustments to director compensation at this time.

Compensation Components

Annual Retainer and Other Fees

We pay annual retainers and meeting fees as follows:

Component	Fee
Cash Retainer	
Non-executive Director (excluding Lead Director)	\$60,000
Chairman	\$360,000
Lead Director	\$160,000
Committee Chair – Audit ⁽¹⁾	\$20,000
Other Committee Chair	\$8,000
Committee Member	\$6,000
Share-Based Retainer	
Non-executive Director (including Lead Director)	\$100,000
Chairman	\$300,000
Attendance Fees (per meeting, payable in cash)	
Board and Committee Meeting Fees	\$1,500

Notes:

- (1) Committee Chairs receive Committee Chair fees in addition to Committee Member fees.

Non-executive directors have the right to elect on an annual basis to receive some or all of their annual cash retainer in DSUs, which are issued and priced at the end of each quarter. In light of the financial circumstances of the Corporation all of the directors have elected to take the annual cash retainer earned in 2016 in the form of DSUs.

In addition to the fees set out above, non-executive directors receive reimbursement for travel costs, a payment of \$1,500 per annum for other expenses related to their duties, and a \$1,000 per meeting fee for directors who travel from outside the province of British Columbia the day prior to a Board or Committee meeting.

Share-Based Awards

The share-based component of the directors' annual compensation is payable in either DSUs or RSUs, at the election of the director. DSUs and RSUs are notional shares that have the same value at any given time as the Class B subordinate voting shares, but do not entitle the participant to any voting or other shareholder rights and are non-dilutive to shareholders. Dividend equivalents are credited to a participant's DSU or RSU account in the form of additional DSUs or RSUs as of each payment date in respect of which cash dividends are paid on the Class B subordinate voting shares, based on the closing price of the Class B subordinate shares on the dividend payment date. RSUs granted to directors vest on the earlier of December 20 in

the second calendar year immediately following the grant or the date the individual ceases to be a director of the Corporation, and are paid out in cash on the vesting date. DSUs awarded to directors vest immediately on the date of grant and are paid out in cash on or about December 15 of the calendar year following the year in which the individual ceases to be a director of the Corporation, provided that a director may elect to have DSUs paid out in cash on any earlier date following the date on which the individual ceases to be a director of the Corporation. Each DSU including any DSUs credited as dividend equivalents thereon, has a payout value equal to the closing price of the Class B subordinate voting shares on the applicable payout date. Each RSU including RSUs credited as dividend equivalents thereon, has a payout value equal to the volume weighted average trading price of the Class B subordinate voting shares over the ten consecutive trading days prior to the applicable payout date.

On May 1, 2015, non-executive directors each received 5,467 share units and the Chairman of the Board received 16,402 share units. These grants had a grant date value of \$18.29 per share unit, based on the closing price of the Class B subordinate voting shares on the day prior to the grant, equating to a target dollar value of approximately \$100,000 for non-executive directors and \$300,000 for the Chairman of the Board.

Directors' Total Compensation

The following table sets forth all annual compensation paid to non-executive directors for the financial year ended December 31, 2015. Mr. Lindsay does not receive director's fees in addition to his compensation as an officer of the Corporation. The compensation paid to Mr. Lindsay is fully reflected in the summary of total compensation for Named Executive Officers ("NEOs") on page 73.

Name	Fees Earned in Cash \$					Share-based Retainer \$(²)	All Other Compensation \$(³)	Total (\$)
	Annual Retainer ⁽¹⁾	Committee Member & Chair Fees	Board Attendance Fees	Committee Attendance Fees	Total Fees Earned			
M. M. Ashar	75,986	16,000	10,500	25,500	127,986	99,991	28,009	255,986
J. H. Bennett ⁽⁴⁾	1,917	1,660	0	0	3,577	0	15,291	18,868
H. J. Bolton ⁽⁴⁾	18,626	9,846	4,500	7,500	40,472	0	24,711	65,183
F. P. Chee	65,990	4,154	10,500	15,000	95,644	99,991	16,322	211,957
J. L. Cockwell	68,986	7,154	13,500	10,500	100,140	99,991	24,430	224,561
L. L. Dottori-Attanasio	65,987	4,154	15,000	13,500	98,641	99,991	5,568	204,200
E. C. Dowling	72,989	11,694	15,000	18,000	117,683	99,991	13,513	231,187
N. B. Keevil	360,000	7,000	15,000	0	382,000	299,992	16,325	698,317
N. B. Keevil, III	69,993	10,000	15,000	13,500	108,493	99,991	13,934	222,418
T. Kubota	55,982	3,000	13,500	13,500	85,982	99,991	15,459	201,432
T. Kuriyama	65,982	6,000	13,500	13,500	98,982	99,991	26,371	225,344
T. L. McVicar	73,292	8,000	15,000	13,500	109,792	99,991	2,967	212,750
K. W. Pickering ⁽⁵⁾	47,517	2,308	10,500	6,000	66,325	99,991	2,780	169,096
J. G. Rennie ⁽⁴⁾	18,626	3,692	4,500	7,500	34,318	0	17,279	51,597
W. S. R. Seyffert	178,990	19,000	15,000	30,000	242,990	99,991	36,304	379,285
T. R. Snider ⁽⁵⁾	47,517	2,308	10,500	10,500	70,825	99,991	4,780	175,596
C. M. T. Thompson ⁽⁴⁾	5,167	2,068	0	0	7,235	0	27,087	34,322

Notes:

- (1) Includes all or a portion of annual retainer earned in cash but paid in DSUs at the directors' election (at a dollar amount based on the grant date fair value) but excludes Committee Chair and Member Fees.
- (2) The fair value of share unit grants for compensation purposes is consistent with the accounting fair value under IFRS. The fair value for the 2015 grant is deemed to be \$18.29 which was the closing price of the Class B subordinate voting shares on the day prior to the grant date (see section on "Share Unit Plans" on page 87).
- (3) The amount in this column includes the annual \$1,500 expense amount, travel meeting fees for directors who travel from outside British Columbia the day prior to a meeting and dividend equivalents credited in the form of share units.
- (4) Ms. Bennett passed away January 23, 2015. Mr. Thompson retired on January 30, 2015 and Mr. Bolton and Ms. Rennie did not stand for re-election in April, 2015.
- (5) K. W. Pickering and T. R. Snider were elected as directors on April 22, 2015.

Outstanding Share-Based Awards

The following table shows all outstanding share-based awards held by each non-executive director as at December 31, 2015. We do not award options to non-executive directors. The compensation paid to D.R. Lindsay, who does not receive additional compensation in his role as a director, is fully reflected in the summary of total compensation for NEOs on page 73.

Name	Outstanding Share-Based Awards ⁽¹⁾		
	No. of Shares or units of shares that have not vested (#) ⁽¹⁾	Market or Payout Value of share-based awards that have not vested (\$) ^{(1) (2) (3)}	Market or Payout Value of vested share-based awards not paid out or distributed (\$) ^{(2) (3) (4)}
M. M. Ashar	0	0	286,181
F. P. Chee	0	0	170,047
J. L. Cockwell	0	0	256,245
L. L. Dottori-Attanasio	0	0	73,446
E. C. Dowling	2,794	14,920	142,551
N. B. Keevil	29,686	158,523	0
N. B. Keevil, III	4,307	22,999	120,267
T. Kubota	0	0	170,170
T. Kuriyama	0	0	312,652
T. L. McVicar	0	0	82,679
K. W. Pickering	0	0	68,074
W.S.R. Seyffert	0	0	376,465
T. R. Snider	0	0	68,074

Notes:

- (1) As DSUs awarded to directors vest immediately on the date of grant and we do not award options to non-executive directors, this column reflects unvested RSUs awarded to directors.
- (2) Market or Payout Value calculated by multiplying the number of share units held at December 31, 2015 by the closing price of the Class B subordinate voting shares on the TSX at December 31, 2015 (\$5.34).
- (3) Includes share units credited as dividend equivalents.
- (4) As RSUs are paid out immediately following vesting, this column reflects the value of outstanding DSUs.

The table below shows the total number and value of DSUs held by each non-executive director as at December 31, 2015. See “Share Unit Plans” on page 87 for more detailed information regarding the DSU Plan and the valuation of DSUs.

Name	Number of Outstanding DSUs as at December 31, 2015	Value of Outstanding DSUs (\$) ^{(1) (2)}
M. M. Ashar	53,592	286,181
F. P. Chee	31,844	170,047
J. L. Cockwell	47,986	256,245
L. L. Dottori-Attanasio	13,754	73,446
E. C. Dowling	26,695	142,551
N. B. Keevil	0	0
N. B. Keevil, III	22,522	120,267
T. Kubota	31,867	170,170
T. Kuriyama	58,549	312,652
T. L. McVicar	15,483	82,679
K. W. Pickering	12,748	68,074
W. S. R. Seyffert	70,499	376,465
T. R. Snider	12,748	68,074

Notes:

- (1) Value calculated by multiplying the number of DSUs held at December 31, 2015 by the closing price of the Class B subordinate voting shares on the TSX at December 31, 2015 (\$5.34).
- (2) DSUs vest on the grant date but are not redeemable until the recipient retires, resigns or their employment is otherwise terminated. The value of the DSUs on the payout date is based on the price of the Class B subordinate voting shares on the payout date and, accordingly, the amount of the final payout is not known until that time.

Share-Based Awards – Value Vested or Earned During the Year

The following table shows the number and value of the share-based awards which vested or were earned for each non-executive director for the fiscal year ending December 31, 2015. Non-executive directors did not receive any non-share based incentive plan compensation in 2015. The compensation paid to D.R. Lindsay is fully reflected in the summary of total compensation for NEOs on page 73.

Name	Number Vested During The Year ⁽⁴⁾				Value Vested During The Year (\$) ^{(1)(2) (3) (4) (5)}			
	RSUs	DSUs		Total	RSUs	DSUs		Total
		Granted in Lieu of Fees Earned in Cash	Share-Based Retainer			Granted in Lieu of Fees Earned in Cash	Share-Based Retainer	
M. M. Ashar	0	11,964	5,467	17,431	0	100,670	99,991	200,661
J. H. Bennett ⁽⁶⁾	110	838	0	948	1,774	13,516	0	15,290
H. J. Bolton ⁽⁶⁾	0	1,597	0	1,597	0	23,711	0	23,711
F. P. Chee	1,992	7,298	5,467	14,757	9,408	49,669	99,991	159,068
J. L. Cockwell	0	10,544	5,467	16,011	0	90,917	99,991	190,908
L. L. Dottori-Attanasio	0	8,287	5,467	13,754	0	64,718	99,991	164,709
E. C. Dowling	0	7,524	2,733	10,257	0	83,003	49,987	132,990
N. B. Keevil	11,964	0	0	11,964	56,502	0	0	56,502
N. B. Keevil, III	3,986	7,510	5,467	16,963	18,825	47,450	99,991	166,266
T. Kubota	0	9,279	5,467	14,746	0	78,207	99,991	178,198
T. Kuriyama	0	10,555	5,467	16,022	0	94,789	99,991	194,780
T. L. McVicar	0	10,016	5,467	15,483	0	74,759	99,991	174,750
K. W. Pickering ⁽⁷⁾	0	7,281	5,467	12,748	0	48,797	99,991	148,788
J. G. Rennie ⁽⁶⁾	155	874	0	1,029	2,300	12,980	0	15,280
W. S. R. Seyffert	0	13,265	5,467	18,732	0	113,855	99,991	213,846
T. R. Snider ⁽⁷⁾	0	7,281	5,467	12,748	0	48,797	99,991	148,788
C. M. T. Thompson ⁽⁶⁾	0	1,824	0	1,824	0	27,087	0	27,087

Notes:

- (1) The amount represents the aggregate dollar value of the share units as of the vesting date. As directors' DSUs vest immediately, the market value for DSUs was as of the grant date.
- (2) DSUs vest on the grant date but are not redeemable until the recipient retires, resigns or his or her employment is otherwise terminated. The value of the DSUs on the payout date is based on the price of the Class B subordinate voting shares on the payout date and, accordingly, the amount of the final payout is not known until that time.

- (3) The amount represents the aggregate dollar value of share units on December 18, 2015, using the volume weighted average trading price of the Class B subordinate voting shares as reported on the TSX over the prior ten (10) consecutive trading days (\$4.7227).
- (4) Includes share units credited as dividend equivalents.
- (5) As RSUs granted to directors vest on the earlier of December 20 in the second calendar year immediately following the grant or the date the individual ceases to be a director, this table does not include share-based retainers for 2015 which the directors have elected to take in the form of RSUs.
- (6) Ms. Bennett passed away January 23, 2015. Mr. Thompson retired on January 30, 2015 and Mr. Bolton and Ms. Rennie did not stand for re-election on April 22, 2015.
- (7) Mr. Pickering and Mr. Snider were elected as directors on April 22, 2015.

Mandatory Shareholdings for Directors

We require non-executive directors to own shares or share units, in aggregate equivalent in value to not less than three times their annual cash retainer and share-based retainer. Non-executive directors have a period of five years from the date they join the Board to reach this mandatory level. For the purposes of this policy, the value of share units is determined by averaging the price of Class B subordinate voting shares at the time of the three most recent DSU or RSU grants (including the current year's grant). As of December 31, 2015, all non-executive directors met the shareholding requirement or were in the process of doing so within the prescribed time limit.

The following table shows, among other things, the number of shares, RSUs and DSUs held by each non-executive director as at March 8, 2016 compared to the number of shares, RSUs and DSUs held as at March 2, 2015, the value of the holdings as at March 8, 2016 and the value of shares and share units required to meet the directors' shareholding requirement.

Name	Director Since	As At	Shares (#) ⁽¹⁾		Share Units Held (#)		Total Shares and Share Units Held (#)	Total At-Risk Value of Shares and Share Units (\$) ⁽²⁾	Value of Shares and Share Units Required to Meet Requirements (\$)
			Class A	Class B	RSUs	DSUs			
M. M. Ashar	2007	2016	0	58,000	0	53,592	111,592	1,879,209	480,000
		2015	0	33,000	0	37,140	70,140	1,857,307	
F. P. Chee	2010	2016	0	186	0	31,844	32,030	539,385	480,000
		2015	0	186	1,968	19,609	21,763	576,284	
J. L. Cockwell	2009	2016	0	5,000	0	47,986	52,986	892,284	480,000
		2015	0	5,000	0	32,838	37,838	1,001,950	
L. L. Dottori-Attanasio ⁽³⁾	2014	2016	0	3,372	0	13,754	17,126	288,402	480,000
		2015	0	3,372	0	0	3,372	89,291	
E. C. Dowling ⁽⁴⁾	2012	2016	0	0	2,794	26,695	29,489	496,595	480,000
		2015	0	0	0	14,059	14,059	372,282	
N. B. Keevil	1963	2016	418,880	214,232	29,686	0	662,798	11,161,518	1,980,000
		2015	418,880	214,232	24,464	0	657,576	17,412,612	
N. B. Keevil, III	1997	2016	0	10,000	4,307	22,522	36,829	620,200	480,000
		2015	0	10,000	9,810	8,152	27,962	740,434	
T. Kubota ⁽⁴⁾	2012	2016	0	2,000	0	31,867	33,867	570,320	480,000
		2015	0	2,000	0	17,571	19,571	518,240	
T. Kuriyama	2006	2016	0	2,000	0	58,549	60,549	1,019,645	480,000
		2015	0	2,000	0	43,683	45,683	1,209,686	
T. L. McVicar ⁽³⁾	2014	2016	0	0	0	15,483	15,483	260,733	480,000
		2015	0	0	0	0	0	0	
K. W. Pickering ⁽⁵⁾	2015	2016	0	0	0	12,748	12,748	214,676	480,000
		2015	n/a	n/a	n/a	n/a	n/a	n/a	
W. S. R. Seyffert	1989	2016	0	121,902	0	70,499	192,401	3,240,033	480,000
		2015	0	101,902	0	53,179	155,081	4,106,545	
T. R. Snider ⁽⁵⁾	2015	2016	0	0	0	12,748	12,748	214,676	480,000
		2015	n/a	n/a	n/a	n/a	n/a	n/a	

Notes:

- (1) This column includes all shares of the Corporation directly or indirectly beneficially owned or over which control is exercised.
- (2) Based on the trailing three year volume-weighted average price of Class B subordinate voting shares of \$16.84.
- (3) Ms. Dottori-Attanasio and Ms. McVicar were appointed as directors on November 19, 2014, and are required to meet the minimum shareholding requirement by November 19, 2019.
- (4) Mr. Dowling is required to meet the minimum shareholder requirement by September 18, 2017.
- (5) Messrs. Pickering and Snider were elected as directors on April 22, 2015, and are required to meet the minimum shareholding requirement by April 22, 2020.

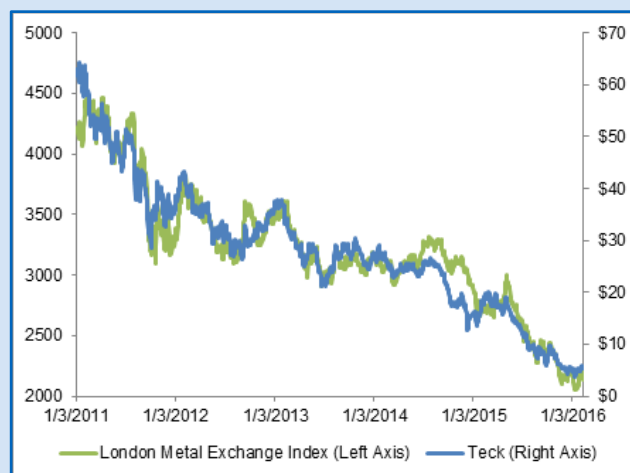
Compensation Discussion and Analysis

Our executive compensation programs are designed to attract, motivate and retain highly qualified and experienced executives. We believe that the design of our executive compensation programs and policies is fully aligned with our short-term operational, safety and sustainability objectives, and long-term shareholder value creation. We take shareholder feedback into consideration in the design of these programs.

