

2021 IAA SASB Report



Sustainability Accounting Standards Board (SASB)

The Sustainability Accounting Standards Board (SASB) is an independent non-profit organization that sets standards to guide the disclosure of financially material sustainability information by companies to their investors. The SASB reporting standards are sector specific, covering Environmental, Social and Governance (ESG) reporting criteria for 77 different industries. Each SASB standard defines a minimum set of ESG-related topics that are reasonably likely to affect a company's long-term performance based on the industry within which it operates.

About this Report

IAA recognizes that sustainable business practices are critically important to the long-term interests of our stakeholders. To promote these interests, we have been committed to developing environmentally responsible business solutions to improve our operations and to building diverse and inclusive relationships with our employees, customers, and the communities in which we operate.

In 2021, we continued to make progress in our ongoing efforts to enhance transparency in our environmental, social and governance policies and practices. Because our business model is not directly reflective of any of SASB's 77 industry categories, we chose to provide disclosure consistent with the Multiline and Specialty Retailers & Distributors, which we felt provided the closest match to service providers like us.

The Multiline and Specialty Retailers & Distributors encompasses a variety of retailing categories such as department stores, mass merchants, home products stores, and warehouse clubs, as well as a smaller segment of distributors like electronics wholesalers and automotive wholesalers. Common to these companies (except for the distribution segment) is that they manage global supply chains to anticipate consumer demands, keep costs low, and keep products stocked in their brick-and-mortar storefronts. These are highly competitive industries, in which each competitive category generally has a small number of key players, characterized by generally low margins.

Though we have done our best in this report to follow SASB's Multiline and Specialty Retailers & Distributors, there are certain disclosures we do not make because either the SASB delineated topic is not applicable to our business, or the information requested we consider sensitive or competitive in nature.

All data provided in this Report is as of December 27, 2021. Learn more about our sustainability and ESG reporting at www.iaai.com.



SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS



Energy Management in Retail & Distribution

SASB Code	SASB Metric	IAA's Detailed Response
CG-MR-130a.1	(1) Total energy consumed	2020 – 23,291 tCO2e 2021 – 22,355 tCO2e
	(2) percentage grid electricity	100%
	(3) percentage renewable	This information has not been aggregated or quantified by IAA at this time.

Data Security

SASB Code	SASB Metric	IAA's Detailed Response
CG-MR-230a.1	Description of approach to identifying and addressing data security risk	IAA's approach to data security risk is comprehensive and multipronged. We have leveraged multiple sources and processes to identify data security risk (be it process, technical, etc. risk) and address risk based on a prioritized approach. The collective risks that are rated "High" are addressed first, "Medium" second, etc. and addressed as quickly as feasible.
CG-MR-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	IAA did not experience any data security breaches in 2021.

Labor Practices

SASB Code	SASB Metric	IAA's Detailed Response												
CG-MR-310a.1	(1) Average hourly wage and (2) percentage of employees <u>earning minimum wage</u> , by region	<p>All employees at IAA are paid above the minimum wage. IAA has hourly wage employees in the US, Canada, and UK. As of December 27, 2021, our average compensation for our hourly employees and the percentage of branch employees earning minimum wage by region is as follows:</p> <table border="1"> <thead> <tr> <th>Region</th> <th>Average Hourly Wage</th> <th>Percentage of Hourly Employee</th> </tr> </thead> <tbody> <tr> <td>USA</td> <td>\$17.74</td> <td>25.68%</td> </tr> <tr> <td>Canada</td> <td>\$19.89</td> <td>26.61%</td> </tr> <tr> <td>UK</td> <td>£9.25</td> <td>12.85%</td> </tr> </tbody> </table>	Region	Average Hourly Wage	Percentage of Hourly Employee	USA	\$17.74	25.68%	Canada	\$19.89	26.61%	UK	£9.25	12.85%
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CG-MR-310a.2	1) Voluntary and (2) involuntary turnover rate for employees	<p>As of December 27, 2021, IAA turnover rate for employees:</p> <table border="1"> <thead> <tr> <th>Termination Type</th> <th>Turnover Rate</th> </tr> </thead> <tbody> <tr> <td>Voluntary</td> <td>87%</td> </tr> <tr> <td>Involuntary</td> <td>13%</td> </tr> </tbody> </table>	Termination Type	Turnover Rate	Voluntary	87%	Involuntary	13%						
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Workforce Diversity & Inclusion

