

ICBC's 2019
Carbon Neutral Action Report



Message from the President and CEO

ICBC is a crown corporation responsible for automobile insurance, providing drivers licensing and vehicle registration and licensing. We're also focused everyday on thinking ahead to move all British Columbians forward. The business and transportation landscape is changing at an unprecedented pace and we are fortunate to have an abundance of good, smart and passionate people, who are helping to shape B.C.'s insurance system and transportation needs for the future.

Closely linked to our values — collaborative, supportive, straightforward and knowledgeable — are caring for the environment and social responsibility. The leadership team at ICBC, with the support of our incredible employees, is committed to managing our environmental risks, minimizing our impact on climate change, and reducing waste. This is part of the decisions we make everyday.

I am proud of the work we did this past year to help reduce our carbon footprint and to share a summary of that work through this report.



Nicolas Jimenez, President and CEO

Declaration Statement

This Carbon Neutral Action Report for the period of January 1, 2019 to December 31, 2019 summarizes our emissions profile, the total offsets to reach net-zero emissions, the actions we have taken in 2019 to reduce our greenhouse gas emissions and our plans to continue reducing emissions in 2020 and beyond.



Estimated 2019 Greenhouse Gas Emissions

ICBC owns operation properties as well as properties as part of our investment portfolio. For 2019, ICBC expects to report a 39% reduction in operational greenhouse gas (GHG) emissions from our 2007 baseline — our 2020 GHG target is a 33% reduction from baseline.

Emissions are measured in tonnes of carbon dioxide equivalents (tCO₂e), a standard measurement that allows organizations to compare emissions from a variety of sources.

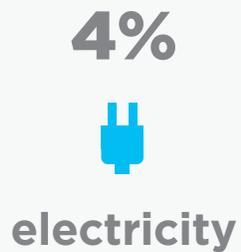


ICBC, along with all other public sector organizations, will report final 2019 emission numbers by October 2020.

	2007	2019 Estimated	% Change
Natural Gas	3,369	2,483	-26%
Electricity	673	154	-77%
Paper	1,345	939	-30%
Fleet	1,182	448	-62%
Total tCO ₂ e	6,569	4,024	-39%

Our footprint today

Where our greenhouse gas emissions are coming from.



Carbon Neutral Actions

Buildings (Natural Gas and Electricity)

With over 1.5 million square feet of operational facilities across British Columbia, energy, particularly natural gas, makes up the majority of our greenhouse gas emissions.

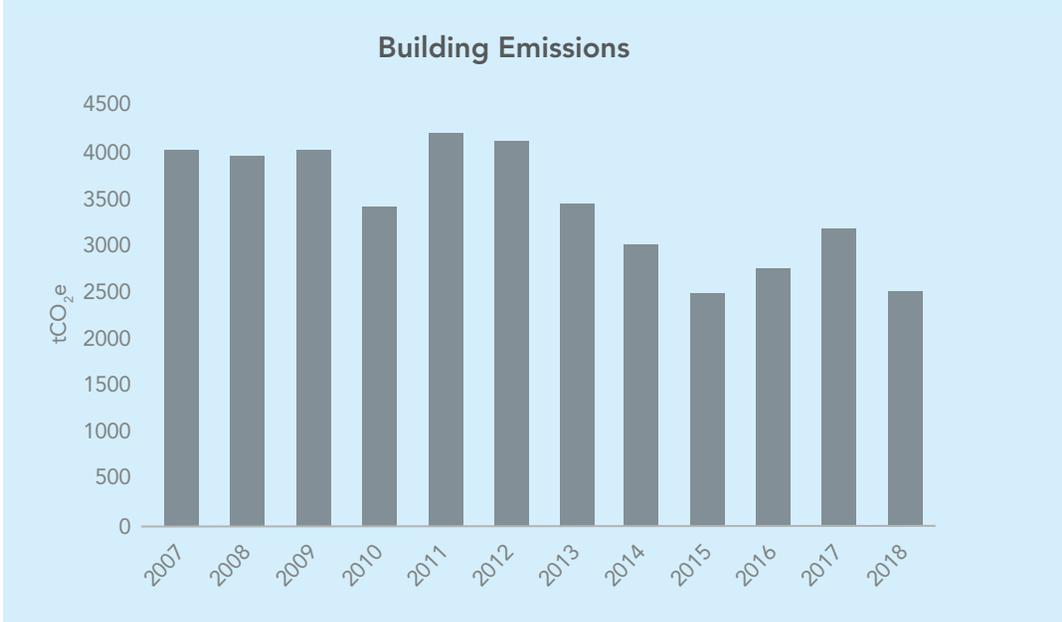
ICBC's most significant property remains our Head Office, which has been in use since 1980 and is not as energy efficient as its modern counterparts. This has been amplified in recent years with the colder winters and hotter summers.