Executive Summary

Compensation Philosophy and Approach

We are in a highly cyclical, capital-intensive industry and we operate with a long-term outlook on building value for our shareholders. Our executive compensation programs reinforce this by emphasizing long-term incentives. Our Board is committed to pay for performance, and to striking an appropriate balance between fixed and variable compensation. We consider a variety of factors in setting executive compensation, including performance against objectives, market conditions and share price performance. Our share price performance is strongly influenced by changes in commodity prices, regardless of the operating performance of our business. The following chart compares the price of our Class B subordinate voting shares to the London Metal Exchange index (an index based on spot prices for six non-ferrous metals) over a five year period.



This chart reveals a clear correlation between the value of our equity and commodity prices. The equity portion of our compensation mix ensures that an executive's compensation, through his or her equity holding, is aligned with shareholders. However, because commodity markets are cyclical, successful natural resource companies must manage effectively through the entire business cycle, not just during the highs or lows. Accordingly, it is important to incentivize executives during all parts of the cycle to continue the pursuit of excellence which drives long-term value for shareholders. To this end, we adjust our annual incentive bonus for changes in commodity prices, which may result in higher bonus payments during periods of low commodity prices and lower payments when commodity prices are high. Our heavy weighting to long-term incentives ensures that pay outcomes are fully aligned with shareholders over the longer term.

Our diversified commodity mix makes identifying peer companies for comparative purposes challenging, as the prices of individual commodities may change. In particular, very difficult conditions in coal markets have led to companies with significant coal businesses, including Teck, underperforming their peers in the base metals business, and have led to the insolvency of our major North American competitors in that segment of the business.

Significant changes for 2015/2016

In response to on-going difficult commodity market conditions and in recognition of corresponding pressures on cash flows and low returns to shareholders, the Committee has taken or approved the following significant actions in connection with its review of incentive pay in respect of 2015 and in setting compensation for 2016:

- As in 2015, the Committee approved Management's recommendation that 2016 salaries be frozen at 2014 levels for the Named Executive Officers (NEOs) and for all other senior executives of the Corporation whose responsibilities have not materially changed;
- Consistent with cost reduction measures taken in all aspects of the business, the Committee approved Management's recommendation that annual incentive bonuses for 2015 be reduced from levels calculated in accordance with the Bonus Plan by ten percent for senior management, and by five percent for all other bonus-eligible employees;
- The Committee also approved Management's recommendation to reduce the 2016 long term incentive grant by 15% in light of current business conditions and the share price decline in 2015;
- As a consequence of these actions, target total direct compensation in 2016 for NEOs is less than in 2013 - 2015;
- The Performance Comparator Group used for the 2016 PSU grant was revised to remove three coal companies that have become insolvent and to replace them with appropriate comparators; and
- An external review of corporate performance relative to the Performance Comparator Group was undertaken as described under the heading "Realizable Pay" on pages 74 to 78;

Taking into account these changes to our executive compensation programs and general reductions in our workforce and use of contractors, Teck's total labour costs for ongoing operations declined in 2015 by approximately 4% in local currency terms from 2014 levels.

Equity-Linked Compensation and Realizable Pay

Our Long Term Incentive Program provides both stock options and share units. Stock options have a ten-year term and reward for share price appreciation while share units encourage retention and build long-term shareholder alignment. As a part of our philosophy of pay for performance, in 2014 we introduced Performance Share Units ("PSUs") as a part of the equity compensation package for senior management (see "Share Unit Plans" on page 87), with 50% of share unit awards to senior management coming in the form of PSUs.

Our emphasis on equity compensation and the significant shareholdings by our executives create a direct link between share price performance and the potential value that can be realized from the equity programs. Accordingly, on the basis of Teck's current share price, the realizable value of the executives' shareholdings, including the in-the-money value of outstanding stock options and the mark-to-market value of outstanding share units, has significantly declined.

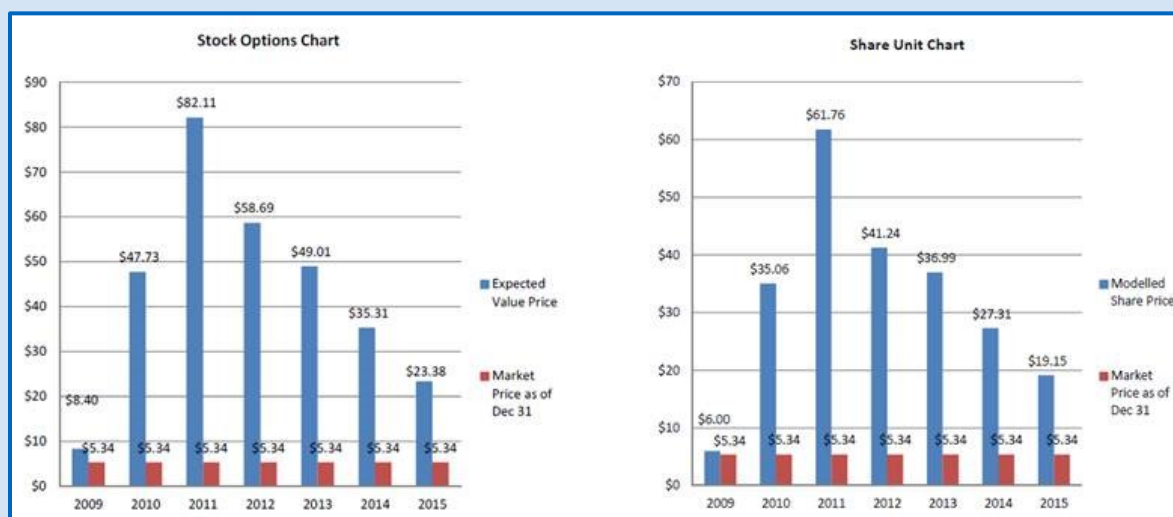
The table below provides a comparison of the grant date fair value of long-term incentive awards granted to the CEO against the realizable in-the-money value of those awards as at December 31, 2015.

Year	Grant Date Fair Value	Value as of Dec 31, 2015 ⁽¹⁾	% Change
2011	\$5,880,000	\$267,000	-95%
2012	\$5,939,213	\$400,500	-93%
2013	\$5,352,200	\$429,870	-92%
2014	\$5,722,350	\$582,060	-90%
2015	\$5,953,000 ⁽²⁾	\$830,370	-86%

Notes:

- (1) Values as at December 31, 2015 are calculated as the in-the-money value of options and the notional value of share unit awards, assuming full vesting in each case, based on the closing price for Class B subordinate voting shares on the Toronto Stock Exchange as at December 31, 2015 of \$5.34.
- (2) In 2015 the CEO elected to receive his annual cash bonus payable for 2014 in the form of DSUs which are not reflected in the table above.

The charts below compare the expected value of stock options and share units issued to NEOs to their in-the-money value as at December 31, 2015, demonstrating the strong alignment of our equity-linked compensation outcomes with shareholder returns over the relevant period.



As long term incentives represented 58% of NEOs direct compensation mix in 2015, the value derived from these vehicles strongly impacts the pay for performance relationship. Share ownership guidelines, which encourage executives to build and maintain equity ownership throughout their tenure, further align the executive compensation program with the interests of long-term shareholders.

Annual Incentive Program

We also focus on short-term operational excellence and risk mitigation, including financial, safety and sustainability performance. We use Return on Capital Employed ("ROCE") as the key financial metric within our annual incentive program to provide a consistent focus on effective capital management (see "Annual Incentive Bonus" on page 63), while adjusting incentive metrics to reduce the impact of

commodity prices and certain other factors outside of Management's control. The focus of our short term incentive program is to encourage management to control the controllable, and we seek to avoid windfall payments as a result of changes in market conditions. In particular we adjust:

- for the impact of commodity price changes and changes in the U.S./Cdn dollar exchange rates;
- to recognize specific operational initiatives, including the documented results of cost management initiatives;
- to recognize Management's response to opportunities and unplanned events that arise during the year, and
- to recognize Management's implementation of business process improvements.
- for the impact of commodity price changes and changes in the U.S./Cdn dollar exchange rates;
- to recognize specific operational initiatives, including the documented results of cost management initiatives;
- to recognize Management's response to opportunities and unplanned events that arise during the year;
- and to recognize Management's implementation of business process improvements.

These outside factors are considered annually and adjustments are applied every year, as appropriate. The adjustment for commodity prices and foreign exchange rates provides a more balanced measurement of performance, reduces the variability of bonus awards and recognizes operational excellence throughout the commodity cycle. In measuring annual performance, consideration is also given to the key milestones within the Corporation's development initiatives that may not immediately contribute to financial performance, but require ongoing work by our executives to ensure long-term success.

Safety performance is measured by year-over-year reductions in lost time and disabling injury frequency ("LTDIF"). This measure, which puts additional weight on more serious incidents, is new for 2015. Sustainability performance is measured against objectives established at the beginning of the year for each operating site in key areas such as environment, tailings management, community, water, biodiversity and energy.

Overall bonus ratings for Management are intended to reflect a holistic assessment of performance within Management's control. Target bonuses are expressed as a percentage of base salary. For 2015, the CEO had a target bonus of 125% of base salary and the other NEOs had an average target bonus of 70% of base salary.

Certain quantitative targets relevant to the Bonus Plan and actual results for 2015 were as follows:

Corporation as a Whole			
Metric	Target	Actual	Target Achieved
Adjusted ROCE	0.80%	1.60%	Yes
LTDIF	0.65%	0.70%	No

For 2015 we substantially satisfied our sustainability objectives and the NEOs met their respective individual objectives. Accordingly, the CEO obtained a bonus rating of 130% and the other NEOs obtained an average bonus rating of 125%.

2015 Salary Adjustments

We generally fix base salaries through an analysis of salaries paid by companies in our Compensation Comparator Group, as well as individual performance measured against the achievement of business and operating objectives. For 2015, annualized base salaries for NEOs were frozen for the second consecutive year in light of the challenging economic environment in which we are operating, as well as our on-going cost reduction efforts.

2015 Long-Term Incentive Grants

Long-term incentives are targeted to represent, on average, 58% of the NEOs' total direct compensation and as a result, a significant portion of their compensation is directly aligned with shareholder interests. In 2015, the long-term incentive grants were made:

- 50% in stock options which vest over three years and have a ten-year term; and
- 25% in restricted or deferred share units (RSUs or DSUs chosen at the election of the executive) and 25% in performance share units (PSUs) (see "Share Unit Plans" on page 87).

We take previous awards and competitive position in the market into consideration in determining the number of stock options and share units awarded to each participant. In 2015 the value of stock options and share units awarded to the NEOs reflected the median of the market in terms of total direct compensation.

In 2015, the following number of stock options and share units were granted to NEOs:

Named Executive Officer	Stock Options (#)	Share Units (#)	
		DSUs/RSUs	PSUs
D. R. Lindsay	703,000	77,750 ⁽¹⁾	77,750
I. C. Kilgour	244,000	27,000	27,000
R. A. Millos	184,000	20,250	20,250
P. C. Rozee	184,000	20,250	20,250
T.C. Watson	152,000	16,750	16,750

The DSUs that Mr. Lindsay received in lieu of cash for his 2014 annual incentive bonus (payable in 2015) are not included.

Say on Pay

At the 2015 Annual Meeting of Shareholders, shareholders voted 97.93% in favour of an advisory resolution accepting the Corporation's approach to executive compensation, with 94.5% support from holders of Class B subordinate voting shares. In addition to conducting a say-on-pay vote, we also engaged with some of our key shareholders and other stakeholders to better understand their concerns and questions on our approach to executive compensation. In 2014 we added performance-linked equity compensation in the form of PSUs to our long-term incentive program for senior executives, partly in response to shareholder feedback.

Looking Forward

The Committee will continue to review our executive compensation programs to make improvements to align them with market practice and principles of good governance as well as to ensure an appropriate link between pay and performance. In 2016 the use of stock options will receive particular scrutiny in light of announced proposed changes to the taxation of stock options in Canada.

Compensation Process Participants

The Board has responsibility for overseeing our compensation program. The Board has delegated certain oversight responsibilities to the Compensation Committee, but retains final authority over the compensation program and process including approval of material amendments to or adoption of new equity-based compensation plans and the review and approval of Committee recommendations regarding executive compensation.

In designing the various components and determining amounts of compensation, the Compensation Committee draws upon the CEO and the Vice President, Human Resources and confers with the Senior Vice President, Commercial and Legal Affairs and the Senior Vice President, Finance and CFO on matters that fall within their respective areas of expertise and responsibilities.

The Vice President, Human Resources provides the Committee with internal and external analyses regarding the basic structure and competitiveness of the Corporation's compensation program and the details of the Corporation's various compensation and incentive plans. Each year, the CEO and Vice President, Human Resources review the base salaries of the NEOs, other than the CEO, and other senior executives and recommend adjustments to these salaries. Additionally, the CEO and Vice President, Human Resources provide the Committee with a detailed review of the actual results for each performance measure under the Bonus Plan compared to target and the resulting proposed payments under the plan. Also, the CEO and Vice President, Human Resources propose the total number of stock options and share units to be granted as well as the specific grant amounts to the NEOs, other than the CEO, and other senior executives.

The Committee considers advice from its compensation advisor with regard to the recommendations of Management as part of preparing its recommendations to the Board.

Compensation Committee

The Committee met four times during the year, and met without Management present for a portion of each meeting. All Compensation Committee members are independent directors. The members are Mayank Ashar, Felix Chee, Edward Dowling, Warren Seyffert and Tim Snider. Janice Rennie was a member of the Committee and its Chair throughout the initial part of 2015 until April 22, 2015 when she did not stand for re-election to the Board.

The members have direct experience relevant to executive compensation either through their compensation committee experience or their executive experience in other companies (see "Nominees for Election to the Board" on pages 10 to 18), and they bring a broad base of skills and experience that contribute to their suitability to make decisions on the Corporation's compensation policies and practices. Some of this experience includes:

- Industry knowledge
- Operational experience
- Human resource management and compensation design experience
- Financial knowledge
- Legal experience

The Compensation Committee has the following responsibilities:

- Recommending to the Board the CEO's performance evaluation which takes into consideration the CEO's annual objectives as established by the Board and input the Committee has received from other Board members with respect to the CEO's performance;
- Based on the CEO's performance evaluation, recommending to the Board the CEO's compensation including adjustments to base salary, the annual incentive award, and the long-term incentive grant;
- Evaluating and recommending to the Board the recommendations of the CEO with respect to the annual objectives established for the other NEOs and senior executives, the evaluation of their performance relative to these objectives and based upon this evaluation, their compensation including adjustments to base salaries, the annual incentive awards and long-term incentive grants;
- Evaluating and recommending to the Board benefits and other perquisites that may apply to the senior executive group;
- Evaluating and recommending to the Board the Corporation's annual and long-term incentive compensation plans and other compensation policies and programs;
- Evaluating and recommending to the Board, for those directors who are not executives of the Corporation, cash compensation including retainers and meeting fees and grants of Deferred Share Units or Restricted Share Units;
- Reviewing executive and director compensation disclosure before the Corporation publicly discloses that information to ensure it reflects the decisions of the Board and the rationale for those decisions;
- Performing the functions assigned to it under the 2010 Stock Option Plan, the Deferred Share Unit Plan, the Restricted Share Unit Plan and the Performance Share Unit Plan, including evaluating and recommending to the Board the aggregate grant of stock options and deferred, restricted and performance share units to directors, NEOs, executives, senior Management and employees;
- Evaluating and recommending to the Board the appropriate group of companies on which to assess the competitiveness of the Corporation's compensation policies and plans;

- Evaluating and recommending to the Board senior executive agreements, including initial offers of employment, and termination and change in control provisions in those agreements;
- Reviewing the shareholding requirements for the CEO and directors relative to the requirements established by the Corporate Governance and Nominating Committee;
- Reviewing an annual report on the Corporation's human resources issues and priorities, including but not limited to, union-management relations at the Corporation's unionized operations and any collective agreement settlements at those operations; and
- Reviewing annually the material compensation plans, including executive compensation programs, to confirm program design and payouts align with the Corporation's risk management principles and do not encourage inappropriate or excessive risk taking.

Apart from its general duties outlined above, the following are highlights from the Committee's activities in 2015:

- Reviewed and evaluated:
 - An extensive report from the management compensation consultant, Mercer (Canada) Limited ("Mercer"), on the latest annual survey of executive compensation;
 - A comprehensive report on the Human Resources strategic objectives and progress against them in 2015;
 - Share ownership guidelines and compliance by executives and directors;
 - The comparator group of companies against which Teck benchmarks for compensation purposes (the "Compensation Comparator Group");
 - Benchmarking to assess Teck's executive benefits and perquisites against the executive marketplace;
 - Business objectives for 2016;
 - Performance against business objectives and the Bonus Plan metrics for 2015; and
 - A proposal to conduct a study of executive long term incentive trends and developments in the and the Corporation's long-term incentive design in light of current market conditions and to assess the degree of alignment between long-term business strategy and long-term incentive design.

Compensation Consultants

When the Compensation Committee considers it necessary or advisable, it has sole authority to retain, at the Corporation's expense, outside consultants or advisors to assist or advise the Committee on any matter within its mandate. The table below summarizes the fees related to determining compensation for the Corporation's directors and executives ("Executive Compensation Related Fees") and the fees for these consultants for other services ("All Other Fees") for the financial years ended December 31, 2014 and 2015.

