



## The Copper Mark Summary Report

### Site Information

Name of the Site	Teck Metals Ltd, Trail Operations
Unique identifier provided by the Copper Mark	S005
Address	25 Aldridge Avenue Trail, B.C. Canada V1R 4L8
Country of Operation	Canada
Products produced on site (e.g., concentrate, anodes, cathodes, sulphuric acid, slag, etc.)	High-purity lead metal (99.99%) and lead metal alloys; High-purity zinc metal (99.99%) and zinc metal alloys; High purity silver bars (99.99%)
Metals produced on site (e.g., copper, gold, nickel, silver, molybdenum)	Lead, zinc, silver
Metals covered by other systems	Silver ( <u>LBMA</u> )
Metals included in scope (This must be all, or a sub-set of the metals produced on site)	Lead, zinc
Types of operations included in scope	
Mining	<input type="checkbox"/>
Concentrate blending	<input type="checkbox"/>
Solvent extraction and electrowinning	<input type="checkbox"/>
Smelting	<input checked="" type="checkbox"/>
Refining	<input checked="" type="checkbox"/>
Other ( <i>please explain</i> )	
Infrastructure owned or controlled by the site and included in scope	
Roads	<input type="checkbox"/>
Rails	<input type="checkbox"/>

Ports	<input type="checkbox"/>
Other (please explain)	

### Equivalency Check

Upon receiving the pre-assessment checklist, the Copper Mark did a review of equivalent certificates and third-party assurances.

The following equivalent systems were applied:

*Equivalent systems are determined by the Copper Mark to have standards and assurance requirements that are materially comparable in scope and intent to those of the Copper Mark, in accordance with the Copper Mark Recognition Process.*

Equivalent System <i>(Name, date of assurance / certification)</i>	Review Process	Criteria Covered by Equivalency
N/A	<p>The Independent Reviewer confirmed the assurance / certification was:</p> <ul style="list-style-type: none"> <li>Valid at the time of the review</li> <li>No more than 24 months old and / or plans for reassessment are underway</li> <li>In effect for an additional 12 months and / or plans for reassessment are underway</li> <li>Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials</li> <li>Accompanied by improvement plans where applicable</li> </ul>	NA

### Independent Site Assessment Information

Name of the Lead Assessor	Josue Ruiz
Name of the Assessment Firm (if applicable)	RCS Global, Ltd.
Date(s) of Assessment Activities (dd/mm/yyyy – dd/mm/yyyy)	30 January – 3 February 2022 Follow up assessment: 6 December 2022
Assessment Period	1 January - 31 December 2021

<p>Summary of the Assessment Methodology</p>	<p>Document review, site observations, and interviews, including:</p> <ul style="list-style-type: none"> <li>• Total number of interviews conducted: 7</li> <li>• Type of interviews: <ul style="list-style-type: none"> <li>○ Management: 5 managers during document review &amp; interviews held virtually</li> <li>○ Employees: 2 managers during facility visit</li> <li>○ Contractor: No contractors were interviewed</li> </ul> </li> </ul>
<p>Summary of the Assessment Activities</p>	<p>Monday, 31 January</p> <ul style="list-style-type: none"> <li>• Opening meeting</li> <li>• Company introduction and determination of scope</li> <li>• Understanding the due diligence management system <ul style="list-style-type: none"> <li>○ Management interviews</li> <li>○ Internal management structure</li> <li>○ Review of previous corrective actions</li> <li>○ Due diligence process and implementation</li> <li>○ Employee training and communication review</li> <li>○ Supplier management process</li> </ul> </li> </ul> <p>Tuesday, 1 February</p> <ul style="list-style-type: none"> <li>• Transparency and traceability over supply chains – sampling of records</li> <li>• Sampling of KYC files</li> <li>• Facility tour</li> <li>• Employee interviews</li> <li>• Closing meeting</li> </ul>

### Summary of Findings

<p><b>Criteria</b></p>	<p><b>Rating</b> <i>Fully meets, partially meets, does not meet, not applicable</i></p>	<p><b>Comments</b></p>
<p>1. Management System</p>	<p>Fully meets</p>	<p>As of the follow up assessment on 6 December 2022, this is confirmed to be fully meets.</p>