In 2018, we identified a number of energy efficiency opportunities for this building, including ensuring heating and cooling systems are not working against each other, maximizing the use of fresh air, and adjusting the times when heating and cooling systems turn on and off. Since those initial assessments, ICBC has been working with our contractors to implement recommendations. As a result, we anticipate a material reduction in energy consumption, utility costs and greenhouse gas emissions.

In addition to the work on Head Office, ICBC completed five building-related projects during 2019 to deliver on its Energy Management Program target:

- Replacement of an uninterruptible power supply (UPS) unit at one facility, resulting in the reduction of electricity consumption by at least 75% from the unit.
- Networked LED lighting retrofit at four facilities.

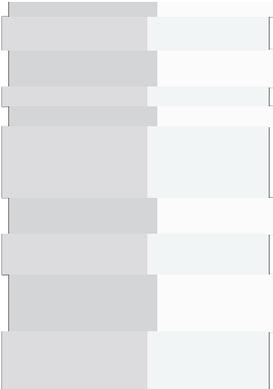
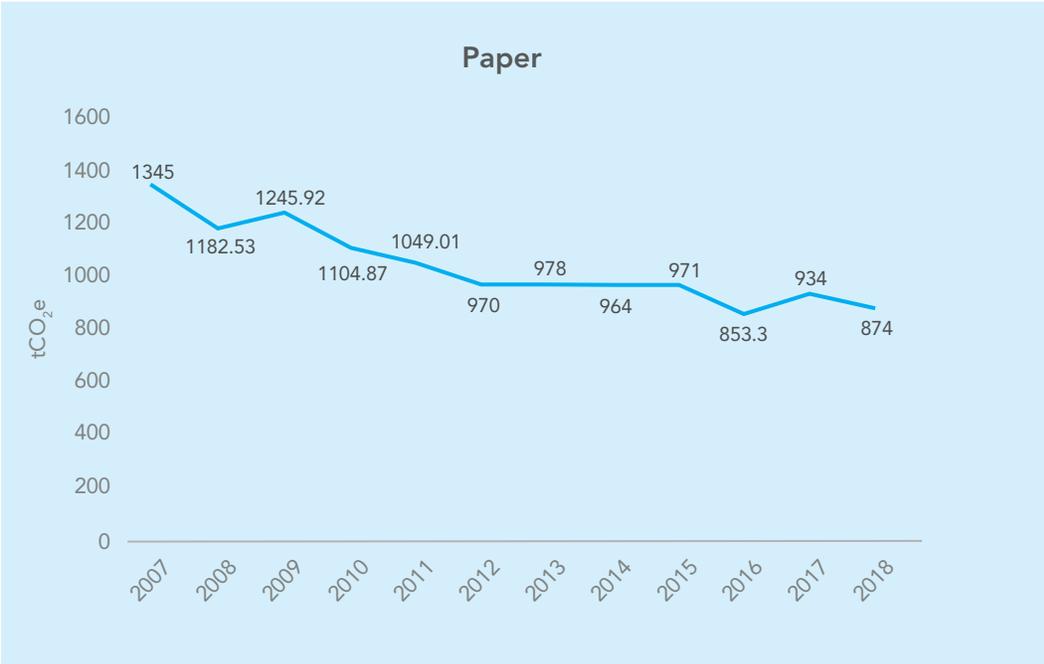
Together these projects are expected to deliver 3 tonnes of avoided emissions.



Paper

ICBC's paper emissions come from office paper usage and our forms printed for customers. We have had a policy in place since 2015 requiring the use of 100% recycled-content paper for all office print jobs. Paper with recycled content produces a lower carbon footprint than paper made from raw materials.

We are constantly looking for opportunities to reduce our paper consumption. The following case study is an example of a recent success.