Consultant	2014		2015	
	Executive Compensation-Related Fees	All Other Fees	Executive Compensation-Related Fees	All Other Fees
Meridian	\$88,823	\$0	\$51,305	\$0
Mercer	\$179,666	\$154,579	\$96,050	\$173,110
Willis Towers Watson	\$76,154	\$851,082	\$53,404	\$566,824

Since 2012, the Committee has engaged Meridian to serve as an independent advisor to the Committee. Meridian reports directly to the Committee and does not provide any other services to the Corporation. Meridian provides independent advice on a range of matters including trends and developments in executive compensation and related governance matters, review of Management's compensation proposals, and ad hoc assistance as requested by the Committee from time to time.

Willis Towers Watson provides advice only to Management and does not provide advice directly to the Committee. It has provided actuarial and related advice regarding our defined benefit pension plans since 1948. The bulk of Willis Towers Watson's fees relate to these services.

In establishing policies covering base salaries, benefits, annual incentive bonuses and long-term incentives, the Committee takes into consideration the recommendations of Management. Since 2009, Mercer has been engaged by Management to provide specific support on executive and senior management compensation as well as director compensation, including surveys on market practices and a technical analysis of this information relative to the Corporation's compensation plans and practices.

Compensation Overview

Objectives of the Executive Compensation Program

Our compensation policies are designed to:

- Attract, motivate and retain highly qualified and experienced executives;
- Recognize and reward contributions to Teck's success as measured by the accomplishment of specific performance objectives;
- Ensure that a significant proportion of compensation is directly linked to the success of the Corporation while not encouraging excessive or inappropriate risk-taking;
- Promote adherence to the high standards and values reflected in our Code of Ethics, and policies concerning safety and environmental stewardship; and
- Protect long-term shareholder interests by ensuring NEO and other senior executive interests are aligned with those of shareholders.

Compensation Comparator Group

The Committee believes that the long-term success of the business hinges on the quality of the executive team. Accordingly, we must attract and retain the talent required to successfully operate and expand our business in a competitive marketplace. Our compensation program is therefore market-driven and performance-based. Among other things, the Compensation Committee refers to a Compensation Comparator Group that represents the market for executive talent. This is different than the performance comparator group described on page 88, which consists of resource companies with which we compete for capital. In developing the Compensation comparator Group, the Committee considers a variety of relevant criteria to identify companies of a similar scope and complexity, including:

- Companies in similar industries or with similar business characteristics (defined as global mining, metal refining and resource-based companies);
- Similarly-sized companies in terms of annual revenue and, enterprise value and market capitalization; and
- Companies that have diverse commodity portfolios or multiple locations (Teck is focused on coal, copper, zinc and energy in multiple locations and countries).

The 2015 Compensation Comparator Group consisted of the following companies:

Name	Annual Revenue (USD) ⁽¹⁾	Market Capitalization (USD) ⁽³⁾	Primary Commodities
Agrium	16.0B	12.3B	Nitrogen, phosphate, potash
Alcoa	23.9B	12.9B	Aluminum
Anglo American	27.1B	5.7 ⁽⁴⁾	Iron ore, copper, coal, platinum, diamonds, palladium, manganese, steel, nickel, rhodium
Barrick Gold	10.2B	8.6B ⁽²⁾	Gold, copper
Cameco	1.7B ⁽²⁾	4.9B ⁽²⁾	Uranium, energy
Canadian Natural Resources	13.8B ⁽²⁾	23.9B ⁽²⁾	Energy
Cliffs Natural Resources	4.6B	0.2B	Iron ore, coal
First Quantum Minerals	3.5B	2.6B ⁽²⁾	Copper, nickel, gold
Goldcorp	3.4B	9.6B ⁽²⁾	Gold
Kinross Gold	3.5B	2.1B ⁽²⁾	Gold
Mosaic	9.1B	9.7B	Phosphate, potash
Newmont Mining	7.3B	9.5B	Gold, copper
Peabody Energy	6.8B	0.1B	Coal
Potash Corporation of Saskatchewan	7.1B	14.3B ⁽²⁾	Potash, nitrogen, phosphate
Suncor Energy	28.8B ⁽²⁾	37.3B ⁽²⁾	Energy

Notes:

- (1) As reported by Bloomberg for the period ended December 31, 2014.
- (2) Figures reported in Canadian currency have been converted to United States dollars at the Bank of Canada noon rate on December 31, 2014.
- (3) As reported by Bloomberg as at December 31, 2015.
- (4) Figure reported in Great Britain currency has been converted to United States dollars at the Bloomberg close rate on December 31, 2015.

Total Direct Compensation Components

Total direct compensation (base salary, annual incentive bonus and long-term incentives) payable to our NEOs is targeted within a competitive range of the median of the Compensation

Comparator Group, provided that as: (i) market data is inherently imprecise; and (ii) available market data may not be reflective of the specific roles, responsibilities and experience of the NEOs, we use judgement in interpreting market data and setting NEO target compensation levels. Actual compensation may be above or below median compensation based on the incumbent's experience and performance in the role over time. The following table sets out the weighting of the direct compensation provided to the NEOs in 2015. As outlined in this table, the total value is weighted to "at risk" variable compensation (i.e. annual incentive bonus and long-term incentives).

Named Executive Officer	Title	Percent of Total Direct Compensation				
		Base Salary	Annual Incentive Bonus	Long-term Incentives		
				Stock Options	DSUs/RSUs	PSUs
D. R. Lindsay	President and CEO	15.6	22.1	31.1	15.6	15.6
I. C. Kilgour	Executive VP and COO	21.3	19.9	29.4	14.7	14.7
R. A. Millos	SVP, Finance and CFO	24.0	17.9	29.1	14.5	14.5
P. C. Rozee	SVP, Commercial and Legal Affairs	23.8	18.4	29.0	14.4	14.4
T.C. Watson	SVP, Project Development	27.4	17.6	27.6	13.7	13.7

In addition, we provide health care coverage, disability and life insurance, pension and retirement programs and perquisites.

The direct compensation components are linked to our corporate objectives as follows:

Compensation Component	Description	Link to Corporate Objectives
Base Salary	<p>Base salary is determined through an analysis of salaries paid by companies in the Compensation Comparator Group as well as individual performance, which is assessed according to the achievement of business and operating goals. The quantum of the base salary is meant to reflect the capability of the individual as demonstrated over an extended period of time.</p>	<p>Appropriately set base salaries enable the Corporation to attract and retain highly skilled and talented executives. Our base salary plan recognizes, through higher annual salary adjustments, those employees who consistently exceed expectations.</p>
Annual Incentive Bonus	<p>The Annual Incentive Bonus for NEOs and other management, technical, commercial and administrative staff focuses on specific objectives in three performance areas:</p> <ul style="list-style-type: none"> • corporate financial performance based on ROCE (described below under the heading “Annual Incentive Bonus”), and safety performance based on LTDIF adjusted to reflect other qualitative considerations; • business unit performance based on production, cost, sustainability and other qualitative considerations for staff groups; and • personal performance. 	<p>ROCE, adjusted for commodity prices, focuses attention on the return generated by assets under the manager’s responsibility and encourages investment in new assets which will enhance longer term value and returns.</p> <p>The focus on safety and sustainability supports our objectives in these important areas.</p> <p>The key metrics at Business Unit level recognize matters that are within Management’s control and provide good line of sight for our employees.</p> <p>The personal component of the plan recognizes the individual’s contribution to the Corporation as reflected in the achievement of that person’s specific annual objectives.</p> <p>Results are adjusted based on a qualitative review designed to consider the quality and sustainability of the financial results.</p>

Compensation Component	Description	Link to Corporate Objectives
<p>Long-term Incentives: Stock Options and Share Units (RSUs, DSUs and PSUs)</p>	<p>NEOs and other senior executives are eligible to participate in the Corporation's stock option and share unit plans (see "Share Unit Plans" on page 87). Long-term incentive compensation of senior executives includes 25% performance-linked equity awards in the form of PSUs, 25% RSUs/DSUs and 50% stock options.</p> <p>Stock option grants vest as to one-third on each of the first three anniversaries of the grant. Options expire 10 years following the date of the grant.</p> <p>The value of share units is tied to the value of Class B subordinate voting shares. RSUs entitle the employee to receive a cash payment equal to the market value of the underlying shares at the end of a vesting period of just under three years, and DSUs entitle an employee to receive a cash payment equal to the market value of the underlying shares (as at the payout date) following the end of employment. PSUs entitle the employee to receive a cash payment equal to 0% to 200% of the market value of the underlying shares at the end of a performance period of just under three years, with the payout amount depending on Teck's Total Shareholder Return ("TSR") performance relative to the Performance Comparator Group (see "Share Unit Plans" on page 87). All share units are cash settled and avoid the potential dilution associated with stock options.</p>	<p>Our long-term incentives are designed to foster and promote the long-term financial success of the Corporation by strengthening our ability to attract and retain highly qualified and experienced employees, motivating these employees to achieve the longer term goals of the Corporation, and linking total compensation to shareholder returns over longer periods.</p> <p>Performance-linked equity awards, based on TSR relative to the Performance Comparator Group, improves alignment with pay-for-performance best practices.</p>

Pensions, Benefits and Perquisites

Pension, benefit and perquisite arrangements are designed to be competitive with the Compensation Comparator Group at the time of the review. These arrangements are reviewed periodically by the Committee to ensure they remain competitive.

The pension arrangements of the NEOs vary as the defined benefit arrangements are closed to new participants. Mr. Lindsay and Mr. Rozee participate in the defined benefit pension plan and

supplementary retirement arrangements, as described on page 89. Mr. Kilgour, Mr. Millos and Mr. Watson are members of defined contribution plans, as described on page 90.

The executive benefit plan includes: medical, extended health, dental, disability, life insurance coverage and a benefit credit. The benefit credit can be allocated to a personal spending account, which can be used for financial planning, income tax preparation and wills, a healthy lifestyle account and a health spending account, which can be applied to medical expenses not covered under the medical plan.

Perquisites consist of a car allowance or leased vehicle, club memberships, and an annual health assessment. The Corporation also provides Mr. Rozee and Mr. Millos with post-retirement benefits including life insurance for up to the earlier of five years after retirement or age 70, medical, extended health and dental coverage.

Termination and Change in Control Benefits

Employment agreements with each NEO provide a consistent and comprehensive framework of employment terms for each executive. These agreements set out terms and conditions in the event there is a Change in Control or in other circumstances where the executive is terminated other than for cause. See the section on “Termination and Change in Control Benefits” on page 91 for further details.

Determining Compensation Mix

The Committee annually reviews our compensation programs, including the mix of compensation and the appropriateness of annual and long-term incentive compensation in comparison to Compensation Comparator Group practices. The CEO and the Vice President, Human Resources advise the Committee regarding the competitiveness of the compensation program and its impact on the ability to attract, motivate and retain talented employees and executives. In addition, the Committee reviews information about Compensation Comparator Group compensation.

Setting Performance Objectives and Goals

The CEO, in consultation with the Board and senior Management, is responsible for developing the Corporation’s overall strategic goals. The CEO then develops an annual business plan and sets out corporate strategies and objectives consistent with these goals, which are reviewed and approved by the Board. These objectives include both general corporate and financial objectives and form the basis for assessing the CEO’s performance for the purpose of determining his annual incentive award.

The CEO meets with the NEOs and other senior executives to discuss the specific objectives that have been set. The senior executives, in consultation with the CEO, set individual performance objectives, which are linked to the strategic goals and annual business plan and corporate objectives. The CEO advises the Committee regarding senior executives’ objectives and discusses the alignment of these objectives with our corporate strategy.

Reviewing Performance and Setting Compensation

One of the Committee's most important responsibilities is making recommendations to the Board regarding the CEO's compensation. In making these recommendations, the Committee considers the CEO's performance with respect to the achievement of corporate objectives and strategic and annual business plans, and the CEO's individual performance relative to his goals.

The Committee reviews the various elements of the CEO's compensation in the context of the total compensation package, including salary, annual incentive bonus, and long-term incentive award. As part of preparing its recommendations regarding the CEO's compensation, the Committee refers to compensation provided to chief executive officers among the Compensation Comparator Group and consults with its advisor. The recommendations of the Committee are presented to the Board for approval.

The Committee consults with the CEO concerning his evaluation of the performance of the executives who report to him. The CEO makes recommendations to the Committee regarding executive salary increases, annual incentive bonuses, long-term incentives, and total compensation for executives being hired or promoted. The Committee's recommendations regarding NEO compensation are presented to the Board for approval.

Our compensation plans have been and continue to be purposefully designed to create a clear connection between planned financial and operating performance, actual results, and NEO compensation. As part of our continuing improvement model, our compensation plans are regularly reviewed to ensure a significant portion of NEO compensation is aligned with long-term shareholder value creation.

Compensation Risk

Our executive compensation is designed to create appropriate incentives to increase long-term shareholder value within the framework of our risk management tolerance. Our risk management processes include regular reporting of key risks to the Board, and risk management is a standing agenda item for senior Management meetings. This process supports a strong embedded risk management culture throughout the organization. In the normal course of business, the Corporation has strong control measures in terms of authority levels and spending limits.

The Committee incorporates risk considerations in its ongoing compensation oversight role. In 2012, the Committee engaged Towers Watson to formally assess compensation-related risks. As part of this process, Towers Watson met with senior Management representatives to understand the Corporation's risk culture and risk appetite, and the interaction between material risks and compensation programs. In addition, Towers Watson reviewed output from corporate risk management processes and documentation for all compensation plans. On the basis of the limited changes to the Corporation's compensation and risk management programs and the substantial continuity of management and the business of the Corporation since the Towers Watson review, the Committee believes that this analysis remains current for 2015. The Committee will consider whether to commission a new assessment at its April 2016 meeting.

The following are key risk mitigating features of the executive compensation plans:

- The compensation program is balanced between fixed and variable pay and between short-term and long-term incentives;
- A mix of performance measures are used at various organizational levels to provide a balanced performance focus (e.g., financial, safety and environmental performance);
- The Bonus Plan features capped payouts (2.0x target);
- Stock option and share unit awards are granted annually:
 - Stock options vest over three years and have a ten-year term;
 - RSUs vest at the end of three years to enhance retention;
 - The value from DSUs cannot be accessed until the participant's employment ends providing long-term alignment to the risks inherent within the business; and
 - The pay-out amount of PSUs is tied to the Corporation's TSR performance relative to the Performance Comparator Group, aligning executive compensation with shareholder return;
- The CEO and SVPs are subject to share ownership guidelines; and
- Clawback and anti-hedging policies are in place. (See "Compensation 'Clawback' Policy" and "Anti-Hedging Policy").

As the Committee's independent advisor, Meridian reviewed the 2012 Compensation Risk report completed by Towers Watson and supports the Committee's ongoing process. The Committee has concluded that it does not appear that there are risks from the compensation programs that are reasonably likely to have a material adverse effect on the Corporation.

Compensation "Clawback" Policy

The Board has implemented a formal policy for seeking reimbursement of compensation from all variable compensation plans where:

- There is a material restatement of the Corporation's financial results;
- An officer engaged in gross negligence, intentional misconduct or fraud that caused or partially caused the need for the restatement; and
- The relevant compensation award would have been lower had the financial results been properly reported.

Anti-Hedging Policy

Our Employee Trading Policy prohibits insiders and employees from selling shares in the Corporation that they do not own or have not fully paid for ("short-selling") and from buying or selling financial instruments on shares of the Corporation at any time that are designed to hedge or offset a decrease in the value of the Corporation's shares.

Analysis of Total Direct Compensation and 2015 Results

Base Salary

Base salaries are determined through an analysis of salaries paid by companies in the Compensation Comparator Group, taking into account individual performance. Base salaries are targeted within a competitive range of the median of the Compensation Comparator Group. Market data is one input considered by the Committee in setting pay. It exercises judgment taking into account performance, responsibility and experience of the NEOs, as well as internal equity. Base salaries are normally reviewed at the beginning of each year. The CEO recommends base salary adjustments to the Compensation Committee for the NEOs, other than himself, and other senior executives. The Compensation Committee determines the base salary adjustment, if any, for the CEO taking into consideration the performance of the CEO and the advice it has received from its compensation advisor.

For 2015, actual base salary accounted for 22.4% of the NEOs' total direct compensation. For 2015, NEOs did not receive base salary increases. In light of the challenging economic environment in which we are operating, as well as our on-going cost reduction efforts, base salaries for the NEOs will remain frozen in 2016 as they were in 2015.

Annual Incentive Bonus

The Bonus Plan is designed to recognize and reward executives for the achievement of short-term performance goals based on the following three components:

- Financial and safety performance of the Corporation;
- Financial and operational performance and sustainability of the Corporation's Business Units; and
- Individual performance objectives.

For the purpose of the Bonus Plan, financial performance is measured in terms of ROCE which is calculated as earnings attributable to shareholders of the Corporation before after-tax finance expense divided by average capital employed. ROCE, at the enterprise level, is used as our primary financial metric because of its general acceptance and prevalent use in the mining and resource and oil and gas sectors. ROCE is used to focus the attention of executives on the returns being generated by assets in their areas of responsibility, and to encourage investment of capital in new assets which will enhance ROCE performance over the long term. Capital employed is defined as total assets less current liabilities adjusted for dividends payable and current portion of long-term debt, less future tax liabilities. ROCE targets are based on the Corporation's annual financial plan and are adjusted at the end of the year to reflect the actual U.S. dollar exchange rate and actual zinc, copper, coal and material by-product prices. Because our financial results, including ROCE, are highly influenced by prevailing commodity prices, our ROCE targets vary from year to year. In 2015, our ROCE target declined to 0.8% from 2.4% in 2014, due to lower prices for our principal products. The Corporation's financial results are prepared in accordance with IFRS; however, ROCE is not a measure recognized under IFRS and does not have a standardized meaning prescribed by IFRS. Accordingly, ROCE may not be comparable to similar measures reported by other issuers.

