



2022 Climate Change Accountability Report

Insurance Corporation of British Columbia



Message from the President and CEO

ICBC's focus is on helping people safely get to where they need to go — making sure the auto insurance system works for all road users, that we're making decisions with every British Columbian in mind and supporting drivers both on and off the road.

Undeniably, climate change is increasingly impacting B.C. roads and the daily lives of British Columbians. We need to do more, and — I know I speak for the entire executive team, here — we are committed to doing more.

We will adapt to shifts, like increasing electric vehicle use, and changing mobility trends that are helping us move in the right direction. We will continue to streamline and digitize business processes and work hard to reduce our facilities footprint and building emissions. Our 'new normal' includes a commitment to hybrid work. By allowing most ICBC roles to be performed from home up to three days a week, we reduce the number of commuters on the road.

This report provides a sample of the different things we do at ICBC in terms of sustainability, made possible by employees throughout the organization, in every division. I'm pleased to share this look back at our work last year, and I hope you share in my optimism for the future.

David Wong
President and CEO



David Wong
President and CEO

Declaration Statement

This PSO Climate Change Accountability Report for the period January 1, 2022 to December 31, 2022 summarizes our greenhouse gas (GHG) emissions profile, the total offsets to reach net-zero emissions, the actions we have taken in 2022 to minimize our GHG emissions, and our plans to continue reducing emissions in 2023 and beyond.

Overview of 2022 Greenhouse Gas Emissions

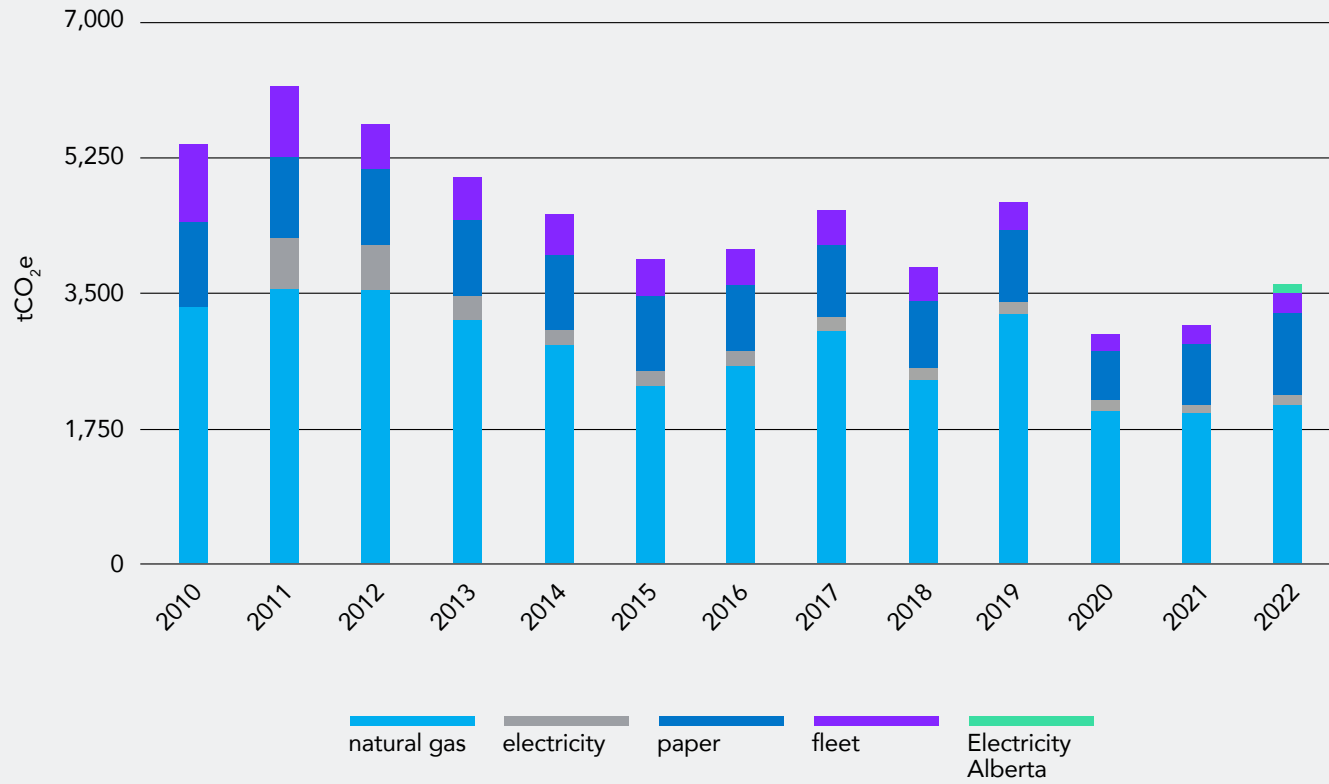
The table below compares our 2022 operational emissions to our 2010 base year:

