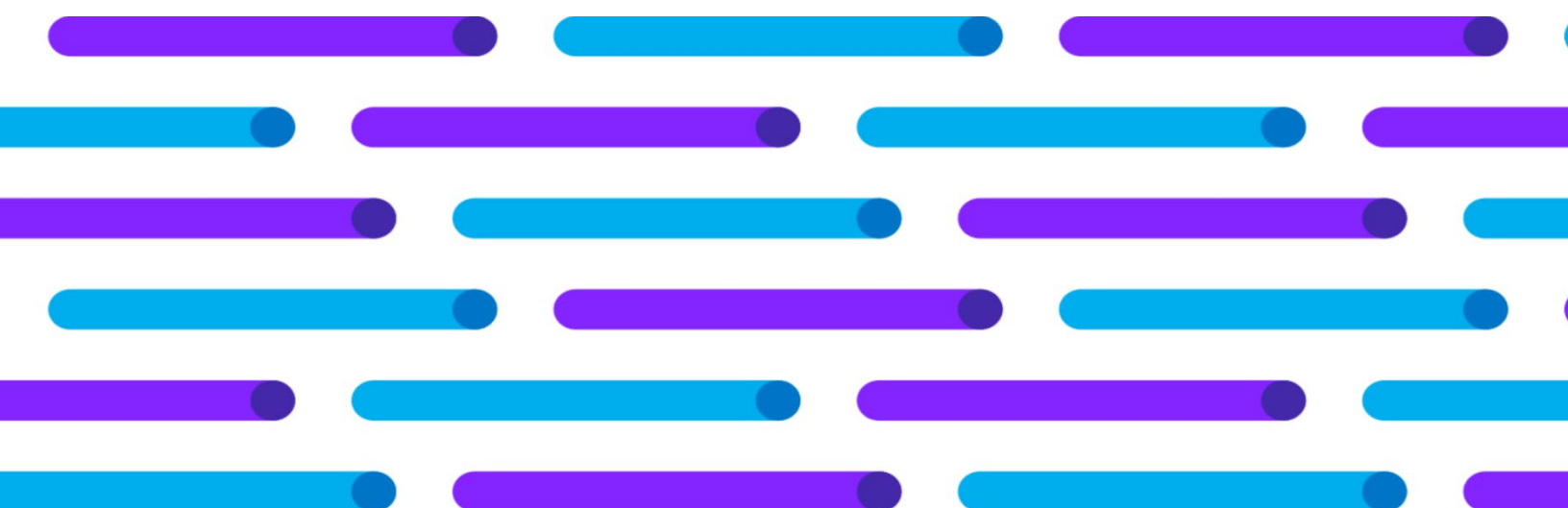




ICBC Supply Chain Transparency Report

2025/26

*Canada's Fighting Against Forced Labour and Child Labour in
Supply Chains Act*



ICBC's Commitment to Fighting Against Forced Labour and Child Labour in Supply Chains

Context

Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") came into force on January 1, 2024. The Act aims to combat forms of modern slavery by increasing industry awareness and promoting transparency regarding child and forced labour risks in supply chains and driving businesses to improve their practices. As part of its mandate, the Act imposes an annual reporting requirement on many institutions and entities in Canada.

About the Report

The Insurance Corporation of British Columbia ("ICBC") is a provincial Crown corporation that reports to the Government of British Columbia through the Ministry of Attorney General. While ICBC's activities involving producing, selling, or distributing goods in Canada or elsewhere, or importing goods produced outside of Canada, are minimal for the purposes of the Act, we are submitting this ICBC Supply Chain Transparency Report (the "Report") in support of Canada's international commitment to combating modern slavery in supply chains. By filing the Report, ICBC endorses the Act's public-interest objectives and acknowledges the need for greater transparency in supply chains as part of the fight against forced and child labour.¹

The Report covers activities undertaken by ICBC during the financial year from April 1, 2025, to March 31, 2026, to identify and mitigate potential risks related to forced or child labour in our supply chain. The Report is prepared in accordance with Part 2 of the Act.

Steps Taken to Prevent and Reduce the Risk of Forced Labour or Child Labour

Steps taken by ICBC during its last financial year to prevent and reduce the risk of forced labour or child labour in ICBC's supply chains include the following:

¹ ICBC is committed to maintaining the highest ethical standards across its operations and those of its suppliers. However, in filing the Report, ICBC does not concede that it has a reporting obligation under the Act and reserves the right to decline to file future reports.

- ICBC has a robust procurement process with extensive supplier selection criteria for all potential ICBC business partners and/or suppliers that includes supplier vetting and risk assessments to identify any ethical and other concerns.
- ICBC takes great care to select and work with suppliers that are aligned with our corporate values and comply with ICBC's Code of Ethics.
- Strategic Supply Management is a dedicated department within ICBC that is accountable for the processes relating to the acquisition of goods and services. Team members are responsible for identifying, monitoring, and evaluating risks throughout the procurement process.
- ICBC has policies in place to effectively manage all supplier-related processes and relationships, including potential risks. These policies were updated to emphasize sustainable and ethical procurement considerations.
- ICBC also has well-established Enterprise Risk Management strategies and processes to ensure consistent standards and execution of risk management activities and governance processes across the organization.

We are committed to continuously monitoring our procurement activities and regularly reviewing our policies and processes to ensure that our practices are socially responsible and promote ethical business practices.