The key metrics at the Business Unit level provide line of sight for our employees on key drivers of our business, namely production, cost and sustainability. In addition, the weighting on safety in the bonus plan overall was increased. For 2015 we are using (“LTDIF”) as the safety metric for our bonus plan. LTDIF is the sum of our lost time injury frequency (“LTIF”) and our disabling injury frequency. Accordingly our 2015 LTDIF target of 0.65 is not directly comparable to our 2014 LTIF target of 0.45. Sustainability performance is measured against objectives established with each operation at the beginning of the year. Objectives are focused on the implementation of sustainable practices in the specific areas of water, community, biodiversity, energy, and tailings management. We include safety and sustainability as metrics because they are core values that we want to embed in the culture and pay philosophy of the Corporation.

The bonus ratings determined for Management reflect a holistic assessment of performance that is within Management’s control. The ROCE targets are adjusted for key commodity prices and the U.S. dollar exchange rate to provide for recognition of excellent operating performance during periods of low commodity prices while avoiding windfall payouts during periods of high commodity prices. The emphasis of the bonus plan is to incent management to control the controllable. Our long-term incentive program provides a direct link to changes in commodity prices, which to a large extent drive shareholder returns.

In addition to adjusted ROCE and LTDIF, the Compensation Committee reviews a broad set of qualitative objectives developed by the CEO with input from the business units, to understand the quality and sustainability of the financial results, to assess documented results of cost management initiatives, to consider the achievement of key milestones within our long-term development programs and to remove the impact of certain exogenous events outside of the control of Management (such as natural disasters or force majeure declarations by third parties). A similar review is conducted at the Business Unit level between the CEO and the Business Unit heads to determine the individual Business Unit scores, with additional consideration of relative performance between the Business Units. Weightings for each component vary by position, reflecting the impact each position has on company-wide and Business Unit performance (e.g. a Business Unit executive has a higher weighting on Business Unit performance compared to a corporate executive). Target bonuses are expressed as a percentage of base salary and are payable based on overall target performance.

The target level of performance is calibrated based on the approved budget for the year and incorporates a reasonable level of stretch. Payouts under the Bonus Plan can range from 0% to 200% of target depending on the actual level of performance achieved, with 100% payable at the target level of performance for each component. Weightings and performance measures for each component of the Bonus Plan, as well as target bonuses for the NEOs, are set out in the following table.

	Target Bonus (% of Salary)	Corporate		Business Unit		Personal	
		Weight	Performance Measure	Weight	Performance Measure	Weight	Performance Measure
CEO	125%	50%	ROCE (40%) Safety (10%)	20%	Weighted Average Business Unit, Cost (6.7%) & Production (6.7%), and Sustainability (6.7%)	30%	Individual performance objectives
COO	80%	40%	ROCE (30%) Safety (10%)	30%	Weighted Average Business Unit, Cost (10%) & Production (10%), and Sustainability (10%)	30%	Individual performance objectives
CFO, SVP Commercial and Legal Affairs	70%	50%	ROCE (40%) Safety (10%)	20%	Functional Area Objectives (15%) and Sustainability (5%)	30%	Individual performance objectives
SVP Project Development	60%	50%	ROCE (40%) Safety (10%)	20%	Functional Area Objectives (15%) and Sustainability (5%)	30%	Individual performance objectives

Corporate Performance

The Corporation achieved the following performance in 2015:

- ROCE (adjusted for commodity prices on a basis consistent with past practice for bonus plan purposes) was 1.60% compared to a target of 0.80%.
- LTDIF score was 0.70%, slightly worse than the target of 0.65%.

In addition, corporate objectives for employee development, cost reduction/fiscal management and various other management objectives were met or exceeded. Our project development work faced obstacles largely related to permitting. Significant cost savings programs were again successfully implemented this year in response to difficult market conditions, and cost reduction targets exceeded.

Based on these results and recognizing significant management accomplishments in light of external factors, the CEO recommended a performance rating for the corporate ROCE component of the Bonus Plan of 125%.

These significant accomplishments included:

- All major operations remained cash flow positive despite declining commodity prices, and the Corporation's cost reduction programs successfully reduced cash operating costs at all operations.
- All critical milestones were achieved on the Fort Hills oil sands project.
- The Corporation was the top-ranked mining company and fourth-ranked company overall named to the Best 50 Corporate Citizens in Canada ranking by media and investment research company Corporate Knights and was also named one of the Top 50 Socially Responsible Corporations in Canada by Sustainalytics, a global responsible investment research firm.
- The Corporation raised nearly \$1 billion in two streaming transactions which was used partly to reduce debt by \$400 million, enhancing liquidity.
- The Corporation's cost reduction program combined with a falling Canadian dollar, lower oil prices, and higher copper grades have contributed to reduce the Corporation's U.S. dollar unit costs for our products with copper and steelmaking coal unit costs falling by US\$0.30 per pound (before by-product credits) and US\$20 per tonne, respectively, compared to last year.

The Corporation slightly under-achieved its safety performance target, as measured by LTDIF, which resulted in a performance rating of 87.5%. The overall Corporate rating for the CEO, which is based on ROCE and safety, is 118%.

The Compensation Committee endorsed and the Board approved the recommended rating.

Business Unit Performance

Consistent with the corporate performance rating, and as described above under the heading "Annual Incentive Bonus", Business Unit ratings were adjusted to reflect the factors that Management could be expected to control and to reflect a holistic assessment of each Business Unit's performance throughout 2015.

For 2015, Mr. Lindsay attained a Business Unit rating of 139% based on the weighted average performance of all operations, which is based on production, cost and sustainability. Mr. Millos attained a Business Unit rating of 126% based on the performance of the finance and information services groups and the weighted average sustainability performance of operations. Mr. Rozee attained Business Unit rating of 131% based on the performance of the legal group and the weighted average sustainability performance of operations. Mr. Watson attained a Business Unit rating of 122% based on the performance of the projects group and the weighted average sustainability performance of operations. Mr. Kilgour attained a Business Unit rating of 139% based on the weighted average performance of all operations which is based on production, cost and sustainability.

Individual Performance

Each of the CEO's direct reports is responsible for the achievement of a portfolio of specific goals related to his area of responsibility as established in consultation with the CEO. At the end of the year, the CEO meets personally with each of the NEOs to complete a formal review of

achievements against stated objectives and to share performance feedback. The CEO then assesses the performance of each NEO on a holistic basis considering a variety of factors, including the subjective goals, and provides a recommended individual performance rating to the Compensation Committee which is used to determine the individual result of the personal component. The CEO is reviewed on a similar basis with the individual performance rating determined by the Board.

The following summarizes the individual performance achievements for each NEO in relation to the performance objectives established at the beginning of the year.

Named Executive Officer	Individual Performance Achievements in Relation to Objectives
D. R. Lindsay President and CEO	<ul style="list-style-type: none"> ● Improved safety performance remained a priority in 2015. We achieved a 25% reduction in our High Potential Incident Frequency over 2014 and had no fatalities. We continue to focus on building on our strong safety culture throughout the organization. ● Continued our focus and performance in responsible environmental and sustainability areas, resulting in Teck being named to the Dow Jones Sustainability World Index for the sixth consecutive year, the Global 100 Most Sustainable Corporations list by Corporate Knights and the FTSE4Good Global Index for the first time. ● Maintained a strong balance sheet. Ended the year with over \$6 billion of liquidity, which included a cash balance of \$1.9B and US\$3.0 billion available under our revolving credit facility. ● Construction of Fort Hills is on schedule and is now over 50 per cent complete. ● Announced an agreement with Goldcorp to combine our Relincho project with their El Morro project into a single joint venture named Project Corridor. ● Achieved strong production results in all Business Units including a number of significant operating records. ● Achieved strong results in our Cost Reduction Program resulting in lower unit costs than budget.
I. C. Kilgour Executive VP and COO	<ul style="list-style-type: none"> ● The High Potential Risk Controls strategy was further implemented across the business and High Potential Incident Frequency was reduced by 25% year on year. ● Achieved strong production results against production targets in all Teck Business Units while setting a number of significant operating records. ● Cost Reduction Program 2015 performance goal exceeded by 66%, while each BU, and 10 of 12 operations, achieved lower unit costs than budget. ● Received BC government approval of the Swift mine extension at Fording River, and the West Line Creek selenium plant was successfully recommissioned. ● Achieved all Business Unit milestones for 2015 in each of our six Sustainability Key Focus Areas. ● Actively sponsored Teck's employee development program, including the rollout of the Leadership Challenge (the third of three components of the program).

Named Executive Officer	Individual Performance Achievements in Relation to Objectives
R. A. Millos SVP, Finance and CFO	<ul style="list-style-type: none"> ● Effectively managed the Corporation's relationships with lenders and credit rating agencies. ● Extended the maturity of the Corporation's US\$3 billion credit facility by one year to 2020 and added a two-year US\$1.2 billion credit facility to improve the Corporation's liquidity position. ● Actively participated in the Corporation's investor relations program. ● Ensured that the Corporation's financial information is prepared on a relevant, timely and accurate basis. ● Ensured information systems met the requirements of the Corporation's various Business Units. ● Ensured adequate controls and procedures were maintained and operating effectively to safeguard the Corporation's assets. ● Continuously supported all of the Corporation's Business Units with accounting, treasury, tax, information systems and investor relations advice and support as required including monitoring of the Cost Reduction Program.
P. C. Rozee SVP, Commercial and Legal Affairs	<ul style="list-style-type: none"> ● Ensured delivery of proactive, timely and effective legal services to the business. ● Continued to control legal costs and refine the service delivery model. ● Implemented a number of standard legal processes and documents to improve legal service delivery. ● Successfully managed specific legal matters including major transactions. ● Provided strategic direction and legal advice on various contentious matters.
T.C. Watson SVP, Project Development	<ul style="list-style-type: none"> ● Represented Teck's interest in the Fort Hills Project through active participation in the management committee for the project. ● Completed the QB2 project optimization work and supported the preparation of the social and environment impact assessment (SEIA). ● Successfully completed the Highland Valley Copper Primary Crusher Relocation Project and transitioned the project to operations. ● Successfully completed the Scoping and Detailed Scoping Study for Project Corridor.

For 2015, the Compensation Committee determined that the NEOs had met their respective personal objectives. The average individual performance rating for the NEOs, other than the CEO, was 125%, and the individual performance rating for the CEO was 130%.

Special 2015 Adjustments

In keeping with the cost reduction measures taken in all aspects of the Corporation's business, at Management's suggestion, as in 2014, senior management's annual incentive bonuses were reduced by 10 percent from levels calculated in accordance with the Bonus Plan, and by five per cent for all other employees eligible for annual incentive bonus payments for the second year in a row.

2015 Results – CEO Bonus Plan Awards

Based on the ratings set out above, the bonus award made to the CEO for 2015 was calculated as follows. The same formula is used to calculate the Bonus Plan award for the other NEOs.

Salary	X	Target Bonus	X	Weighting X Performance Rating			=	Adjusted Total 2015 Bonus (as a % of salary)
				Corporate Performance	Business Unit Performance	Individual Performance		
\$1,493,500		125%		50% X 118% = 59%	20% X 139% = 27.8%	30% X 130% = 39%		\$2,113,650 142%

As disclosed above, total 2015 bonus was reduced by 10% due to the continuing challenging business environment and rounded to nearest \$50. Again in 2015 the CEO elected to receive his bonus in the form of DSUs rather than as a cash payout. Based on the 20-day volume-weighted average price of Class B subordinate voting shares for the 20 trading days prior to the grant date of February 16, 2016, 396,855 DSUs were awarded to the CEO.

Long-Term Incentives

Long-term incentive awards are designed to foster and promote the long-term financial success of the Corporation by:

- Strengthening the ability of the Corporation to attract and retain highly competent executives;
- Motivating performance through incentive compensation;
- Promoting greater alignment of interests of executives and shareholders by creating long-term shareholder value; and
- Enabling Management to participate in the long-term growth and financial success of the Corporation.

Long-term incentives represent, on average, 58% of the NEOs' total direct compensation and as a result, a significant portion of their compensation is aligned with shareholder interests. In 2015, the long-term incentive grants were comprised of:

- Stock options which vest over three years and have a ten-year term; and
- Share units in the form of restricted or deferred share units (RSUs or DSUs) chosen at the election of the executive and performance share units (PSUs). Share units typically vest at the end of the three year vesting or performance period. RSUs are paid out in cash upon vesting while DSUs must be held until termination of employment, retirement or death.

25% of the long term incentive awards to NEOs are comprised of PSUs units in order to further support alignment with shareholder interests. The payout amount for PSUs ranges from 0% to 200% of the market value of the underlying shares at the end of a three year performance period, with the actual payout amount depending on Teck's TSR performance relative to the

Performance Comparator Group. Accordingly, a substantial portion of the long term incentive award for NEOs is directly linked to shareholder return performance.

A robust performance management process is currently in place, to ensure clarity in short-term and long-term objectives and this is reinforced through the annual incentive bonus program and in the number of stock options and share units granted to each executive. The Compensation Committee has and will continue to consider and review alternative plan designs that consider equity vehicles that vest based on performance rather than length of service.

The fair value of stock options is determined using the Black-Scholes method and share units are valued based on the face value of the unit at time of grant. We base the number of stock options and share units granted on the share price on the day prior to the grant date.

The CEO recommends to the Committee grants of options and share units to the NEOs, other than himself, as well as to other executives and senior managers. The 2015 recommendations took into consideration the performance ratings of the NEOs and the compensation objective of targeting within a competitive range above or below the median of the market in terms of total direct compensation. The total number of stock options and share units granted in 2015 relative to 2014 was higher due to the drop in share price and the associated fair value of a stock option and share unit. Previous awards and competitive position in the market are taken into consideration in the determination of the number of stock options and share units awarded to each participant.

2016 long-term incentive grants were reduced by 15% from the grants calculated in accordance with our usual process described above, in light of current business conditions and the share price decline in 2015.

The following table sets out the number of stock options and share units granted to NEOs in 2015 compared to the number granted in 2014 (see "Summary of Total Compensation for NEOs" on page 73 for valuation of stock option and share unit grants):

Named Executive Officer	Grant Year	Stock Options (#)	Share Units (#) ⁽¹⁾⁽²⁾
D. R. Lindsay	2015	703,000	155,500
	2014	372,000	109,000
I. C. Kilgour	2015	244,000	54,000
	2014	117,000	34,500
R. A Millos	2015	184,000	40,500
	2014	97,000	28,500
P. C. Rozee	2015	184,000	40,500
	2014	97,000	28,500
T. C. Watson	2015	152,000	33,500
	2014	81,000	23,500

Note:

(1) 50% of share units awarded in 2014 and 2015 are in the form of PSUs.

- (2) The DSUs that Mr. Lindsay received in lieu of cash for his 2014 annual incentive bonus (payable in 2015) are not included.

The following summarizes the total number of stock options and share units granted in 2015 and 2014:

Year	Stock Options		Share Units ⁽²⁾
	# Granted	% of total Class B subordinate voting shares outstanding ⁽¹⁾	# Granted
2015	6,134,096	1.08%	1,576,149
2014	3,205,905	0.56%	1,007,923

Note:

- (1) As of November 17, 2015 or May 1, 2014 respectively (on a non-diluted basis).
(2) As of 2014, 50% of share units awarded to the NEOs come in the form of PSUs.

Share Ownership Guidelines

In 2015, the Committee continued to apply the following market competitive share ownership guidelines for the NEOs.

- CEO – 4 times base salary
- NEOs – 2 times base salary

Executives have five years to comply with the guidelines and for the purposes of the calculation the value of share ownership is determined by using a trailing three year average share price. Holdings of DSUs, RSUs and PSUs as well as Class B subordinate voting shares count toward the share ownership requirement. As of December 31, 2015, all of the NEOs have met the shareholding requirements

The following table shows, among other things, the number of shares, RSUs, DSUs and PSUs held by each NEO as at March 8, 2016, the value of the holdings as at March 8, 2016 and the value of shares and share units required to meet the NEOs shareholding requirement.

Name	Shares (#) ⁽¹⁾		Share Units Held (#)	Total Shares and Share Units Held (#)	Total At-Risk Value of Shares and Share Units (\$) ⁽²⁾	Value of Shares and Share Units Required to Meet Requirements (\$)	Amount at Risk as a Multiple of Base Salary
	Class A	Class B					
D. R. Lindsay	0	302,056	1,043,314	1,345,370	22,656,031	5,974,000	15x
I. C. Kilgour	0	0	285,347	285,347	4,805,243	1,500,000	6x
R. A Millos	0	7,726	362,436	370,162	6,233,528	1,280,000	10x
P. C. Rozee	0	6,000	389,759	395,759	6,664,582	1,280,000	10x
T.C. Watson	0	0	181,856	181,856	3,062,455	1,280,000	5x

Notes:

- (1) Includes Class B subordinate voting shares directly or indirectly beneficially owned or over which control is exercised as of March 8, 2016.

- (2) Based on the trailing three year volume-weighted average price of Class B subordinate voting shares of \$16.84.
 (3) As of 2014, 50% of share units awarded to the NEOs come in the form of PSUs.

