



2020 PSO Climate Change Accountability Report

Insurance Corporation of British Columbia



Message from the President and CEO

ICBC is a crown corporation responsible for automobile insurance, providing drivers licensing and vehicle registration and licensing. With the introduction of Enhanced Care, more affordable auto insurance and better benefits are now here for British Columbians. It's part of our promise of everyday thinking ahead to move all British Columbians forward.

The last year is one we'll never forget, filled with challenges and learning for all. We worked to implement the most significant changes to auto insurance in our province's history and, like many other organizations, needed to adapt during the COVID-19 pandemic. I am extremely proud of our people — the engine of our success — for supporting us through these changes while helping fulfill our commitment to managing our environmental risks, minimizing our impact on climate change and reducing waste.

On behalf of ICBC, I'm pleased to share a look back at our efforts during 2020 to lower carbon emissions. We're striving to be a better company in many respects and increasing our sustainable practices is an important piece of our journey.

Declaration Statement

This Climate Change Accountability Report for the period January 1, 2020 to December 31, 2020 summarizes our emissions profile, the total offsets to reach net-zero emissions, the actions we have taken in 2020 to reduce our greenhouse gas emissions and our plans to continue reducing emissions in 2021 and beyond.



Nicolas Jimenez, President and CEO

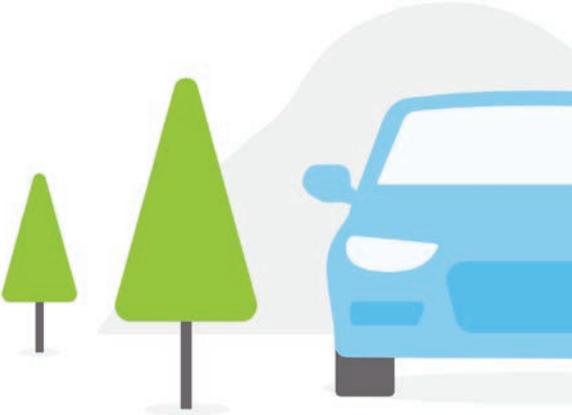


Overview of 2020 Greenhouse Gas Emissions

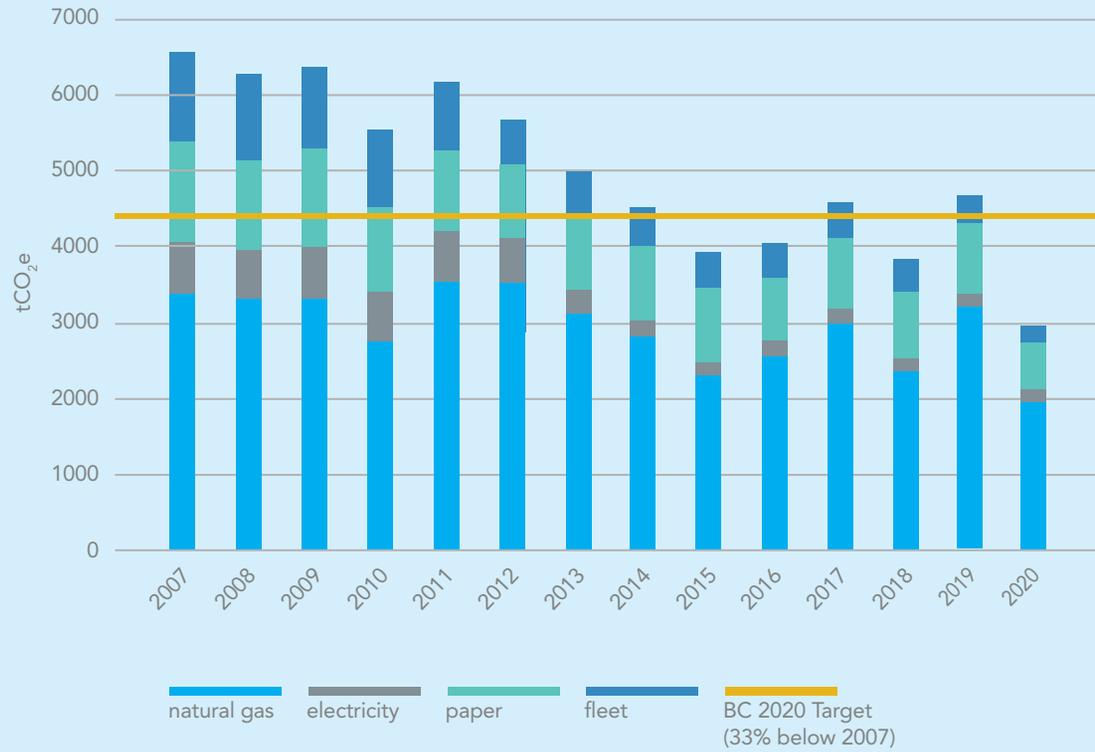
ICBC is reporting a 55% reduction from the 2007 baseline, exceeding our internal 33% reduction target for 2020. New targets will be developed in the coming year based on CleanBC and *Climate Change Accountability Act* targets. Emissions are measured in tonnes of carbon dioxide equivalents (tCO₂e), a standard measurement that allows organizations to compare emissions from a variety of sources.