	2022 GHG emissions Tonnes of carbon dioxide equivalents (tCO ₂ e)	2022 and 2010 GHG comparison (%)
Buildings: Natural gas (stationary combustion)	2056	-31%
Buildings: Electricity (stationary combustion) BC	125	
Electricity – Alberta	120	
Paper (supplies)	1056	-11%
Fleet (mobile combustion)	261	-74%
Total	3618	-34%

Note: Electricity – Alberta is the amount of electricity used for the Calgary datacentre after July 2022. It was previously offset by in-province renewable energy credits and is now offset through Ministry of Environment credits.



Operational Emissions



Emission reductions: Actions & plans

A. Stationary (buildings)

Shrinking our footprint

Our goal is to reduce our operational building emissions by 50 percent by 2030, compared to our 2010 baseline. One key enabler is reducing our office footprint. Since the beginning of our flexible work initiative in 2019 and with our commitment to hybrid work, we've already reduced our footprint by 41,230 square feet, and will be reducing by a further 49,331 square feet by the end of 2023.

By the end of 2025, the estimated net reduction in our footprint is 25% (375,000 square feet of space). To get there, we're relocating from ICBC's head office — our largest building — to a significantly smaller space in three to five years. No decisions have been made on the new location yet, but we're looking for sustainability features and designations, accessibility by SkyTrain and places that will reduce commute times for the majority of our staff. We also avoid adding to our footprint where possible — for example, we continued to add road testing to claim centres, increasing services within existing space.

Building retrofits and recommissioning

Other contributions are lighting projects (replacing fluorescent lighting with networked LEDs), continuous improvement of light schedules, and recommissioning our building automation system. These initiatives will result in over 300,000 KWH savings per year.

Data driven approach

ICBC uses an industry leading, sustainability focused suite of software tools (Ameresco's AssetPlanner™) to collect and manage utility usage data for all our buildings. Using various energy metrics, such as energy intensity benchmarking, we can compare the efficiency of each building and trending consumption patterns — allowing us to continually search for energy saving opportunities.