SASB Code	SASB Metric	IAA's Detailed Response																																																
CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	<p>IAA seeks to build a culture where individuality and difference are celebrated, and every employee's voice is valued. IAA recognizes that our most valued stakeholders are our diverse employees.</p> <p>As of December 27, 2021, IAA's employee ethnicity composition is as follows:</p> <table border="1"> <thead> <tr> <th>Ethnicity</th> <th>Below Manager</th> <th>Manager & Up</th> <th>All Employees</th> </tr> </thead> <tbody> <tr> <td>Other</td> <td>106</td> <td>9</td> <td>115</td> </tr> <tr> <td>Asian</td> <td>137</td> <td>33</td> <td>170</td> </tr> <tr> <td>Black or African American</td> <td>487</td> <td>23</td> <td>510</td> </tr> <tr> <td>Hispanic or Latino</td> <td>699</td> <td>52</td> <td>751</td> </tr> <tr> <td>White</td> <td>1509</td> <td>437</td> <td>1946</td> </tr> <tr> <td>N/A</td> <td>408</td> <td>74</td> <td>482</td> </tr> <tr> <td>Total</td> <td>3346</td> <td>628</td> <td>3974</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Gender</th> <th>Below Manager</th> <th>Manager & Up</th> <th>All Employees</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>1489</td> <td>392</td> <td>1881</td> </tr> <tr> <td>Female</td> <td>1857</td> <td>236</td> <td>2093</td> </tr> <tr> <td>Total</td> <td>3346</td> <td>628</td> <td>3974</td> </tr> </tbody> </table>	Ethnicity	Below Manager	Manager & Up	All Employees	Other	106	9	115	Asian	137	33	170	Black or African American	487	23	510	Hispanic or Latino	699	52	751	White	1509	437	1946	N/A	408	74	482	Total	3346	628	3974	Gender	Below Manager	Manager & Up	All Employees	Male	1489	392	1881	Female	1857	236	2093	Total	3346	628	3974
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Table 2. Activity Metrics

SASB Code	SASB Metric	IAA's Detailed Response																
CG-MR-000.A	Number of: (1) retail locations and (2) distribution centers	<p>IAA does not operate traditional retail locations or distribution centers. We operate physical “branches” where assets are stored until sold, primarily at auction. As a service to our customers, we also operate call centers to assist with the disposition of assets entrusted to us.</p> <p>As of December 27, 2021, IAA operated branches and call centers:</p> <table border="1"> <thead> <tr> <th>Region</th> <th>Branches</th> <th>Call Centers</th> <th>Total Number</th> </tr> </thead> <tbody> <tr> <td>US</td> <td>183</td> <td>171</td> <td>355</td> </tr> <tr> <td>Canada</td> <td>15</td> <td>0</td> <td>15</td> </tr> <tr> <td>UK</td> <td>12</td> <td>0</td> <td>12</td> </tr> </tbody> </table>	Region	Branches	Call Centers	Total Number	US	183	171	355	Canada	15	0	15	UK	12	0	12
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CG-MR-000.B	Total area of: (1) retail space and (2) distribution centers	<p>IAA has not calculated the sq. ft. of our call centers. As of December 27, 2021, IAA's total area (sq. ft.) of branches is as follows:</p> <table border="1"> <thead> <tr> <th>Region</th> <th>Branches</th> <th>Total Area (Sq. ft.)</th> </tr> </thead> <tbody> <tr> <td>US</td> <td>2,543,791</td> <td>2,543,791</td> </tr> <tr> <td>Canada</td> <td>129,692</td> <td>129,692</td> </tr> <tr> <td>UK</td> <td>109,624</td> <td>109,624</td> </tr> </tbody> </table>	Region	Branches	Total Area (Sq. ft.)	US	2,543,791	2,543,791	Canada	129,692	129,692	UK	109,624	109,624				
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