Summary of Total Compensation for NEOs

The following table sets out total compensation for the financial years ending December 31, 2013, 2014 and 2015 for the Corporation's NEOs, being the President and Chief Executive Officer, the Executive Vice President and Chief Operating Officer, the Senior Vice President Finance and Chief Financial Officer and the two other most highly compensated executive officers of the Corporation or any of its subsidiaries.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards ⁽¹⁾⁽²⁾ (\$)	Option-Based Awards ⁽³⁾ (\$)	Annual Incentive Plans ⁽⁴⁾ (\$)	Pension Value ⁽⁵⁾ (\$)	All Other Compensation ⁽⁶⁾⁽⁷⁾ (\$)	Total Compensation (\$)
D. R. Lindsay President and CEO	2015	1,493,500	2,977,800	2,975,200	2,113,650	388,000	294,600	10,242,750
	2014	1,493,500	2,861,250	2,861,100	1,932,200	475,000	353,807	9,976,857
	2013	1,450,000	2,679,845	2,672,355	2,225,800	552,000	309,974	9,889,974
I. C. Kilgour Executive VP and COO ⁽⁸⁾	2015	750,000	1,034,100	1,032,600	701,500	97,500	58,408	3,674,108
	2014	750,000	905,625	899,900	628,200	97,500	57,581	3,338,806
	2013	676,856	699,090	692,432	658,400	87,956	37,009	2,851,762
R. A. Millos SVP, Finance and CFO	2015	640,000	775,600	778,700	477,500	83,200	131,230	2,886,230
	2014	640,000	748,125	746,100	437,490	83,200	158,414	2,813,329
	2013	620,000	699,090	692,432	508,100	80,600	134,608	2,734,830
P. C. Rozee SVP, Commercial and Legal Affairs	2015	640,000	775,600	778,700	493,800	105,000	151,310	2,944,410
	2014	640,000	748,125	746,100	448,830	159,000	191,459	2,933,514
	2013	620,000	699,090	692,432	535,500	181,000	169,774	2,897,796
T. C. Watson SVP, Project Development	2015	640,000	641,500	643,300	411,800	83,200	33,519	2,453,319
	2014	640,000	616,875	623,000	378,810	83,200	43,798	2,385,683
	2013	620,000	582,600	584,200	419,200	80,600	35,492	2,322,092

Notes:

- (1) Share units in the form of DSUs, RSUs or PSUs are granted on an annual basis under the Corporation's share unit plans. Dividend equivalents are credited to a participant's share unit account in the form of additional DSUs, RSUs or PSUs as of each payment date in respect of which cash dividends are paid on the Class B subordinate voting shares. The value of such additional share units is reflected in "All Other Compensation". The units vest on December 20 in the second calendar year immediately following the grant. The fair value for compensation purposes is consistent with the accounting fair value under IFRS. The fair value for the 2015 grant is based on \$19.15 which was the closing price of the Class B subordinate voting shares on the day prior to the grant date. (See section on Share Unit Plans on page 87).
- (2) The fair value for the 2015 grant is based on \$19.15 (which was the closing price of the Class B subordinate voting shares on the day prior to the grant date).
- (3) The stock options granted in the 2015 financial year were granted pursuant to the 2010 Stock Option Plan. (See section on Incentive Plan Awards – Stock Option Plans on pages 84 to 86.) For compensation purposes, the fair value of options on the date of grant is determined applying the Black-Scholes option valuation model using Mercer's assumptions, since this method is applied consistently in Mercer's

competitive market analysis. This differs from our accounting fair value due to differences in the underlying assumptions as summarized in the following table:

	Compensation Fair Value			Accounting Fair Value		
	2015	2014	2013	2015	2014	2013
Grant Date Fair Value (% of grant price)	22.1%	29.3%	32.5%	24.4%	28.1%	29.9%
Share Price Volatility	37.0%	39.6%	41.8%	39.6%	41.4%	42.6%
Dividend Yield	4.4%	3.1%	2.6%	4.6%	3.4%	2.4%
Expected Life	6.5yrs.	6.5yrs.	6.5yrs.	4.2 yrs.	4.2 yrs.	4.2 yrs.
Risk-Free Rate	1.0%	1.7%	1.5%	0.7%	1.6%	1.4%
Option Value (\$)	4.23	7.69	10.82	4.66	7.36	9.94

- (4) The annual incentive plan amounts are applicable to the year indicated but paid in March of the following year. For example, the 2015 bonus amounts were paid in March 2016. Mr. Lindsay's annual incentive bonus for 2015 (paid in 2016) was taken in the form of DSUs in lieu of cash. Mr. Lindsay's annual incentive bonus for 2014 (paid in 2015) was taken in the form of DSUs in lieu of cash.
- (5) See Pensions section on pages 89 and 90 for details.
- (6) "All Other Compensation" for Mr. Lindsay, Mr. Kilgour, Mr. Millos, Mr. Rozee and Mr. Watson for 2013, 2014 and 2015 is the dollar value of dividends paid on share based awards (DSUs, RSUs and PSUs).
- (7) Perquisites provided to the NEOs do not reach the prescribed disclosure threshold of the lesser of \$50,000 and 10% of total salary for the financial year.
- (8) Mr. Kilgour's base salary and annual incentive bonus for 2013 reflect his transition from SVP Coal to Executive VP and COO in June 2013, instead of annualized figures for the office of Executive VP and COO.

Realizable Pay

Alignment of long term incentives with share performance

The Corporation bases a significant portion of its compensation plans on long term incentives, in part to address competition for talent from other resource companies. The Committee recognizes the need to regularly assess the actual results of its long term incentive plans to evaluate the alignment between pay and performance, especially when commodity prices vary significantly. It is essential for the proper working of these plans that the plans have the consequences intended and that over time they reflect appropriately changes in the market price of the Class B subordinate voting shares.

The summary of total compensation table on page 73 sets out in accordance with relevant regulatory requirements the grant date fair value of long term incentives in the form of share-based and option-based awards to NEOs, based on the closing price of Class B subordinate voting shares as at the grant date of the relevant awards. The Committee recognizes that these

grant date fair value estimates do not reflect the actual compensation received by the NEOs when these awards are ultimately realized.

To ensure that the objectives of the long term incentive plans of the Corporation are reasonably met, each year the Committee looks at the then-realizable value of grants under those plans and compares this against the grant date fair value of grants awarded during the previous two or three years. The Committee recognizes that there may be wider swings in values when looking at comparisons stretching back for many years and that some NEOs have awards outstanding for longer periods of time. The Committee believes however, that a review of a three year period, in conjunction with competitive benchmarking and other perspectives, enables it to assess the reasonableness of its current grant process, particularly if that process is based in whole or in part on the process carried out for the preceding three years.

Assessing the long term incentive plans in this fashion enables the Committee to reasonably satisfy itself that the consequences of its most recent grants reflect an appropriate alignment between the compensation awarded to the NEOs and the return to shareholders measured by share performance.

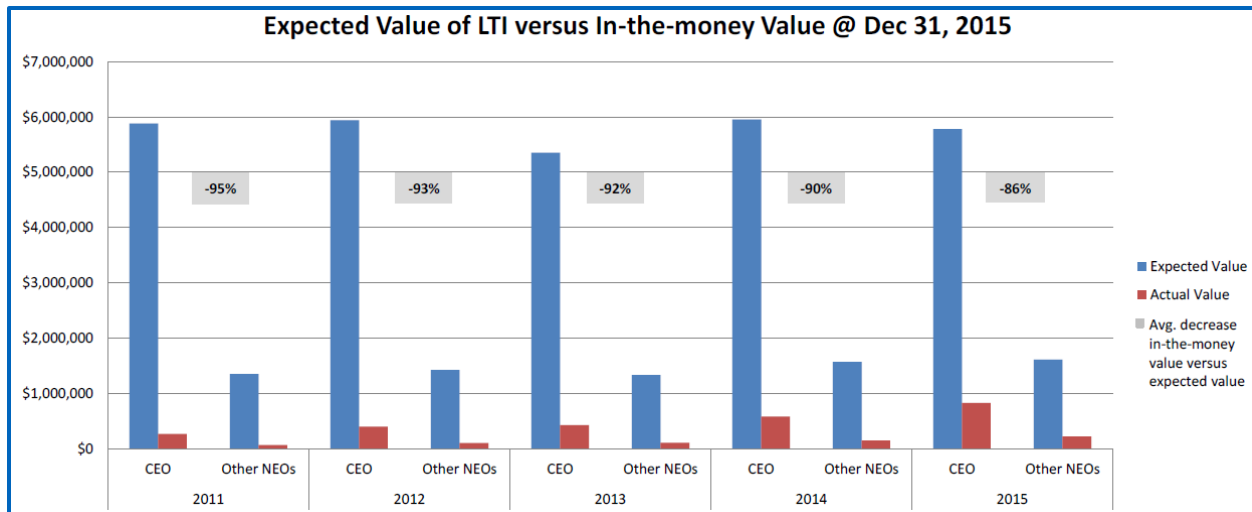
The following table provides a look back at the total target compensation payable to the CEO from 2011 to 2015 and the change in value of such compensation as at December 31, 2015 due to the equity based portion of the compensation that ties the CEO's actual compensation to the value of the Class B subordinate voting shares.

Year	Cash Compensation ⁽¹⁾	Long-Term Incentive			Pension and Other Compensation	Total Target Compensation	Value as of Dec 31, 2015 ⁽²⁾
		Grant Date Fair Value	Value as of Dec 31, 2015 ⁽²⁾	% Change			
2011	\$2,801,900	\$5,880,000	\$267,000	-95%	\$644,768	\$9,326,668	\$3,713,668
2012	\$3,574,200	\$5,939,213	\$400,500	-93%	\$733,914	\$10,247,327	\$4,708,614
2013	\$3,675,800	\$5,352,200	\$429,870	-92%	\$861,974	\$9,889,974	\$4,967,644
2014	\$1,493,500 ⁽³⁾	\$7,654,550 ⁽³⁾	\$1,120,856	-85%	\$828,807	\$9,976,857	\$3,443,163
2015	\$1,493,500 ⁽⁴⁾	\$8,065,165	\$2,949,576	-63%	\$682,600	\$10,242,750	\$5,125,676

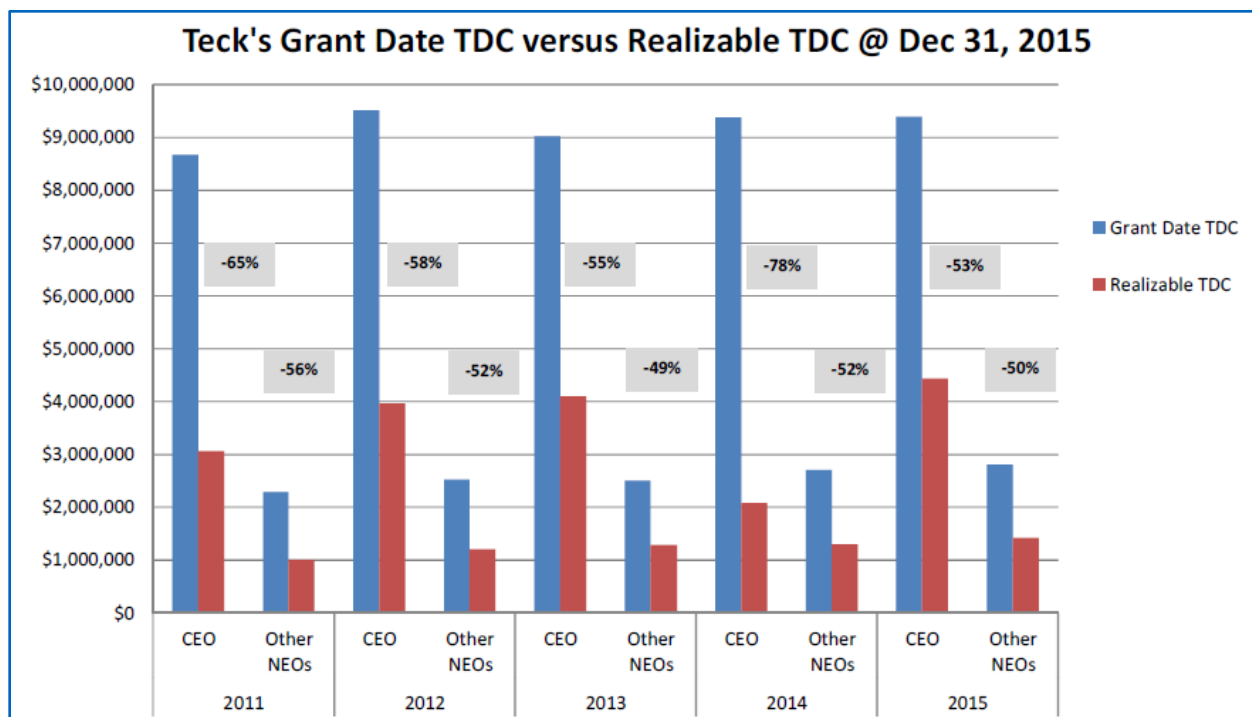
Notes:

- (1) Includes base salary, annual bonus paid in cash.
- (2) Values as at December 31, 2015 are calculated as the in-the-money value of options and the notional value of share unit awards, assuming full vesting in each case, based on the closing price for Class B subordinate voting shares on the Toronto Stock Exchange as at December 31, 2015 of \$5.34.
- (3) In 2015 the CEO elected to receive his annual cash bonus payable for 2014 in the form of DSUs.
- (4) In 2016 the CEO elected to receive his annual cash bonus payable for 2015 in the form of DSUs.

The chart below shows that the in-the money value of the long term incentive grants to the NEOs for the past five years is significantly lower than the expected value at time of grant. As none of the stock options granted in this period are in-the-money, the in-the-money value represents only the value of the share units.

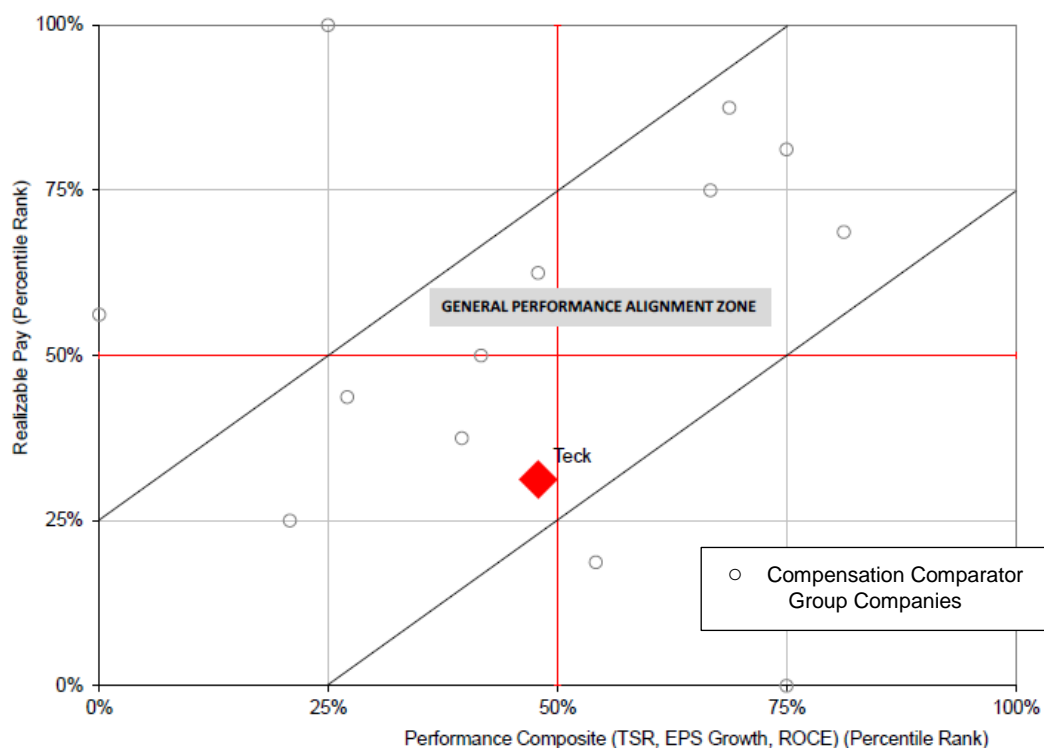


The following table shows the Corporation's realizable TDC (base salary, bonus, and long term incentive grant) versus its grant date TDC for the last 5 years. The CEO's realizable TDC decrease is higher than the other NEO's, given that a larger proportion of his pay mix is in the form of long term incentive.



External Review of Realizable Pay and Corporate Performance of the CEO

The Committee retained Mercer (Canada) Limited to provide an external review of the relationship between realizable pay and various measures of corporate performance as a further check on the alignment of pay outcomes with shareholder returns. Based on data compiled by Mercer, the following graph was provided to the Committee. This graph illustrates the relationship between realizable total direct compensation for the Chief Executive Officer and a composite of performance measures (TSR, ROCE and earnings per share growth) for each of the Corporation and the companies in the Compensation Comparator Group based on compensation between 2012-2014 as at December 31, 2014. The Committee believes that these metrics provide a balanced view of Teck's performance and the analysis by Mercer illustrates strong alignment between realizable pay for the Chief Executive Officer and corporate performance over the three year period ended December 31, 2014.