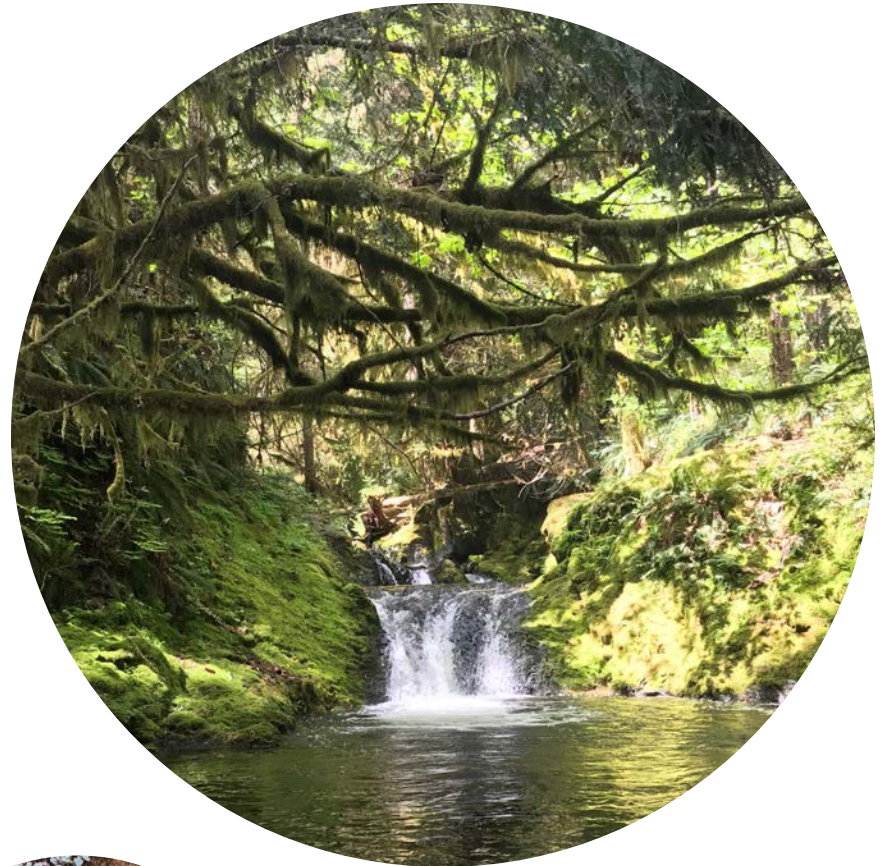
B. Mobile sources (fleet vehicles)

ICBC has already exceeded the 2030 Clean BC target of a 40% emissions reduction by 2030, but we're striving to do more through fleet optimization (such as selling or reallocating vehicles between business divisions or replacing vehicles with hybrid units).

In 2022, we added three vehicles (including one hybrid) and remarketed or sold four vehicles.

Though we decreased our total vehicles by one, we saw our overall fuel use increase by 8% from 2021, when travel restrictions and fuel shortages reduced fleet use. However, when compared to our 2010 baseline, fleet fuel use has decreased by 74%.

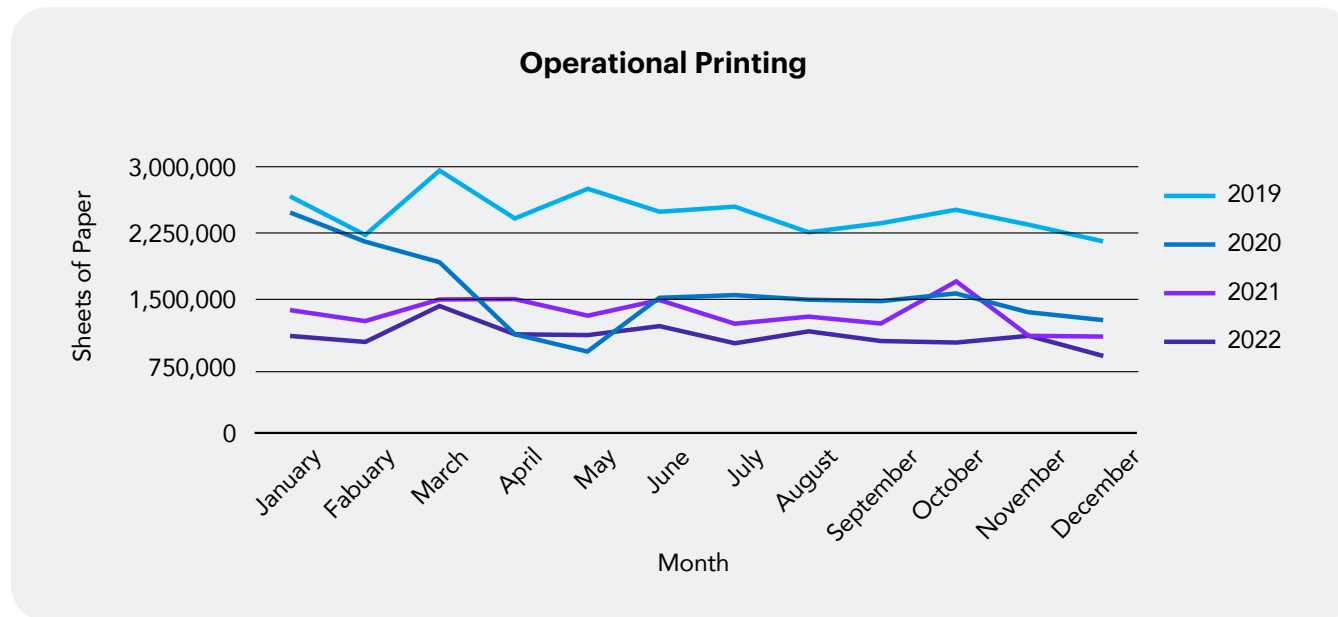
We continue to look at the feasibility of using electric vehicles in our fleet, though we still face barriers that don't allow for this change in many cases. Some of these challenges include travel to and from more remote regions that are still developing their charging infrastructure, and the downtime required to recharge vehicles.