		<p>Trail has a medium complexity supply chain with both primary and secondary material inputs from a medium number of suppliers.</p> <p>Trail has established a due diligence management system appropriate to the nature, scale and operational context of the company.</p> <p>Trail has a policy in line with the requirements of the standard, available <a href="#">here</a>, that is appropriate for the size and complexity of the operations and trained to relevant personnel. Responsibility is assumed by senior management, including for continual improvement of the system. Resources are sufficiently allocated.</p> <p>This was confirmed by a review of the policy, organizational structure, training material, interviews with workers and management, and the protocol for implementation, the Responsible Mineral Sourcing Management System.</p> <p>It is observed that the roles and responsibilities of 4 personnel are still being defined.</p> <p>Trail has a grievance mechanism appropriate to the nature, scale, and operational context.</p> <p>Trail has a system of controls in place for both materials and KYC. Trail conducts KYC on all suppliers.</p> <p>The following minor areas for improvement were identified:</p> <ul style="list-style-type: none"> <li>• Increased retention of records required by its own policy for each supplier.</li> <li>• Increased retention of records containing information necessary to implement applicable steps of the due diligence process.</li> </ul> <p>The follow up assessment on 6 December 2022 confirmed that Trail has established a responsible sourcing policy, which is supported and operationalized by the Responsible Mineral Sourcing Management System procedure. The procedure was updated in 2022 in order to formalize the responsible sourcing organizational structure and to provide better guidance on suppliers initial screening and subsequent reviews and enhanced due diligence including clear guidance and criteria</p>
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		for onsite risk assessments. The auditee has also drafted new templates for onsite assessments to ensure visits are systematically and consistently conducted.
2. Red Flag Identification Process	Fully meets	<p>Trail has a process to collect, review, and retain credible information for red flags identification appropriate to the nature, scale and operational context of the company.</p> <p>Trail has a process in place to identify conflict-affected and high-risk areas using credible resources and methodology, which is updated annually.</p> <p>Trail conducts a red-flag review with the information gathered in a consistent manner and has identified red flags related to mineral origin and transportation from conflict-affected and high-risk areas. Through implementation of this process, Trail has identified red flags related to mineral location.</p>
3. Risk Assessment Process	Fully meets	<p>As of the follow up assessment on 6 December 2022, this is confirmed to be fully meets.</p> <p>Trail has a process in place to gather information to conduct a risk assessment.</p> <p>Trail has identified where on-the-ground assessments are required and conducted those assessments where possible. It is noted that a number of on-the-ground assessments are pending and will be scheduled for when the Covid-19 pandemic allows. Trail has put in place remote ongoing monitoring measures in the interim.</p> <p>The following opportunities for improvement for the process to conduct on-the-ground assessments are identified:</p> <ol style="list-style-type: none"> <li>1. Define the scope and frequency of the assessment as well as the competencies of the assessment team</li> <li>2. Include triangulation and document review in the methodology, and</li> <li>3. Clearly define the methodology applied.</li> </ol> <p>The follow up assessment on 6 December 2022 confirmed that the Responsible Mineral Sourcing Management System maintains all the required suppliers' information. The</p>

		<p>Responsible Sourcing Risk Assessment Matrix was revised 2022 in order to evaluate all the required aspects by the standard.</p> <p>On-site visits to high-risk suppliers that were not previously possible due to, among other reasons, Covid-19 restrictions, have been scheduled. It is noted to review the reports from on-site visit of high-risk suppliers at the next Copper Mark assessment.</p>
4. Risk Management Process	Fully meets	<p>Trail has a process in place to implement a risk mitigation strategy consistent with its policy on responsible minerals supply chains and the recommendations of the OECD Guidance.</p> <p>The strategies are appropriate to the type and scale of the risks of adverse impacts and actual adverse impacts and the company's position along the supply chain and take into account Trail's ability to exercise leverage.</p> <p>The mitigation strategy is supported by sufficient resources, implemented consistently, and includes stakeholder engagement activities in the design and implementation.</p>
5. Public Reporting	Fully meets	<p>Trail has a publicly available "Step 5" report that includes all requirements of the standard and is accurate and consistent with the assessment review.</p> <p>The report includes changes in sourcing practice from year to year. The report is available <a href="#">here</a>.</p>

## Conclusions

Performance Determination	
The site is found to fully meet the conformance criteria of the Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc (Joint Due Diligence Standard).	<input checked="" type="checkbox"/>
The site is found to fully meet or partially meet the conformance criteria of the Joint Due Diligence Standard and has committed to continuous improvement at the site to fully meet the conformance criteria by 26 January 2023.	<input checked="" type="checkbox"/>

The site is found to miss some or all of the conformance criteria of the Joint Due Diligence Standard and has committed to continuous improvement at the site to fully meet all conformance criteria by 26 January 2023.	<input type="checkbox"/>
The site misses some or all of the conformance criteria of the Joint Due Diligence Standard and has not committed to continuous improvement.	<input type="checkbox"/>
Limitations:	
Additional comments:	

### Assurance Process Information

Date of Performance Determination (dd/mm/yyyy)	1 April 2022
Re-assessment Due Date (dd/mm/yyyy)	1 April 2025