Notes:

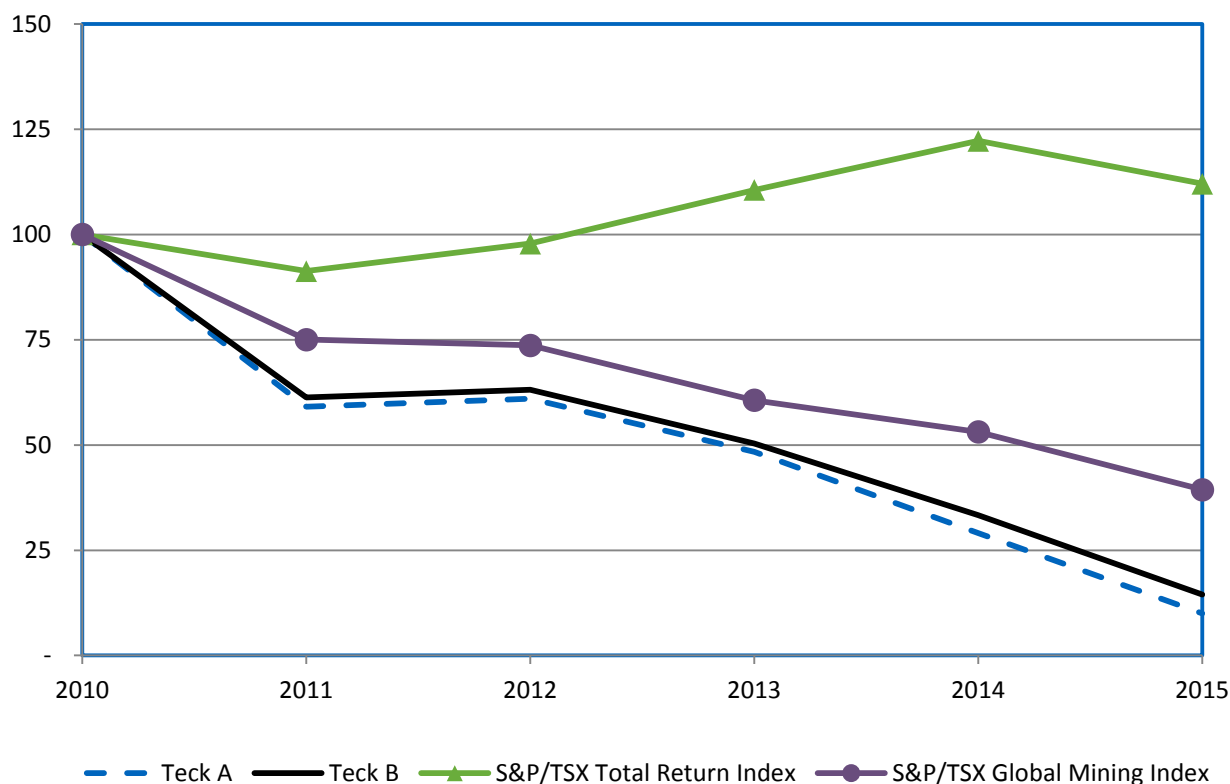
Realizable total direct compensation of Chief Executive Officers for purposes of this graph represents base salary plus actual bonus plus the estimated value of long-term incentives granted from 2012 to 2014, as at December 31, 2014, the latest date for which Compensation Comparator Group pay data is generally available. Mercer has advised that certain assumptions have been consistently applied to the estimates for both the Corporation and the companies in the Compensation Comparator Group, including:

- (a) the entire in-the-money value as at December 31, 2014, of all LTI grants awarded from 2012 to 2014 have been included, without regard to vesting schedules;
- (b) multipliers for performance-based grants were evaluated based on performance from the beginning of the relevant performance period to December 31, 2014, provided that where disclosed, actual performance multipliers for Compensation Comparator Group companies were used; and
- (c) dividends are assumed to be reinvested at relevant dividend payment dates.

After taking account of these assumptions and certain limitations in the public disclosure of the Compensation Comparator Group companies, Mercer concluded that the overall weight of its analysis demonstrates alignment of actual pay outcomes with corporate performance on the selected metrics over the period indicated.

Performance Graph

The following graph illustrates the Corporation's five-year cumulative total shareholder return (to December 31, 2015, assuming reinvestment of dividends on each dividend payment date) on a \$100 investment on December 31, 2010 in Class A common shares and Class B subordinate voting shares on the TSX compared to the return on a comparable investment on the S&P TSX Composite Index and the S&P TSX Global Mining Index during the same period. As the S&P TSX Global Mining Index reflects the performance of 73 global mining companies, it serves as a broad sector specific benchmark against which to compare the Corporation's share performance.



	2011	2012	2013	2014	2015
Teck A	59	61	48	29	10
Teck B	61	63	50	33	14
S&P/TSX Total Return Index	91	98	111	122	112
S&P/TSX Global Mining Index	75	74	61	53	39

As set out above, executive compensation has generally corresponded to shareholder return, although industry-specific factors have influenced compensation over the same period. Furthermore, while the annual incentive bonus component of the compensation program is intended to drive management behaviour by recognizing performance in relation to financial and operational performance objectives that are within Management's control and may not always align with share price movement, the realized value from long-term incentive awards is directly affected by the Corporation's share price performance over the period.

As disclosed above under the heading "Realizable Pay", declines in share price have a direct impact on the value of the NEOs' outstanding RSU, DSU and PSU holdings and the in-the-money value of outstanding stock options.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table shows all awards outstanding to each NEO as at December 31, 2015.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiry Date	Value of Unexercised In-The-Money Options (\$) ⁽¹⁾	No. of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$) ⁽²⁾⁽³⁾⁽⁴⁾	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed (\$) ⁽²⁾⁽³⁾⁽⁴⁾
D. R. Lindsay President and CEO	240,000	33.97	Feb. 14, 2016	0	393,751	2,102,630	937,506
	160,000	4.15	Feb. 19, 2019	190,400			
	160,000	35.54	Feb. 11, 2020	0			
	125,000	58.80	Feb. 15, 2021	0			
	187,500	39.30	Feb. 14, 2022	0			
	247,000	33.29	Feb. 12, 2023	0			
	372,000	26.25	Feb. 18, 2024	0			
	703,000	19.15	Feb. 17, 2025	0			
I.C. Kilgour Executive VP and COO	25,000	58.80	Feb. 15, 2021	0	94,347	503,813	141,510
	37,500	39.30	Feb. 14, 2022	0			
	64,000	33.29	Feb. 12, 2023	0			
	117,000	26.25	Feb. 18, 2024	0			
	244,000	19.15	Feb. 17, 2025	0			
R. A. Millos SVP, Finance and CFO	60,000	33.97	Feb. 14, 2016	0	84,534	451,412	971,538
	50,000	4.15	Feb. 19, 2019	59,500			
	35,000	35.54	Feb. 11, 2020	0			
	25,000	58.80	Feb. 15, 2021	0			
	45,000	39.30	Feb. 14, 2022	0			
	64,000	33.29	Feb. 12, 2023	0			
	97,000	26.25	Feb. 18, 2024	0			
	184,000	19.15	Feb. 17, 2025	0			
P. C. Rozee SVP, Commercial and Legal Affairs	80,000	33.97	Feb. 14, 2016	0	86,840	463,726	926,057
	80,000	4.15	Feb. 19, 2019	95,200			
	40,000	35.54	Feb. 11, 2020	0			
	30,000	58.80	Feb. 15, 2021	0			
	45,000	39.30	Feb. 14, 2022	0			
	64,000	33.29	Feb. 12, 2023	0			
	87,000	26.25	Feb. 18, 2024	0			
	184,000	19.15	Feb. 17, 2025	0			
T.C. Watson SVP, Project Development	35,000	35.54	Feb. 11, 2020	0	59,356	316,961	0
	25,000	58.80	Feb. 15, 2021	0			
	37,500	39.30	Feb. 14, 2022	0			
	54,000	33.29	Feb. 12, 2023	0			
	81,000	26.25	Feb. 18, 2024	0			
	152,000	19.15	Feb. 17, 2025	0			

Notes:

- (1) Maximum value at December 31, 2015 calculated by determining the difference between the closing price of the Class B subordinate voting shares underlying the options on the TSX at December 31, 2015 (\$5.34) and the exercise price of the options.
- (2) Market or Payout Value calculated by multiplying the number of share units (RSUs, DSUs and/or PSUs) held at December 31, 2015 by the closing price of the Class B subordinate voting shares on the TSX at December 31, 2015 (\$5.34).
- (3) The actual value of the DSUs on the payout date is based on the price of the Class B subordinate voting shares on the payout date and, accordingly, the amount of the final payout is not known until that time.
- (4) For the purposes of this table the Market or Payout Value of PSUs has been calculated assuming a payout amount equal to 100% of the market value of the underlying shares. The actual payout amount for PSUs is equal to 0% to 200% of the market value of the underlying shares at the end of a three year vesting period (with the payout amount depending on Teck's TSR performance relative to the Performance Comparator Group), and accordingly the amount of the final payout is not known until the actual payout dates.

The table below shows the total number and value of DSUs held by each NEO as at December 31, 2015 and includes dividend equivalent DSUs credited since the date of the original DSU grants. See "Share Unit Plans" on page 87 for more detailed information regarding the DSU Plan and the valuation of DSUs.

Name	Number of Outstanding DSUs as at December 31, 2015	Value of Outstanding DSUs (\$) ^{(1) (2)}
D. R. Lindsay President and CEO	293,866	1,569,244
I.C. Kilgour Executive VP and COO	51,799	276,607
R. A. Millos SVP, Finance and CFO	188,384	1,005,971
P. C. Rozee SVP, Commercial and Legal Affairs	199,183	1,063,637
T.C. Watson SVP, Project Development	0	0

Notes:

- (1) Value calculated by multiplying the number of DSUs held at December 31, 2015 by the closing price of the Class B subordinate voting shares on the TSX at December 31, 2015 (\$5.34).
- (2) DSUs may vest but are not redeemable until the recipients retire, resign or their employment is otherwise terminated. The value of the DSUs on the payout date is based on the price of the Class B subordinate voting shares on the payout date and, accordingly, the amount of the final payout is not known until that time.

Incentive Plan Awards – Value Vested, Earned or Realized During the Year

The following table shows the number and value of the incentive plan awards which vested or were earned for each NEO for the fiscal year ending December 31, 2015, provided that this table does not include the DSUs that the CEO took in lieu of cash for his 2014 annual incentive bonus (payable in 2015). No NEO realized any proceeds from the exercise of options during the year.

Name	Number Vested During The Year ⁽¹⁾					Value Vested During The Year (\$) ⁽¹⁾⁽²⁾					Non-Equity Incentive Plan Compensation – Value Earned During The Year (\$) ⁽⁵⁾
	RSUs	DSUs	PSUs	Options	Total	RSUs	DSUs ⁽³⁾	PSUs ⁽⁶⁾	Options ⁽⁴⁾	Total	
						Total Share-Based Awards					
D. R. Lindsay President and CEO	88,447	0	0	268,833	357,280	417,709	0	0	0	417,709	2,113,650
						417,709					
I. C. Kilgour Executive VP and COO	11,533	11,220	0	72,833	95,586	54,467	52,989	0	0	107,456	701,500
						107,456					
R. A. Millos SVP, Finance and CFO	8,074	18,167	0	68,666	94,907	38,131	85,797	0	0	123,928	477,500
						123,928					
P. C. Rozee SVP, Commercial and Legal Affairs	11,533	15,907	0	68,666	96,106	54,467	75,124	0	0	129,591	493,800
						129,591					
T.C. Watson SVP, Project Development	19,226	0	0	57,500	76,766	90,799	0	0	0	90,799	411,800
						90,799					

Notes:

- (1) Includes share units credited as dividend equivalents.
- (2) The amount represents the aggregate dollar value that has been realized upon vesting of the share units as of December 20, 2015, using the volume weighted average trading price of the Common Shares as reported on the Toronto Stock Exchange over the prior ten (10) consecutive trading days (\$4.7227).
- (3) DSUs may vest but are not redeemable until the recipients retire, resign or their employment is otherwise terminated.
- (4) The amount represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, based on the difference between the closing price of the Class B subordinate voting shares on the TSX and the exercise price on such vesting date.
- (5) The amount for NEOs is the same as indicated in the Annual Incentive Plans Column in the table under "Summary of Total Compensation for NEOs" on page 73.

- (6) For the purposes of this table the Market or Payout Value of PSUs has been calculated assuming a payout amount equal to 100% of the market value of the underlying shares. The actual payout amount for PSUs is equal to 0% to 200% of the market value of the underlying shares at the end of a three year vesting period (with the actual payout amount depending on Teck's TSR performance relative to the Performance Comparator Group), and accordingly the amount of the final payout is not known until the actual payout date.

Stock Option Plans

The Corporation has options outstanding under two stock option plans, the 2010 Stock Option Plan (the “2010 Plan”) and the 2001 Stock Option Plan (the “2001 Plan”).

2010 Plan

Under the 2010 Plan, options may be granted to full-time employees of the Corporation or a subsidiary who are or who demonstrate the potential of becoming key personnel. Ten million Class B subordinate voting shares were originally issuable under the 2010 Plan and in 2015 shareholders approved an increase in the number of class B subordinate voting shares issuable under the 2010 Plan to 28 million shares, representing approximately 4.94% of the issued and outstanding Class B subordinate voting shares (on a non-diluted basis) as of March 8, 2016. As of March 8, 2016 there were options outstanding under the 2010 Plan to purchase 21,760,040 Class B subordinate voting shares representing 3.84% of the outstanding Class B subordinate voting shares (on a non-diluted basis). As of March 8, 2016 no options issued under the 2010 Plan have been exercised.

The Board may grant options under the 2010 Plan in amounts it considers appropriate. The option exercise price is determined by the Board and must be not less than the closing sale price of the Class B subordinate voting shares on the TSX on the last trading day prior to the date of grant. The maximum term of any option is 10 years, and, unless otherwise determined by the Board, options vest and become exercisable in three equal instalments on each of the first, second and third anniversaries of the date of grant.

If options granted under the 2010 Plan expire or terminate without having been exercised in full, Class B subordinate voting shares that were subject to those options and not purchased will be available for re-granting under the plan.

Under the terms of the 2010 Plan, the aggregate number of Class B subordinate voting shares issuable at any time to insiders of the Corporation or issued to insiders within any one year period, pursuant to the 2010 Plan and any other share compensation arrangements of the Corporation may not exceed 10% of the sum of the number of Class B subordinate voting shares and Class A common shares then issued and outstanding.

Options granted under the 2010 Plan may only be assigned to the legal personal representatives of a deceased optionee.

An option granted under the 2010 Plan will not be affected by any change of office or employment of the optionee so long as the optionee continues to be employed by the Corporation or its subsidiary.

If an optionee dies while employed by the Corporation or its subsidiary, the personal representatives, heirs or legatees of the deceased optionee may exercise the optionee’s options that have vested at the date of death or within three years of the date of death until the earlier of (i) the third anniversary of the date of death, and (ii) the later of the first anniversary of the date of death and the expiry date of such options.

If an optionee retires on or after the date on which the optionee is Early Retirement Eligible (a) unvested options, other than those options which were awarded within the 12 month period prior to retirement, shall vest as though the optionee were still employed by the Corporation; and (b) options vested prior to retirement may be exercised until the earlier of (i) the third anniversary of the date of retirement, and (ii) the expiry date of the options. "Early Retirement Eligible" means that: (i) the employee's age is a minimum of 55; (ii) the employee has given a minimum of 5 years' service to the Corporation; (iii) the aggregate of the employee's age and their years of service to the Corporation is a minimum of 65; and (iv) the employee has given the Corporation: (A) in the case of officers, 12 months' notice of the employee's intention to retire, and (B) in the case of all other employees, 6 months' notice of the employee's intention to retire.

If an optionee retires on or after the date on which the optionee is Normal Retirement Eligible; (a) unvested options, other than those options which were awarded within the 12 month period prior to retirement, shall vest as though the optionee were still employed by the Corporation; and (b) options vested prior to retirement may be exercised until the earlier of (i) the fifth anniversary of the date of retirement, and (ii) the expiry date of the options. Normal Retirement Eligible means that: (i) the employee has given a minimum of 5 years' service to the Corporation; (ii) the aggregate of the employee's age and their years of service to the Corporation is a minimum of 70; and (iii) the employee has given the Corporation: (A) in the case of Officers, 12 months' notice of the employee's intention to retire, and (B) in the case of all other employees, 6 months' notice of the employee's intention to retire.

If an optionee resigns (in any circumstance other than retirement after early or normal retirement age), options vested prior to the optionee's resignation may be exercised until the earlier of (i) the expiry date of the options, and (ii) ninety days after the date of resignation.

If an optionee's employment is terminated by the Corporation (other than by discharge for cause or in certain other circumstances contemplated in the 2010 Plan), options vested prior to termination of employment will remain exercisable until the earlier of (i) the expiry date of options and (ii) one year after the earlier of the date of notice of dismissal, and the effective date on which the optionee ceased to be an employee.

The 2010 Plan provides for adjustments in the number and kind of securities or other property issuable upon exercise, including the subdivision and consolidation of the Class B subordinate voting shares, the amalgamation or merger of the Corporation, a re-designation of Class B subordinate voting shares, a take-over bid for the Class B subordinate voting shares or a business combination of the Corporation with another corporation. The Board may in its discretion accelerate the vesting dates and the expiry dates of outstanding options in the event of certain take-over bids and business combinations.

The 2010 Plan further provides that an optionee may, upon notice to the Corporation, in lieu of and not in addition to the exercise of the option, exercise the right (the "Share Appreciation Right") to realize the appreciation in value of the Class B subordinate voting shares underlying such option, where the value of the Share Appreciation Right is determined by multiplying the applicable number of Class B subordinate voting shares by the excess of the then current market value of the Class B subordinate voting shares over the option exercise price. A Share Appreciation Right may not be exercised in respect of a number of Class B subordinate voting

shares in excess of 10,000 Class B subordinate voting shares. An optionee who exercises a Share Appreciation Right may apply up to fifty percent (50%) of the amount receivable thereby to the purchase of Class B subordinate voting shares from the treasury of the Corporation at the then current market value of the Class B subordinate voting shares.

The Corporation prohibits employees from trading in its securities with knowledge of material information concerning the Corporation which has not been publicly disclosed. As it may be difficult from time to time for a person to determine whether he or she is in possession of material non-public information, the Corporation establishes certain blackout periods during which employees are not to trade in securities of the Corporation, which includes exercising stock options. The 2010 Plan permits options that would otherwise expire during or immediately following a blackout period to remain exercisable until the fifth business day following notice of the cessation of the most recent blackout period.