C. Paper consumption

In 2022, ICBC was able to eliminate 100 underutilized print devices from our fleet. Due to a shortage of recycled content paper emissions were higher than in 2021.

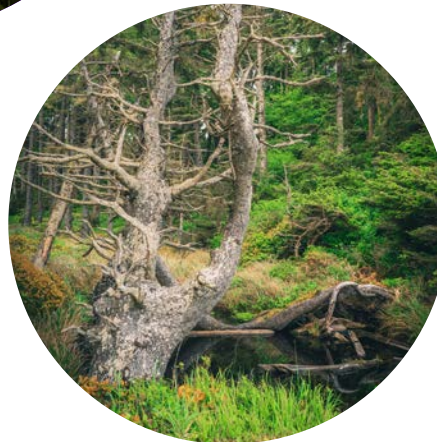
Even though our paper source was impacted, we continued to optimize our business processes to reduce paper use.





Divisional examples include

- Claims: Moving salvage vehicle processing to reduced paper usage, moving Enhanced Care Recovery training booklets to digital and planning for digitization as we streamline claims processes.
- Driver Licensing: Redesigning renewal notices to “postcard” mail outs and elimination of certain print jobs.
- Insurance: Moving processes online, including insurance renewals, the student exemption program and international registration for commercial vehicles.
- Finance: Encouraging more electronic payment and transfer methods to decrease the number of cheques being printed and mailed, and reducing letters.
- Information Services: In FY24, as part of our enterprise print device refresh, we plan on significantly reducing our printer fleet by further eliminating underutilized print devices. We also plan on expanding print release to all ICBC offices.



Climate risk management

Monitoring climate risk is already part of our risk management framework. We also use these programs and systems to help us manage that risk:

- Business continuity program
- Environmental management system
- BC Hydro Commercial Energy Manager Program
- Insurance program

Investments

We integrated climate change into our investment beliefs in 2022, recognizing that climate change presents a material risk to the overall performance of any investment portfolio.



Other sustainability initiatives

Reduce, reuse, recycle

Windshield repair

Our windshield chip repair program began in 2017 for customers who purchase optional comprehensive coverage. Repairs help extend the life of a windshield and are quicker and cheaper than replacements — a win-win for both customers and ICBC. In 2022 we repaired 57,380 windshields — 24% of total glass claims — preventing the equivalent of 324 tCO₂e from being released.

Auto parts locator

We maintain a recycled auto parts locator allowing authorized recyclers to bid for parts. Recyclers can see which parts are in demand to determine which vehicles and parts are more commercially valuable to bid on. Currently, we have 62 recyclers and two bumper remanufacturers on the parts locator.

License plate recycling

In 2022, we took back 118,996 kilograms of plates, preventing the release of 170 tCO₂e. Recycling used license plates keeps them out of landfill, reduces the amount of new aluminium needed, and prevents the contamination of water tables.