Case Study: NOCC and Legal Assignment

In 2019, teams at ICBC working on Notice of Civil Claim (NOCC) handling and legal Counsel Assignment (CAS) revamped their paper-based process to a digital one. The former paper-based process saw Notice of Civil Claims received in multiple formats; every assignment package was printed, resulting in “walls of paper”.

A new digital process went “live” in September 2019 and files were fully digitized by March 2020. E-mail has now become the preferred format to receive and prioritize files. In the first two months since implementation, the NOCC e-mail account received more than 2,500 e-mails, containing documents that would have otherwise been printed and added to the “wall of paper”. Besides benefiting the environment, the digital process has also enabled staff to:

- work efficiently and effectively on files, regardless of location,
- quickly and accurately find data, such as Notice of Civil Claims received and files assigned,
- focus on value-added activities, and
- adapt to the COVID-19 pandemic.

Before



NOCC Backlog



CAS Backlog



Transportation (Mobile Combustion)

In 2019, ICBC continued to make more efficient use of our corporate vehicles fleet. We reduced the fleet by five vehicles, including two semi-trucks, and incorporated two hybrid vehicles as part of our replacement process. Of note, eliminated semi-trucks accounted for approximately 20% of our fuel usage. Other measures ICBC took during 2019 to reduce emissions from mobile combustion include:

- Promoting sustainable transportation through Bike to Work Week and the Commuter Challenge.
- The rollout of our 2025 strategy and a commitment to being “future focused”. In 2025 we want to be in a position where we have flexible work arrangements in place, average weekly commute times are down, and associated carbon emissions are reduced.
- A new partnership with a telematics company has the capability to provide actionable operational data related to fuel use.



Other Actions Taken in 2019

Pollution Prevention

In 2019, we updated our procedures and training for handling spills. These updates made documents easier to understand and apply, and incorporate recent legislative changes. We also continued to monitor our sites' soil and groundwater and report on environmental risks to our Board as a Corporate Level Risk. These measures ensure we are doing our part to protect the environment in the most effective way possible — preventing pollution in the first place.



Awareness and Behaviour Change

Green Teams — self-organized, grassroots and cross-functional groups of employees who voluntarily come together to educate and inspire employees around sustainability — can have a dramatic benefit for culture and environmental sustainability. In 2019, ICBC's Green Team focused on waste. As part of this focus a Green Meetings and Events Guideline was released in time for the Christmas season. This communication encouraged employees to consider the environment during their holiday celebration events — from choosing locations, decorations, food, and drink. Green Team Members encouraged staff to bring their own plates and cutlery for meals, and at the Head Office cafeteria a permanent small wares rental system was set up.

ICBC's Green Team's vision is to inspire ICBC staff and stakeholders to constantly strive to be environmentally sustainable.

Improvements in Print & Mail Services

Some examples of improvements this team has implemented are:

- eliminating the use of polyethylene stretch film — using metal cages instead (illustrated),
- virtually eliminating single-use envelopes in internal mail for the Head office — using instead reusable blue bins and mail bags,
- reusing plastic bags for personal license plates,
- consolidating Canada Post parcels going to the same or adjacent locations, and reducing frequency, which reduces emissions associated with their transportation, and
- reducing the influx of “junk mail” by contacting senders and asking them to update their mailing lists.