ICBC Carbon Footprint (tCO₂e)

| | 2020 GHG Emissions (tCO ₂ e) | 2020 and 2019 GHG Comparison (%) | 2020 and 2007 GHG Comparison (%) |
|-------------------------------|---|----------------------------------|----------------------------------|
| Buildings: Natural Gas | 1,976 | -39% | -41% |
| Buildings: Electricity | 142 | -4% | -79% |
| Fleet | 230 | -36% | -83% |
| Paper | 626 | -33% | -47% |
| Total tCO₂e | 2,974 | -36% | -55% |



Operational Emissions



Carbon Neutral Actions

Buildings (Natural Gas and Electricity)

With over 1.4 million square feet of operational facilities across British Columbia, energy, particularly natural gas, makes up the majority of our greenhouse gas emissions.

During 2020, ICBC's consumption of natural gas and electricity was mitigated and reduced as a result of:

- A reduced facilities footprint, having downsized leased premises by approximately 21,700 sq.ft.;
- Improved utilization of the facilities, such as the introduction of ten road testing claim centres and expansion of desk share arrangements;
- Completion of a lighting retrofit project at our main Victoria office (910 Government), an estimated benefit of 168,000 kWh in energy savings;
- Reduced occupancy in buildings, with the majority of employees (approx. 75%) enabled to work from home during the COVID-19 pandemic; and,
- Continued use of technology to digitize processes and enhance collaboration.

Actions planned for the year ahead include:

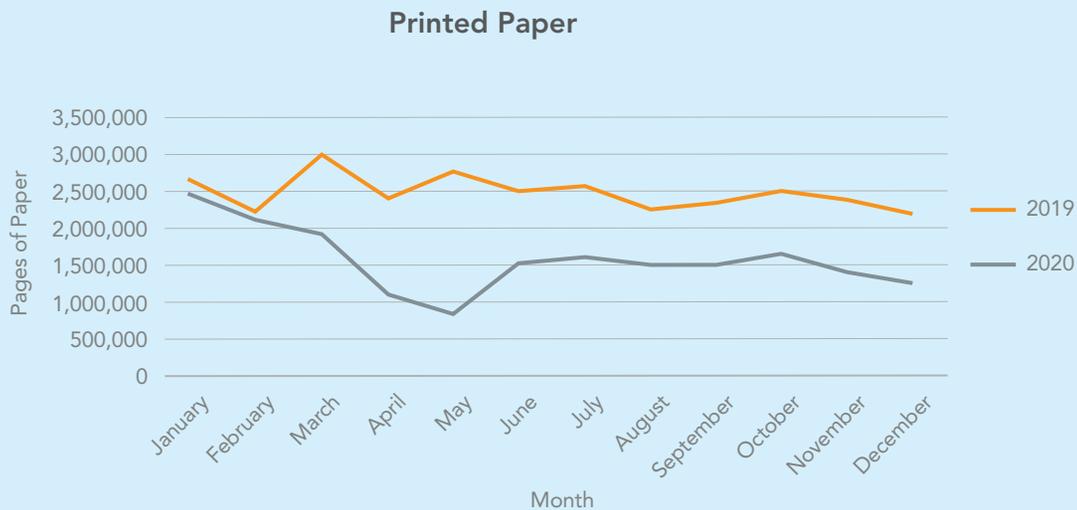
- A lighting retrofit at Abbotsford Claims, anticipated to deliver 60,307 KWH in energy savings;
- Energy efficiency measures at ICBC's Head Office, anticipated to deliver over 400,000 KWH in energy savings.