PPE disposal

During the pandemic, we started sending our PPE waste to a waste-to-energy facility, keeping 2907 kg (or roughly three tCO₂e) of PPE out of landfill.

Sustainable packaging and distribution

In collaboration with our vendors, we're reusing cardboard boxes and cartons and flattening the dividers, boxes and cartons that hold our stock. We have also started sending computer equipment between our locations in reusable padded bins.



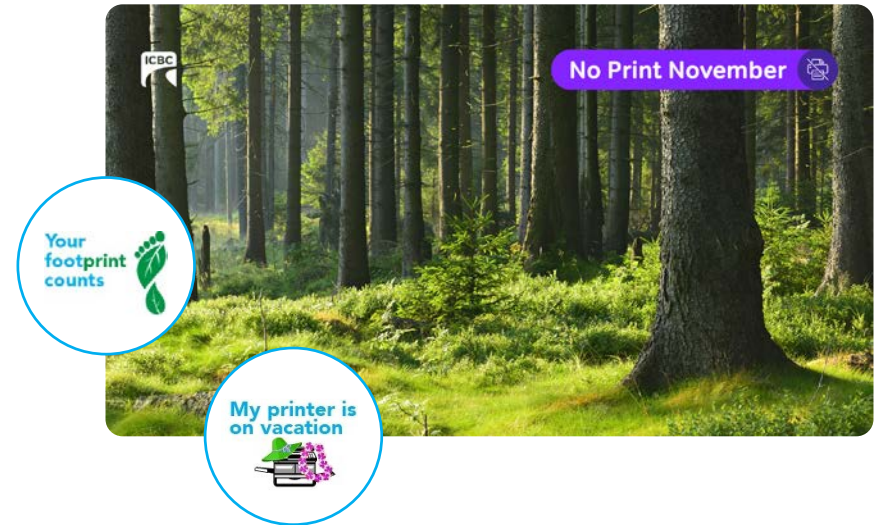
Other sustainability initiatives (continued)

Company-wide campaigns

During 2022, we held two employee awareness campaigns and other communications to promote awareness and new habits that contribute to energy management and environmental sustainability.

No Print November

Employees were encouraged to participate by reducing their printing, as well as using digital stickers and a Teams background to spread the message. The background, new this year, was widely used and received positive feedback.



Waste awareness

Employees were encouraged to reduce and be mindful of their waste. We updated signage on waste bins and educated all employees on how to separate and dispose of typical items. An inaugural clothing swap was also held at our head office to demonstrate how beneficial it can be to reduce and reuse!