Windshield Repairs

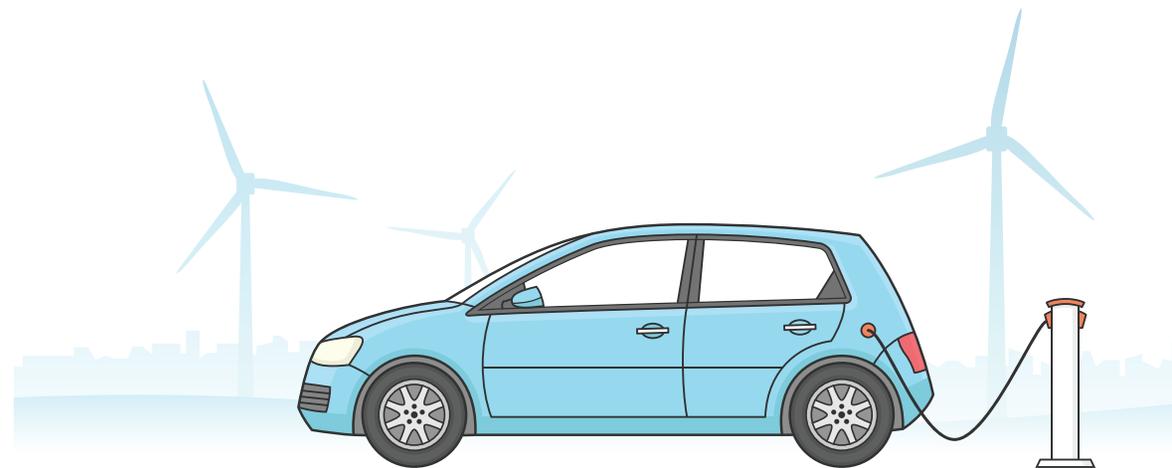
ICBC's windshield chip repair program began in 2017 for customers who purchase optional comprehensive coverage. Repairs help extend the life of a windshield. There is also the added benefit of being quicker and cheaper than replacements, which is a win-win for both customers and ICBC. In 2019 ICBC repaired 52,844 windshields, 25% of total glass claims, and prevented the equivalent of 299 tCO₂e from being released.

License Plate Recycling

ICBC takes back aluminum license plates for recycling. This keeps aluminum out of our landfills, preventing noxious fumes and toxic leachates, which are harmful to the environment. It also prevents the mining, transportation and processing of raw aluminum. In 2019, we took back 139,537 kg of plates, preventing the release of 199 tCO₂e.

Commercial Licensing Tests

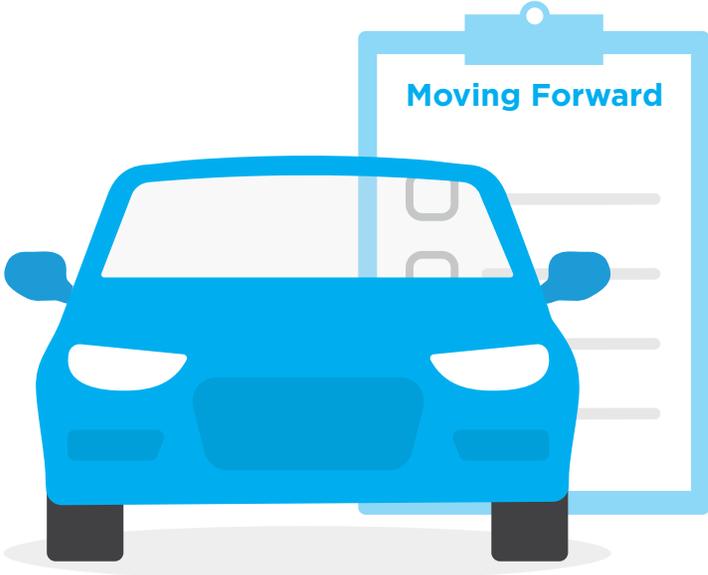
ICBC continues to support the federal government's FleetSmart training program aimed at helping "commercial drivers and institutional fleets lower their fuel consumption, operating costs and harmful vehicle emissions." Since 2010, 104,795 drivers have passed the Natural Resources Canada FleetSmart test preventing 346,195 tCO₂e from entering the atmosphere.



Planning for Climate Change Disruption

In the last few years British Columbia has experienced a notable increase in flood and wildfire events. Events like these visibly highlight how real climate change is and how it can impact our employees, customers and business services.

ICBC is proud of its Business Continuity Management Program, which ensures ICBC is able to respond, recover, resume, and restore operations following a disruption. Through training, exercises and continuous improvement, we are doing what we can to be prepared for severe weather while protecting the health and safety of employees and customers during such events.



Emissions and Offsets Table

ICBC's Greenhouse Gas Emissions and Offsets for 2019	
As per the Directive issued March 31, 2020, each PSO will use their 2018 Greenhouse Gas Emissions as a placeholder for the purposes of their 2019 CNAR.	
Total Emissions (tCO ₂ e)	26,034
Total BioCO ₂	15
Total Offsets (tCO ₂ e)	26,019
Offset Investment (\$25 per tCO ₂ e)	\$650,475

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 2019 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 Corporate Affairs
 May 29, 2020



ICBC's 2019
Carbon Neutral Action Report



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