Paper

ICBC's paper emissions come from office paper use, as well as forms, cheques, and items printed for customers, brokers, and other stakeholders. Paper emissions fell in 2020, due to:

- Digitizing business processes and leveraging technology solutions;
- Fewer claims (attributed to the COVID-19 pandemic);
- Employees working from home (also attributable to the COVID-19 pandemic);
- Increased use of ePost — Canada Posts' secure electronic document delivery offering — particularly for legal packages;
- Reduction in daily reports printed; and
- Further limiting exceptions to our standard of using 100% recycled paper.



Looking ahead, ICBC plans to reduce paper by:

- Working with brokers to offer digital options to purchase and renew insurance.

Fleet

During 2020, ICBC continued to manage its corporate vehicles fleet as efficiently as possible. Fleet vehicles were redeployed and shared where possible, and any expansion of the fleet was only considered as a last resort.

ICBC has also started to use electric vehicles (“EV’s”) in its fleet — such as, a 2021 Kia Soul used by driver examiners at the Port Coquitlam Driver Licensing Office when following motorcycles during road tests.

COVID-19 impacted the use of fleet vehicles, and fuel usage saw a decrease of 33%, compared to 2019.



Other Actions Taken in 2020

Awareness and Behaviour Change

During 2020, ICBC continued to support Green Team campaigns and to use internal communication channels to promote behaviour change and celebrate environmental sustainability successes. A particular highlight was the “Choose Your Challenge” campaign, which encouraged employees to choose at least one thing to do for the environment, in the office or at home, and share a photo and caption on a virtual board.



License Plate Recycling

During 2020, ICBC continued to accept used license plates and recycle plates, keeping them out of the landfill and preventing contamination of water tables. We recycled 116,405 kg of license plates in 2020, preventing the release of 166 tCO₂e.

Recycled Parts, bumper exchange, auto parts locator

Through a recycled auto parts locator application, we were able to facilitate recycled part usage, and maintain a recycled part usage ratio of approximately 11%, similar to 2019.

Windshield Repairs

In 2020, ICBC repaired 47,353 windshields, avoiding 268 tCO₂e that would have been released if the windshields were replaced with new product.



Emissions and Offsets Table

| ICBC 2020 GHG Emissions and Offsets | |
|--|--------------|
| GHG Emissions created in Calendar Year 2020 | |
| Total Emissions (tCO ₂ e) | 16,706 |
| Total BioCO ₂ | 7.40 |
| Total Offsets (tCO ₂ e) | 16,699 |
| Adjustments to Offset Required GHG Emissions Reported in Prior Years | |
| Total Offsets Adjustment (tCO ₂ e) | -4,989 |
| Grand Total Offsets for the 2020 Reporting Year | |
| Grand Total Offsets (tCO ₂ e) to be Retired for 2020 Reporting Year | 11,709 |
| Offset Investment (\$25 per tCO ₂ e) | \$292,729.69 |

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 2020 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



Leslie Mitton
Chief Human Resources Officer

May 26, 2021



**2020 PSO
Climate Change
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Special thanks to Christina Kodhyat, Dean Heitman, Doug Gormican and Kelly Bregeda for providing the photographs included in this report.