Company Structure, Activities, and Supply Chains

Our Structure and Activities

ICBC is a provincial Crown corporation mandated by the *Insurance Corporation Act*, *Insurance (Vehicle) Act* and *Motor Vehicle Act* to provide universal compulsory auto insurance (Basic insurance) to drivers in British Columbia, with Basic insurance rates regulated by the British Columbia Utilities Commission. ICBC also provides Optional auto insurance products and other non-insurance services such as vehicle registration and licensing, driver licensing, fines collection and issuance of B.C. Services Cards. It is one of B.C.'s largest corporations, operating in the finance and insurance sector. As a financial services company, ICBC is not a significant acquirer of goods that are ordinarily the subject of trade and commerce.

ICBC does not have any active operating subsidiary companies. ICBC has a number of entities that are either wholly owned subsidiaries of ICBC or associated entities or other indirect



nominee companies in relation to ICBC. These entities hold or have held investment properties, infrastructure, mortgage, and private equity investments for the purpose of generating investment income. The Report only covers ICBC since these other entities do not engage in any activities that could give rise to a reporting obligation under the Act.

Our Supply Chain

In FY2026, the vast majority of ICBC’s competitive procurement activity related to the acquisition of services, which accounted for 99% of total procurement value; goods represented only 1% of procurement activity.

ICBC reviewed the category of goods purchased during the financial year and confirmed that they were sourced from a Canadian retailer, which has established regulatory frameworks and measures aimed at tackling modern slavery in their supply chains.

The industry in which ICBC operates, coupled with the types of services delivered by ICBC, presents less risk of exploitation than other business sectors. As such, ICBC considers the risk of exploitative labour practices within its direct supply chain to be relatively low.

Policies and Due Diligence Processes

ICBC has the following policies and processes in place to help us identify and mitigate the risks of forced labour and child labour:

Policy/Procedure	Purpose
Supplier Intake Process	Supplier selection criteria for all potential ICBC business partners and/or suppliers include supplier vetting and risk assessments to identify ethical and other concerns. ICBC is committed to acquiring goods and services in an open, ethical, and transparent manner.
Code of Ethics	ICBC’s Code of Ethics provides guidance on how to live our corporate values every day. As part of being Collaborative, Supportive, Straightforward and Knowledgeable in all interactions, ICBC is dedicated to conducting its business according to the highest standards of honesty, ethics and integrity. Expected behaviours of all ICBC employees, Board members and

	<p>contractors include acting with respect, demonstrating transparency and authenticity, and upholding the B.C. <i>Human Rights Code</i>. Compliance is required at all times with both the letter and the spirit of all federal and provincial legislation, municipal by-laws, and applicable corporate policies.</p>
<p>Corporate Acquisition Policy</p>	<p>ICBC's Corporate Acquisition Policy aims to ensure that ICBC effectively manages all supplier-related processes and relationships. Potential risks (reputational as well as legal and financial) in supplier processes and relationships are considered and mitigated, as appropriate. Strategic Supply Management is responsible for identifying, monitoring, and evaluating risks throughout the procurement process.</p>
<p>Standardized Form of Supplier Agreements</p>	<p>Contract templates require suppliers and other business partners to adhere to ICBC's Code of Ethics.</p>
<p>Supplier Complaint Review Process</p>	<p>Informal and formal governance procedures for addressing supplier-related issues.</p>
<p>Confidential Anonymous Reporting Tool</p>	<p>Tool available to all ICBC employees and contractors to anonymously report ethical or other serious concerns.</p>
<p>Enterprise Risk Management Policy and Framework</p>	<p>ICBC's Enterprise Risk Management Policy imposes standards to ensure the consistent implementation of enterprise risk management strategies and processes across ICBC. The related Enterprise Risk Management Framework supports the management of both financial and non-financial risks for ICBC. It details ICBC's risk management activities which include how risk is assessed; the roles and responsibilities of senior leaders and all employees in assessing and managing risk; and the effective governance, tools, reporting and communication of risk information throughout the organization.</p>

Assessed Risk and Remediation of Forced Labour or Child Labour

There is some risk of forced labour and child labour associated with purchases from third-party distributors. ICBC reviewed the distributors' respective Supplier/Partner Codes of Conduct and confirmed that these distributors uphold ethical business practices, including policies that prevent them from doing business with entities involved in forced labour or child labour. As a result, ICBC has not been required to take any remedial actions.

Ongoing Efforts to Fight Against Forced Labour and Child Labour

Training Provided to Employees

Strategic Supply Management team members have been educated on the Act. Training in this area will be an ongoing process and expanded to deliver a comprehensive understanding of the considerations for recognizing, responding to, and reporting instances of forced labour and child labour in our procurement and supplier onboarding processes.

Monitoring the Effectiveness of our Efforts

ICBC plans to continually review and refine our methods for identifying and mitigating the risks of forced labour and child labour in our supply chains. These methods include, but are not limited to:

- Implementing ICBC's Supplier Code of Ethics across our supplier network and business partners to reinforce expectations related to ethical conduct and labour standards.
- Continuing to expand due diligence procedures through training, and documenting procedures to follow when forced labour or child labour risks are identified.
- Investing in improved technology to more effectively monitor, detect and report risks related to forced labour and child labour risks in our supply chains.



Approval and Attestation

The Report was approved by ICBC's Board of Directors pursuant to paragraph 11(4)(a) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, in my capacity as Chair of ICBC's Board of Directors, attest that I have reviewed the information contained in the Report on behalf of the governing body of the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within the Report.

Catherine Holt

Chair of the Board of Directors, ICBC

Date: May 27, 2026

A handwritten signature in blue ink that reads 'C Holt'.

I have the authority to bind the Insurance Corporation of British Columbia (ICBC).