

Letter from the Board Chair & CEO

In 2022/23, ICBC made auto insurance more affordable by maintaining the current Basic rate level for another two years, currently approved by the BCUC on an interim basis. If approved, this will mark five years of no Basic increase, despite the high inflation and other economic pressures. Making Basic rates affordable would not have been possible without the move to Enhanced Care in 2021, which also provided improved care for those injured in a crash.

Financially, the year was tougher than expected for ICBC, resulting in a net loss mainly due to global inflationary and supply chain pressures and a weak investment market. However, the core care and recovery business was solid. Enhanced Care performed well and returned a greater proportion of claims payouts to injured customers than the old system did. The repair side of the business continued to pose challenges for ICBC with the global pressures just mentioned, as well as with a shortage of both parts and labour within the repair industry driving up costs.

When it comes to reconciliation with Indigenous peoples, ICBC has a responsibility to create meaningful and lasting change. While some progress was made in 2022/23, ICBC recognizes it is early in its journey — there is still much work to do and ICBC is committed to taking steps toward reconciliation.

We know our province's strength is rooted in its diverse population yet racialized and marginalized people continue to face barriers in our province. In 2022/23, ICBC undertook initiatives to increase its diversity and the sense of belonging for all of our customers and employees such as the launch of its Diversity, Equity and Inclusion (DEI) strategic action plan, mapping of goals and actions to build a more inclusive workplace, and setting of principles and priorities for ICBC's first accessibility work plan. ICBC's DEI work was recognised in 2023 with a Five-Star Diversity, Equity and Inclusion rating from Insurance Business Canada.

We take climate change, and the impact it has on British Columbians, seriously. When extreme weather hits, such as during the flooding, fires and heat of recent years, we are there for our customers with efficient claims processing, safety information, and often, humanitarian responses by employees and the corporation.

When prices soared in 2022, hitting British Columbians' wallets hard, we provided a Relief Rebate of \$110 to each personal insurance customer and \$165 to commercial customers. In this way — and by working to keep insurance more affordable — we helped keep expenses lower for British Columbians in 2022/23.

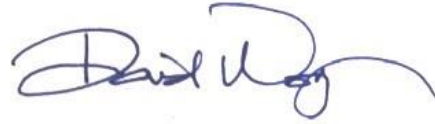
In 2022/23, four new directors joined the board and a new board chair, Catherine Holt, was appointed. ICBC's former CEO stepped down in February 2023 and David Wong began in the role of President and CEO in May.

As part of our commitment to fiscal responsibility and to ensure the best possible use of public resources, ICBC will continue to work with government to meet all mandate letter objectives.

Sincerely,



Catherine Holt
Chair of the Board of Directors, ICBC
July 27, 2023



David Wong
President and Chief Executive Officer, ICBC
July 27, 2023