The Board may discontinue or amend the 2010 Plan at any time, provided, however that shareholder approval must be obtained to: (i) reduce the exercise price of an option either directly or indirectly by means of the cancellation of an option and the reissue of a similar option; (ii) extend the period available to exercise an option beyond the normal expiry date (except in respect of blackout periods as provided in the 2010 Plan or in certain instances, on death of the optionee); (iii) increase the levels of insider participation under the 2010 Plan; (iv) increase the number of Class B subordinate voting shares reserved for issuance under the 2010 Plan (other than pursuant to the adjustment provisions of the 2010 Plan); (v) add non-employee directors of the Corporation to the category of persons eligible to receive options under the 2010 Plan; (vi) amend any assignment rights set forth in the 2010 Plan; and (vii) amend the matters for which shareholder approval is required to amend the 2010 Plan. The Board's discretion includes, without limitation, the authority to make amendments to clarify any ambiguity, inconsistency or omission in the 2010 Plan and other clerical or housekeeping amendments, to alter the vesting or termination provisions and to modify the mechanics of exercise. All amendments require stock exchange approval, and no amendment that could adversely affect an optionee may be made without the consent of the affected optionee.

In order to accommodate differences in local law, tax policy or custom applicable to non-Canadian optionees, the Board may provide for such additional or varied terms in option agreements as it may consider necessary or appropriate.

2001 Plan

Following the approval of the 2010 Plan at the Annual and Special Meeting of Shareholders of the Corporation held on April 22, 2010, the 2010 Plan replaced the 2001 Plan. Options previously granted under the 2001 Plan will continue to be outstanding until exercised or terminated in accordance with their terms. Nine million (9,000,000) Class B subordinate voting shares were initially reserved under the 2001 Plan. As of March 8, 2016 there were options outstanding under the 2001 Plan to purchase 2,059,900 Class B subordinate voting shares, representing 0.36% of the outstanding Class B subordinate voting shares (on a non-diluted basis). There are no further Class B subordinate voting shares available under the 2001 Plan for additional option grants.

The terms of the 2001 Plan related to the outstanding options granted under the 2001 Plan are substantially similar to the 2010 Plan.

Share Unit Plans

Directors, senior executive officers and certain employees are eligible to participate in the Corporation's Deferred Share Unit Plan, Restricted Share Unit Plan and Performance Share Unit Plan. Participation in the DSU plan is restricted to directors and certain senior executive officers who receive an annual grant. Participation in the PSU plan is restricted to certain senior executive officers who receive an annual grant. Non-executive directors also have the right to elect on an annual basis to receive some or their entire annual retainer in DSUs.

DSUs, RSUs and PSUs are notional shares that have the same value at any given time as the Class B subordinate voting shares, but do not entitle the participant to any voting or other shareholder rights and are non-dilutive to shareholders. Dividend equivalents are credited to a participant's account in the form of additional DSUs, RSUs or PSUs as of each payment date in respect of which cash dividends are paid on the Class B subordinate voting shares, based on the closing price of the shares on the dividend payment date. RSUs and PSUs vest no later than the day that is the third anniversary of the end of the calendar year immediately preceding the date of grant and are paid out in cash on the vesting date. In the case of the senior executive officers, DSUs vest no later than the day that is the third anniversary of the end of the calendar year immediately preceding the date of grant and are paid out in cash on termination of employment, retirement or death. In the case of directors, DSUs vest immediately on the date of grant and are paid out in cash on or about December 15 of the calendar year following the year in which the individual ceases to be a director of the Corporation, provided that a director may elect to have DSUs paid out in cash on any earlier date following the date on which the individual ceases to be a director of the Corporation. All RSUs, DSUs and PSUs vest upon a Change in Control; however, awards pay out on their normal schedule. For executives with employment agreements, the vesting of share units requires termination without cause (or for good reason) following a change in control.

Each DSU has a payout value equal to the closing price of the Class B subordinate voting shares on the applicable payout date. Each RSU has a payout value equal to the volume weighted trading price of the Class B subordinate voting shares over the ten consecutive trading days prior to the applicable payout date.

Performance-Linked Awards

Each PSU has a payout value equal to 0% to 200% of the volume weighted trading price of the Class B subordinate voting shares over the ten consecutive trading days prior to the applicable payout date. The payout date, as in the case of RSUs, is approximately 3 years from the date of grant. The actual payout amount reflects Teck's TSR performance relative to a performance comparator group (the "Performance Comparator Group"). TSR is defined as the annualized share price appreciation/depreciation plus dividends and any cash-equivalent distributions. TSR is calculated using the share price at the beginning and end of the period including the value of dividends during the period. Relative performance is measured in an incremental fashion with a 1st or 2nd ranking among the Performance Comparator Group equating to a 200% payout of target while a last or second to last place ranking equating to a 0% payout. The PSUs pay out at 100% of target value (25% of target total long-term incentive value) if Teck ranks 7th among the Performance Comparator Group (including Teck), meaning Teck's TSR performance was greater

than 6 companies in the Performance Comparator Group while trailing the 6 other companies in the Performance comparator Group over the relevant period.

Whereas the Compensation Comparator Group comprises a global selection of companies against whom Teck competes for talent, the Performance Comparator Group consists of companies primarily engaged in the mining and/or refining of multiple commodities and against whom Teck competes for capital. For 2015 the Performance Comparator Group consisted of the following companies:

- Alpha Natural Resources
- Anglo American
- Arch Coal
- BHP Billiton
- Cliffs Natural
- First Quantum Minerals
- Freeport-McMoRan Copper & Gold
- HudBay Minerals
- Rio Tinto
- Southern Copper
- Walter Energy
- Vale

These companies were selected on the basis of having similar attributes to Teck from an investment standpoint. Three coal companies that formed part of the Performance Comparator Group have subsequently become insolvent and will be replaced in the Performance Comparator Group for the 2016 PSU grant. The companies in the Performance Comparator Group range widely in size, measured by revenues or market capitalization, commodities mined or refined and in global footprint. The diversity of size and composition in the Performance Comparator Group is necessary in order to construct a group size large enough to be appropriate for comparison and to minimize the effect of any one company's performance.

As of December 31, 2015, directors, executives and employees held a total of 1,519,569 DSUs, 1,497,869 RSUs and 664,454 PSUs.

Pensions

Defined Benefit Pension

Mr. Lindsay, CEO, is accruing benefits under the Corporation's Pension Plan for Executive and Qualified Senior Salaried Employees (the "Retirement Plan"), a registered pension plan under the *Income Tax Act* and under an Executive Retirement Agreement (the "Executive Agreement"). His total annual retirement benefit is equal to 2.5% of highest average annual earnings in a 36 consecutive month period, multiplied by years of service. Earnings include base pay only. The normal retirement age for payment of the accrued pension is age 60. Having reached the age of 55, Mr. Lindsay may retire at any time. His accrued pension payable at his early retirement date will be reduced on an actuarial equivalent basis to reflect commencement prior to age 60. The pension is payable in the form of a joint and two-thirds survivor pension.

Mr. Rozee, SVP, Commercial and Legal Affairs, is accruing benefits under the Retirement Plan and under a supplemental pension arrangement. His total annual retirement benefit is equal to 2.0% of highest average annual earnings in a 36 consecutive month period, multiplied by years of service. Earnings include base pay only. The normal retirement age for payment of the accrued pension is age 60. Having reached the age of 55, Mr. Rozee may retire at any time. His accrued pension payable at his early retirement date will be reduced on an actuarial equivalent basis to reflect commencement prior to age 60. The pension is payable in the form of a joint and 60% survivor pension with a five year guarantee.

The following table provides relevant information with respect to the pension entitlements of Mr. Lindsay and Mr. Rozee as of December 31, 2015.

Name	Number of Years Credited Service	Annual Benefits Payable		Opening Present Value of Defined Benefit Obligation	Compensatory Change	Non-Compensatory Change	Closing Present Value of Defined Benefit Obligation
		Accrued At End of Year	At Age 65				
D. R. Lindsay	11	\$406,700	\$694,900	\$6,038,000	\$388,000	\$254,000	\$6,680,000
P. C. Rozee	14.75	\$186,800	\$305,200	\$2,786,000	\$105,000	\$114,000	\$3,005,000

The annual benefits payable are based on highest annual average earnings at December 31, 2015. The actuarial valuation method and the significant assumptions that the Corporation applied in quantifying the accrued obligation at the end of the year are described in the footnotes to the Corporation's financial statements for the year ended December 31, 2015. The amounts in the "Compensatory Change" column include the service cost for the year and the impact of any differences between the estimated earnings at the start of the year and the actual earnings at the end of the year on the accrued obligation. The amounts shown in the "Non-Compensatory Change" column include interest and the impact of changes that were made to the assumptions used to value the accrued benefits.

Defined Contribution Pension

Mr. Millos, Mr. Kilgour and Mr. Watson are participants in the defined contribution provision of the Teck Cominco Metals Ltd. Retirement Income Plan (the “DC Pension Plan”) which is a registered pension plan under the *Income Tax Act*. Mr. Millos, Mr. Kilgour and Mr. Watson and also participate in the defined contribution provision of the Supplementary Retirement Income Plan (the “DC Supplementary Plan”). The DC Pension Plan provides for vesting on date of entry to the DC Pension Plan and the DC Supplementary Plan provides for 100% vesting after the completion of five years of service from the date of becoming a DC Supplementary Plan member.

For each of these NEOs, the contributions remitted in 2015 by the Corporation to the DC Pension Plan were equal to the maximum contribution limit under the *Income Tax Act* of \$24,930. The DC Supplementary Plan provides for notional contributions of 13% of earnings minus the contributions remitted to the registered pension plans. Earnings include base pay only. The account balances under the DC Pension Plan are invested in accordance with the individual participants’ election from the investment options offered by the Corporation to all plan members.

On retirement, the participant is entitled to the distribution of the accumulated value of the Corporation’s contributions under the DC Pension Plan as a lump sum and to the distribution of the accumulated value of the notional contributions under the DC Supplementary Plan as a series of 120 equal monthly payments.

The amounts reported in the table below show the combined defined contribution account balances for the two plans for each of these NEOs at the start of the year and at the end of the year, as well as the contributions made to the plans in the year:

Name	Accumulated Value at Start of Year	Compensatory	Accumulated Value at Year End
R.A. Millos	\$1,095,354	\$83,200	\$1,252,137
I. C. Kilgour	\$416,235	\$97,500	\$550,595
T.C. Watson	\$721,005	\$83,200	\$859,960

The amounts in the “Compensatory” column include the employer contributions to the DC Pension Plan and notional contributions to the participant’s DC Supplementary Plan accounts.

None of these NEOs participate in defined benefit pension plan arrangements.

Termination and Change in Control Benefits

The CEO and each other NEO have employment agreements which include provisions covering position, term, duties, employee obligations, compensation (including base salary, bonus, share units and stock options), pension, other benefits, vacation and car benefit, and provisions covering termination for cause, without cause and in the event of a Change in Control. In addition, the incentive plans summarize the treatment of equity awards upon resignation, termination with cause and retirement. For purposes of these arrangements, a Change in Control is defined as:

- The acquisition by any person or group of persons acting jointly or in concert, other than Keevil Holding Corporation and its associates, of direct or indirect ownership of, or control or direction over, voting securities carrying more than the greater of: (i) 25% of the votes attached to all voting securities of the Corporation; and (ii) the number of votes under the control or direction of Temagami, and following such event “Continuing Directors” (being directors holding office at the date of the relevant agreement or directors appointed with the consent of those directors or of other continuing directors) ceasing to constitute at least a majority of the Board;
- An amalgamation, arrangement or other business combination resulting in ownership and Board constitution as outlined above;
- Any person acquiring control or direction over securities to which are attached more than 50% of the votes attached to all voting securities of the Corporation;
- The sale of all or substantially all of the assets of the Corporation; or
- The Board of Directors having determined that for purposes of the relevant agreement a Change in Control has occurred.

The following table summarizes the material terms and conditions that apply in the event of the noted separation events.

Comp. Element	Separation Event				
	Resignation	Termination with Cause	Retirement	Termination without Cause ⁽¹⁾	Change in Control and Termination without Cause ^{(1) (2)}
Salary	Payments cease	Payments cease	Payments cease	Three times current salary for CEO (two times for other NEOs)	Three times current salary for CEO (two times for other NEOs)
Annual Incentive Bonus	None	None	Pro-rated for year of separation	Three times for CEO (two times for other NEOs) the average bonus for three preceding years	Three times for CEO (two times for other NEOs) the average bonus for three preceding years
Stock Options	Unvested options are forfeited Vested options have a 90-day exercise period	All options are forfeited	Unvested options continue to vest post-retirement ⁽⁴⁾ Vested options have a maximum 3-year remaining term in the event of early retirement and a maximum 5-year remaining term in the event of normal retirement ⁽⁵⁾	Unvested options are forfeited Vested options have a maximum 1-year remaining term	All options vest subject to Board discretion and have a maximum 1-year remaining term
Share Units	Unvested units are forfeited	Unvested units are forfeited	Unvested units continue to vest, but are pro-rated based on time worked during vesting period	Unvested units are forfeited	All units vest and are immediately payable
Pension, Benefits & Perquisites	Coverage ceases	Coverage ceases	Coverage ceases	Coverage Ceases ⁽³⁾	Coverage Ceases ⁽³⁾

Notes:

- (1) Amounts payable to the CEO are in accordance with the terms and conditions of his 2005 employment agreement.
- (2) Includes treatment in the event of resignation for good reason, as defined below.
- (3) The Senior Executive Retirement Benefit Plan for the CEO specifies that the projected pension is payable at the Normal Retirement Date if the CEO is at least age 55 at the date of termination of employment without cause.
- (4) Unvested options awarded in the 12 month period prior to retirement are forfeited.
- (5) See "Stock Option Plans" on page 84 for description of "early retirement" and "normal retirement".

In order for the executive to receive payments where the executive is terminated without cause, the executive must:

1. Not use knowledge or experience gained as an employee of the Corporation in any manner which would be detrimental to the business interests of the Corporation or its affiliates;
2. Not directly or indirectly recruit or solicit any employee of the Corporation for a period of 12 months following termination;
3. Keep non-public information concerning the business of the Corporation and its affiliates, including information related to business opportunities, in strictest confidence;
4. Comply with the Corporation's Employee Technology and Confidentiality Agreement and the Code of Ethics; and
5. Upon termination, return to the Corporation all assets of the Corporation including any documents, recordings or other format on which information of the Corporation is stored.

These obligations do not apply if the executive is terminated by the Corporation within 12 months of a Change in Control or where the executive resigns for good reason within 12 months of the Change in Control. For this purpose, "good reason" which would justify notice of resignation by the executive shall mean any significant change that is adverse to the executive's position, status, job description, actual authority, work environment or compensation including any requirement that the executive work prior to the Change in Control, any change resulting from material reduction in the size or complexity of the business of the Corporation or any adverse change in the reporting relationship of the executive other than a change in the identity of the person or persons to whom the executive reports.

The following table shows the estimated compensation assuming an NEO is terminated as if the termination occurred on December 31, 2015.

Named Executive Officer	Separation Event				
	Resignation	Termination with Cause	Retirement	Termination without Cause	Change in Control and Termination without Cause
D. R. Lindsay	\$0	\$0	\$0	\$10,812,700	\$12,915,300
I.C. Kilgour	\$0	\$0	\$0	\$2,716,200	\$3,220,013
R. A. Millos	\$0	\$0	\$0	\$2,249,660	\$2,701,072
P. C. Rozee	\$0	\$0	\$0	\$2,279,687	\$2,743,413
T.C. Watson	\$0	\$0	\$0	\$2,191,940	\$2,508,901

Securities Authorized For Issuance Under Equity Compensation Plans

The following table sets forth information with respect to securities authorized for issuance under the Corporation's equity compensation plans as at December 31, 2015.

Plan Category	Number of Securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity Compensation Plans approved by shareholders	15,928,840 ⁽¹⁾	\$26.53	15,015,282
Equity Compensation Plans not approved by shareholders	N/A	N/A	N/A
Total	15,928,840 ⁽²⁾	\$26.53	15,015,282 ⁽²⁾

Notes:

- (1) The aggregate number of Class B subordinate voting shares reserved for issuance in respect of such outstanding options represents 2.76% of the aggregate number of Class A common shares and Class B subordinate voting shares and 2.81% of the outstanding Class B subordinate voting shares.
- (2) The aggregate of 30,944,122 Class B subordinate voting shares reserved for issuance under (i) the 2001 Plan and (ii) the 2010 Plan in respect of the outstanding options and options which may be granted in future thereunder represents 5.37% of the aggregate number of outstanding Class A common shares and Class B subordinate voting shares and 5.46% of the number of outstanding Class B subordinate voting shares.

Board of Directors' Approval

The contents and sending of this Management Proxy Circular have been approved by the Board of Directors of the Corporation.

DATED this 8th day of March, 2016.

By order of the Board of Directors

"Karen L. Dunfee"

Karen L. Dunfee
Corporate Secretary

Schedule A

Mandate of the Board of Directors

It is the responsibility of the Board of Directors (the “Board”) of the Company to oversee the management of the business and affairs of the Company. The management of the day-to-day operations of the Company is delegated to the Chief Executive Officer (“CEO”) and the other senior executives of the Company (collectively, “Management”) under the stewardship of the Board.

In carrying out its duties: (1) the Board shall provide Management with sound business guidance, calling upon the varied experiences and expertise of its members; (2) each member of the Board shall act honestly and in good faith with a view to the best interests of the Company; and (3) each member of the Board shall exercise the level of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

To fulfill its responsibilities and duties, the Board among other things shall be responsible for the following:

Providing Guidance, Direction, and Governance

- ensuring that professional, technical, financial input and business know-how is forthcoming from members of the Board who have extensive and successful experience in their business or professional careers;
- ensuring that professional, technical, financial input and industry know-how is forthcoming from members of the Board who have established experience in one or more natural resource or extractive industries;
- providing community and corporate governance input commensurate with contemporary corporate practice to assist the Board and Management when making decisions;
- providing guidance and direction to Management in pursuit of the Company’s goals and strategic plans;
- setting the tone for a culture of integrity and sound business decisions throughout the Company.