Holiday Shutdown

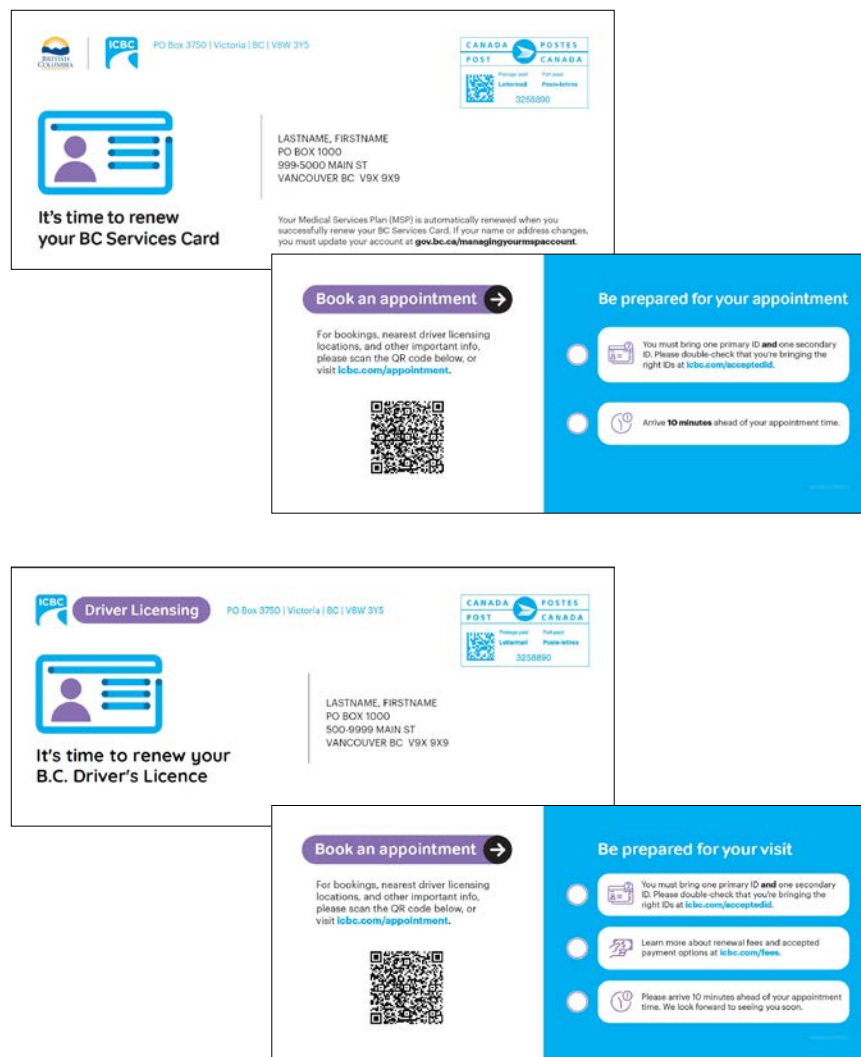
Before the holiday season, employees were reminded to shut off lights, monitors, personal heaters, sit-and-stand desks and adding machine calculators when not in use.

Success Stories — Spotlight

Postcard renewals

Every week (12 weeks before a person's birthday), ICBC mails Notice to Renew letters to many customers. These reminders are sent out for driver's licences, combo cards, British Columbia Identification cards and stand alone BC Services Cards. In 2022, we sent out approximately 1.2 million letters (~160 tCO₂e paper equivalent).

As of January 30, 2023, we've transitioned to a postcard format, significantly impacting the amount of paper we send out. Since three postcards can be printed per page, we'll save up to two-thirds of our paper use for this notice, and eliminate the need for envelopes and mailing inserts for these reminders. Not only does this reduce our paper consumption, it also summarizes the expiry notice in straightforward language.



2021 GHG Emissions and Offsets summary table:

ICBC 2022 GHG Emissions and Offsets Summary	
GHG emissions for the period January 1 – December 31, 2022	
Total BioCO ₂	8.99
Total Emissions (tCO ₂ e)	12,686
Total Offsets (tCO ₂ e)	12,677
Adjustments to Offset Required GHG Emissions Reported in Prior Years	
Total Offsets Adjustment (tCO ₂ e)	0
Grand Total Offsets for the 2022 Reporting Year	
Grand Total Offsets to be Retired for 2022 Reporting Year (tCO ₂ e)	12,677
Offset Investment (\$)	\$316,925



Retirement of Offsets

In accordance with the requirements of the *Climate Change Accountability Act and Carbon Neutral Government Regulation*, ICBC (**the Organization**) is responsible for arranging for the retirement of the offsets obligation reported above for the 2022 calendar year, together with any adjustments reported for past calendar years (if applicable). The Organization hereby agrees that, in exchange for the Ministry of Environment and Climate Change Strategy (**the Ministry**) ensuring that these offsets are retired on the Organization's behalf, the Organization will pay within 30 days, the associated invoice to be issued by the Ministry in an amount equal to \$25 per tonne of offsets retired on its behalf plus GST.

Executive Sign-off

Jason McDaniel

VP Driver Licensing and Corporate Affairs

May 31, 2023

2022 PSO Climate Change Accountability Report

Head Office
151 West Esplanade
North Vancouver, BC
V7M 3H9

Special thanks to Richard White, Michèle Martin, Lori Nishi, Evgen Chekanov, Derek Sheppard for providing the photographs included in this report.