Appointing and Evaluating Management, Compensation and Succession Planning

- selecting, setting goals for, monitoring the performance and competence of and planning for the succession of the CEO;
- ensuring that appropriate succession planning, training and monitoring is in place for Management generally;
- approving the corporate objectives which form the basis for Management’s incentive compensation, and reviewing progress against those objectives;
- with the advice of the Compensation Committee, approving the compensation of the Management team and approving an appropriate compensation program for the Company’s personnel.

Strategic Planning and Risk Management

- adopting and implementing a strategic planning process which takes into account, among other things, the opportunities and risks of the business;
- assessing the principal risks of the Company's business and ensuring the implementation of appropriate systems to identify and manage those risks;

Ethics and Social Responsibility

- satisfying itself as to the integrity of the CEO and the other senior officers and satisfying itself that they create and maintain a culture of integrity throughout the Company;
- approving the Company's Code of Ethics and monitoring compliance with the Code and the resolution of complaints related to the Code;
- approving the Company's Anti-Corruption Compliance Policy and monitoring compliance practices and the resolution of any incidents of non-compliance;
- approving the Company's major policies and practices relating to social responsibility;

Disclosure and Financial Reporting

- approving annual and quarterly reports, including the financial statements and related regulatory filings of the Company prior to their filing with applicable regulatory agencies and their release to the public, provided that the approval of quarterly reports may be delegated to the Audit Committee of the Board;
- adopting a communication and continuous disclosure policy for the Company and monitoring its implementation;
- overseeing the policies and procedures implemented by Management to ensure the integrity of the Company's internal controls, financial reporting and management information systems;
- ensuring that mechanisms are in place for the Board to receive feedback from stakeholders including as appropriate direct engagement with investors and their representatives;

Governance

- developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company;
- monitoring the composition of the Board, setting a policy with respect to Board diversity, and identifying the competencies and skills required by the Board as a whole;
- meeting regularly in the absence of Management and taking other reasonable steps to maintain the independence of the Board from Management;
- adopting an appropriate, formal orientation program for new directors and ongoing education sessions on the various business units and strategies of the Company for all directors;
- establishing and appointing Board committees, however designated, and delegating to any such Board committees any of the powers of the Board except those pertaining to items which, under the *Canada Business Corporations Act*, a Board committee has no authority to exercise;

- determining whether or not individual directors meet the requirements for independence set out in the rules of the stock exchange and securities regulatory authorities to which the Company is subject, and making such disclosures as are required with respect to that determination.

In carrying out its responsibilities, the Board will conform to the following policies:

Decisions Requiring Board Approval

The Board may delegate to the CEO or other officers the authority to approve individual commitments and expenditures for any corporate purpose on such terms as the Board considers appropriate. The Board retains responsibility for approving expenditures beyond those delegated limits, significant changes in the Company's affairs such as approval of major capital expenditures, new debt financing arrangements and significant investments, acquisitions and divestitures. No securities can be issued without the authorization of the Board and the Board must authorize the purchase, redemption or other acquisition of shares issued by the Company.

Measures for Receiving Feedback from Security Holders

The company has an investor relations department which is responsible for communications with investors. Investors have the opportunity to provide feedback to the company via the investor relations group through email at the company's website, through direct or telephone contact with the investor relations officer (a contact person is identified in each press release) and through regular mail service. In addition, the company regularly has face-to-face meetings with investment analysts and institutional investors where feedback is provided directly to the investor relations officer and Management present at the meeting. The investor relations department responds to all investor enquiries in a timely manner either directly, or by passing the request along to the appropriate department in the company for their response. Investor feedback is evaluated by the Director of Investor Relations and summarized for Management. This evaluation takes into account the nature and frequency of the feedback and the sensitivity of the subject under discussion. Significant shareholder comments and analysts' reports on the Company are reported quarterly to the Board.

Expectations of Management

The day-to-day management of the Company and its operations is the responsibility of Management under the direction of the CEO. The Board expects Management to manage and maintain the Company's operations efficiently and safely. The Board has adopted a Code of Ethics that requires each staff employee to maintain the highest ethical standards of behaviour while conducting the Company's business.

Director Orientation and Education

The Board will ensure that all new directors receive a comprehensive orientation. New directors will be provided with a copy of the Company's key policies, codes and mandates. The Board will encourage and provide continuing education opportunities to directors including regularly scheduled briefings on the Company's operations, business and key issues.

Schedule B

Disclosure of Corporate Governance Practices

The following table discloses the Corporation's current corporate governance practices in accordance with the requirements of National Instrument 58-101.

Disclosure Requirement under Form 58-101F1	Teck Compliance	Comments & Discussion
1. (a) Disclose the identity of directors who are independent.	Yes	The Board has determined that all of the directors of the Corporation with the exception of Messrs. Keevil, Keevil III and Lindsay are independent. See disclosure under the "Election of Directors" section of this Management Proxy Circular.
(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.	Yes	See disclosure under the "Election of Directors" section of this Management Proxy Circular.
(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the "Board") does to facilitate its exercise of independent judgment in carrying out its responsibilities.	Yes	11 of 14 or 78% of the Corporation's current directors are independent.
(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Yes	Such other directorships have been disclosed in the "Nominees for Election to the Board" section of this Management Proxy Circular.
(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.	Yes	The Board has adopted a policy for the independent members of the Board to meet without Management present at every meeting of the Board. These sessions are of no fixed duration and participating directors are encouraged to raise and discuss any issues of concern. In camera sessions are on each meeting agenda and were held at five meetings of the Board in 2015.
(f) Disclose whether or not the chair of the Board is an independent director. If the Board has a Chair or Lead Director who is an independent director, disclose the identity of the independent	Yes	Norman B. Keevil serves as the Board Chair, and is not an independent director. He has served as Board Chair since 2001. Warren Seyffert, an independent director, was appointed Lead Director on February

Disclosure Requirement under Form 58-101F1	Teck Compliance	Comments & Discussion
Chair or Lead Director, and describe his or her role and responsibilities. If the Board has neither a Chair that is independent nor a Lead Director that is independent, describe what the Board does to provide leadership for its independent directors.		12, 2008 and Deputy Chairman on April 22, 2009. A position description for the Deputy Chairman & Lead Director has been developed and approved by the Board. Among other things, the Lead Director is expected to: (a) provide leadership to ensure effective functioning of the Board; (b) lead in the assessment of Board performance; and (c) act as an effective liaison between the Board and Management.
(g) Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer's most recently completed financial year.	Yes	Attendance records are fully disclosed on pages 10 to 17 of this Management Proxy Circular. Directors are expected to attend all meetings of the Board and Board committees upon which they serve, to come to such meetings fully prepared, and to remain in attendance for the duration of the meetings.
2. Disclose the text of the Board's written mandate. If the Board does not have a written mandate, how the Board delineates its role and responsibilities.	Yes	The Board of Directors' Mandate is found in this Management Proxy Circular in Schedule A.
3. (a) Disclose whether or not the Board has developed written position descriptions for the Chair and the Chair of each Board committee. If the Board has not developed written position descriptions for the Chair and/or the Chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.	Yes	A position description for the Board and Executive Committee Chair and each Board Committee Chair (which are attached to the relevant Board Committee Charters) has been developed and approved by the Board. These position descriptions were reviewed and updated in 2014.
(b) Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.	Yes	A written position description for the CEO has been developed and approved by the Board. The CEO reports to the Board and has general supervision and control over the business and affairs of the Corporation. Amongst other things, the CEO is expected to: (a) foster a corporate culture that promotes ethical practices, encourages individual integrity and fulfills social responsibility; (b) develop and recommend to the Board a long-term strategy and vision for the

Disclosure Requirement under Form 58-101F1	Teck Compliance	Comments & Discussion
		<p>Corporation that leads to creation of shareholder value;</p> <p>(c) develop and recommend to the Board annual business plans and budgets that support the Corporation's long-term strategy; and</p> <p>(d) consistently strive to achieve the Corporation's financial and operating goals and objectives.</p>
<p>4.</p> <p>(a) Briefly describe what measures the Board takes to orient new directors regarding the role of the Board, its committees and its directors, and the nature and operation of the issuer's business.</p>	Yes	<p>The Board has adopted a New Director Orientation Program designed to:</p> <p>(a) provide each new director with a baseline of knowledge about the Corporation that will serve as a basis for informed decision-making;</p> <p>(b) tailor the program for each new director, taking into account his or her unique mix of skills, experience, education, knowledge and needs; and</p> <p>(c) deliver information over a period of time to minimize the likelihood of overload and maximize the lasting educational impact.</p> <p>The orientation program consists of a combination of written materials, one-on-one meetings with senior Management, site visits and other briefings and training as appropriate.</p>
<p>(b) Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary for them to meet their obligations as directors.</p>	Yes	<p>The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. To facilitate ongoing education, the Corporation has a formal program of continuing education in place, and, as part of that program:</p> <p>(a) has developed a directors' intranet site to facilitate the exchange of views and published information;</p> <p>(b) encourages presentations by internal and outside experts to the Board or committees on matters of particular import or emerging significance;</p> <p>(c) provides briefings on matters of particular interest in advance of scheduled Board meetings;</p> <p>(d) distributes written background materials on matters of relevance to the Corporation's business;</p>

Disclosure Requirement under Form 58-101F1	Teck Compliance	Comments & Discussion
		<p>(e) arranges tours of mine sites and other operations for groups of directors or committees of the Board, where directors have direct contact with operating management; and</p> <p>(f) identifies external opportunities for continuing education, such as industry conferences, which may be of interest to individual directors.</p> <p>Directors participate as discussion leaders and panelists on topical issues facing the Corporation and the industry at annual strategic planning meetings.</p>
<p>5.(a)</p> <p>(i) Disclose whether or not the Board has adopted a written code for its directors, officers and employees. If the Board has adopted a written code, disclose how a person or company may obtain a copy of the written code.</p>	Yes	<p>The Board has adopted a Code of Ethics. The complete text of the Code of Ethics, as well as other governance related documents, can be found at www.teck.com and are available in print to any shareholder who requests them from the Corporate Secretary.</p>
<p>(ii) If the Board has adopted a written code, describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code.</p>	Yes	<p>Management reports quarterly to the Board on the operation of the Corporation's fraud reporting system and its Whistleblower Hotline. Staff employees, officers and directors annually certify their compliance with the Code of Ethics.</p>
<p>(iii) If the Board has adopted a written code, provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.</p>	Yes	<p>The Corporation has not had occasion to file any such report.</p>
<p>(b) Describe any steps the Board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p>	Yes	<p>Each director must possess and exhibit the highest degree of integrity, professionalism and values. A director who has a real or perceived conflict of interest regarding any matter under consideration is required to advise the Board, refrain from participating in any discussion of the matter and abstain from voting on it.</p>
<p>(c) Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.</p>	Yes	<p>In conjunction with the introduction of a Whistleblower Hotline in 2006, the Corporation released the "Doing What's Right" program to reinforce the core values set out in the Code of Ethics. Those values will be continually reinforced on a bi-annual</p>

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		basis through our on-line training program introduced in 2007.
<p>6.</p> <p>(a) Describe the process by which the Board identifies new candidates for Board nomination.</p>	Yes	<p>The Corporate Governance and Nominating Committee (the “CG&N Committee”) is responsible for recruiting and proposing to the full Board new nominees for directors. The CG&N Committee, in the discharge of its duties:</p> <ul style="list-style-type: none"> (a) consults with the Board and Chief Executive Officer and, on an ongoing basis, identifies the mix of expertise and qualities required for the Board; (b) assesses the attributes new directors should have for the appropriate mix to be maintained; (c) in consultation with the Board and Chief Executive Officer and on an ongoing basis takes note of potential candidates and their availability; (d) has implemented a procedure to identify, with as much advance notice as practicable, impending Board vacancies, so as to allow sufficient time for recruitment and for introduction of proposed nominees to the existing Board; (e) arranges for each candidate to meet with the CG&N Committee, the Board Chair and the Chief Executive Officer and, where an outside consultant is used, develops a short-list of candidates; (f) recommends to the Board, as a whole, proposed nominee(s) and arranges for their introduction to as many Board members as practicable; (g) ensures that prospective candidates are informed of the degree of energy and commitment the Corporation expects of its directors; and (h) encourages diversity in the composition of the Board.
<p>(b) Disclose whether or not the Board has a nominating committee composed entirely of independent directors. If the Board does not have a nominating committee composed entirely of independent directors, describe what steps the Board takes to encourage an</p>	Yes	<p>The Corporation has a standing CG&N Committee.</p> <p>Each of the four directors who comprise the CG&N Committee is independent. Please refer to the “Report of the Corporate Governance and Nominating Committee” section of this Management Proxy Circular</p>

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objective nomination process.		for additional information.
(c) If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	Yes	The responsibilities, powers and operation of the CG&N Committee are set out in its Charter. Pursuant to the CG&N Committee Charter, the purpose of the CG&N Committee is to identify the individuals qualified to become members of the Board, to recommend to the Board nominees for election to the Board at each annual meeting of shareholders or to fill vacancies on the Board and to address related matters. Please refer to the “Report of the Corporate Governance and Nominating Committee” section of this Management Proxy Circular for additional information.
7. (a) Describe the process by which the Board determines the compensation for the issuer’s directors and officers.	Yes	Director and officer compensation is established on the advice of independent consultants, with a view to establishing target compensation at the median of the Compensation Comparator Group. Please refer to the “Compensation Discussion and Analysis” and the “Director Compensation” sections of this Management Proxy Circular for additional information.
(b) Disclose whether or not the Board has a Compensation Committee composed entirely of independent directors. If the Board does not have a Compensation Committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.	Yes	The Corporation has a standing Compensation Committee. Each of the six directors who comprise the Compensation Committee is independent. Please refer to the “Compensation Discussion and Analysis” section of this Management Proxy Circular for additional information.
(c) If the Board has a Compensation Committee, describe the responsibilities, powers and operation of the Compensation Committee.	Yes	The responsibilities, powers and operation of the Compensation Committee are set out in its Charter, which is available on the Corporation’s website at www.teck.com . Pursuant to the Compensation Committee Charter, the purpose of the Compensation Committee is to assist the Board in carrying out its responsibility for: <ul style="list-style-type: none"> (a) executive compensation (including policy and programs); (b) Board compensation; (c) broadly applicable compensation and benefit programs. Please refer to the “Compensation Discussion and Analysis” section of this Management Proxy Circular for additional

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		<p>informationand;</p> <p>(d) reviewing annually the material compensation plans, including executive compensation programs, to confirm program design and payouts align with the Corporation's risk management principles and do not encourage inappropriate or excessive risk taking.</p>
<p>8. If the Board has standing committees other than the Audit, Compensation and Nominating committees, identify the committees and describe their function.</p>	<p>Yes</p>	<p>The Board has an Executive Committee to enable it to react quickly to emerging issues and opportunities; a Reserves Committee to provide enhanced oversight of the Corporation's policies and management of its mineral and oil reserves and resources; and a Safety and Sustainability Committee to review corporate policies, procedures and performance with respect to these important matters.</p>
<p>9. Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that it, its committees, and individual directors are performing effectively.</p>	<p>Yes</p>	<p>Historically Board members have completed a detailed questionnaire which:</p> <p>(a) provides for quantitative and qualitative ratings of their and the Board's performance in key areas; and</p> <p>(b) seeks subjective comment in each of those areas.</p> <p>The questionnaire is administered by the Corporate Secretary who compiles the responses in a summary report. The summary report and individual responses are reviewed by the Deputy Chairman & Lead Director. The CG&N Committee reviews the results of the self-assessment process and identifies areas in which the Board can adjust its procedures, and other matters requiring follow-up. These are reported to the full Board by the CG&N Committee. Matters requiring follow-up are identified and action plans developed which are monitored by the CG&N Committee. <i>[In 2014 the CG&N Committee commissioned a third party consultant to interview directors and to make recommendations regarding board practices and processes. The CG&N Committee reviewed the resulting report with the full Board and has identified matters for follow-up. Resulting action plans will be monitored by the GC&N Committee.]</i></p>

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10. Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.	Yes	<i>[The Board has not adopted term limits. See disclosure under the "Term Limits" section of this Management Proxy Circular.]</i>
11. (a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.	Yes	The Board has adopted such a policy. See disclosure under the "Diversity" section of this Management Proxy Circular.
(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy: (i) a short summary of its objectives and key provisions, (ii) the measures taken to ensure that the policy has been effectively implemented, (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and (iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.		See disclosure under the "Diversity" section of this Management Proxy Circular.
12. Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.	Yes	The Board does consider the level of representation of women on the Board. See disclosure under the "Diversity" section of this Management Proxy Circular.

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13. Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.	Yes	The Corporation does consider the level of representation of women in executive officer positions. See disclosure under the "Diversity" section of this Management Proxy Circular.
14. (a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.		
(b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.	Yes	The Board has not adopted a target. See disclosure under the "Diversity" section of this Management Proxy Circular.
(c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.	Yes	The Corporation has not adopted a target. See disclosure under the "Diversity" section of this Management Proxy Circular.
(d) If the issuer has adopted a target referred to in either (b) or (c), disclose: (i) the target, and (ii) the annual and cumulative progress of the issuer in achieving the target.	Yes	See disclosure under the "Diversity" section of this Management Proxy Circular.
15. (a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.	Yes	If all nominees proposed to be elected as directors at the Meeting are elected, 2 of 14 or 14.3% of directors will be women.
(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.	Yes	Of the Corporation's ten Executive Officers, one or 10% is a woman.