

Insurance Corporation of British Columbia

2024/25 – 2026/27 Service Plan

February 2024



For more information on the Insurance Corporation of British Columbia contact:

ICBC Head Office:

151 West Esplanade North Vancouver, British Columbia, V7M 3H9

1-800-663-3051

Or visit our website at

icbc.com

Published by the Insurance Corporation of British Columbia

Board Chair's Accountability Statement



The 2024/25 – 2026/27 Insurance Corporation of British Columbia (ICBC) Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. This plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of this plan and is responsible for the validity and reliability of the information presented.

All significant assumptions, policy decisions, events and identified risks, as of February 2024 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, ICBC's mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of ICBC's operating environment, forecast conditions, risk assessment and past performance.

Signed on behalf of the Board by:

A handwritten signature in blue ink that reads "C Holt". The signature is fluid and cursive.

Catherine Holt
Board Chair, ICBC
February 6, 2024

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Strategic Direction

In 2024/25, public sector organizations will remain focused on providing the services and infrastructure that people depend on to build a good life. Public sector organizations will continue to support Government in delivering results that matter to British Columbians including helping people with costs, attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy. Public sector organizations will also continue to work closely with Government as it works collaboratively with Indigenous Peoples to implement the Action Plan for the Declaration on the Rights of Indigenous Peoples Act and delivers initiatives that advance reconciliation in ways that make a difference in communities throughout the province.

This 2024/25 service plan outlines how ICBC will support the government's priorities and selected action items identified in the most recent ICBC [Mandate Letter](#). ICBC insures every British Columbian driver with its Basic insurance and many drivers with its Optional products. ICBC is dedicated to providing affordable insurance products and services that customers value, in support of the B.C. Government's commitment to make life more affordable for British Columbians.

With the October 2023 [British Columbia Utilities Commission](#) (BCUC) approval of no Basic rate changes for two years, British Columbian drivers will benefit from five years with no Basic rate increases. In June 2023, the expansion of Optional insurance discounts for customers who drive less also improves affordability for those customers, giving British Columbians more control over their insurance premiums.

ICBC is meeting the government priority for affordability as outlined in the 2023 Mandate Letter, as well as other priorities, and is working towards their completion.

ICBC is committed to its customers and is developing a customer experience model across the organization that will ensure customers' interactions with ICBC are straightforward and helpful. Implementation of this model will begin in 2024/25, with improvements being made on an ongoing basis.

Purpose of the Organization and Alignment with Government Priorities

As a B.C. Crown corporation, ICBC reports to the Minister of Public Safety and Solicitor General, the Hon. Mike Farnworth. It is mandated by the [Insurance Corporation Act](#), [Insurance \(Vehicle\) Act](#) and [Motor Vehicle Act](#) to provide universal compulsory auto insurance (Basic insurance) to drivers in B.C., with Basic insurance rates regulated by the BCUC. In addition, ICBC provides British Columbians with [Optional auto insurance products](#).

ICBC also provides several non-insurance services on the provincial government's behalf, including vehicle registration and licensing, driver licensing and fines collection, and issuing the [B.C. Services Card](#).

ICBC champions a safe driving culture by working with communities, law enforcement and other stakeholders on various road safety campaigns and initiatives. As one of B.C.'s largest corporations and one of Canada's largest property and casualty insurers, its insurance products and services are available through a province-wide network of approximately 900 independent brokers, 67 driver licensing agents and 29 Service BC offices. Each year, ICBC processes approximately 760,000 claims through online claims reporting and a 24-hour telephone claims handling service. It works with auto repairers and healthcare professionals throughout the province to support customers after a crash.

Enhanced Care launched in May 2021 and by removing the adversarial approach of suing drivers, significantly lowered insurance premiums while redirecting funds away from the legal system and towards helping people get better. Enhanced Care is a relatively new system and ICBC continues to support employees to have the right knowledge, skills and tools to facilitate the best customer outcomes. In addition, more insights and analytics are being embedded into the system to improve file handling.

Road safety is one of ICBC's key priorities and the company will continue to work with partners to reduce crashes in support of the safety of British Columbians and to reduce rate pressures.

Operating Environment

ICBC is a self-funded entity, prudently managing the insurance business to deliver high quality and affordable auto insurance to British Columbians. As a large and complex Crown corporation, ICBC must work to maintain its business agility so that it can adapt quickly to the changing environment and public expectations.

ICBC faces various external risks, including approximately \$7 billion in outstanding injury claims from crashes that occurred under the previous, legal-based insurance model that must be settled and paid. Ongoing claim handling processes and strategies are being used to manage and reduce the number of open legal-based claims.

Having enough actuarial data is a critical component in accurate financial forecasts. ICBC collaborates with insurers in jurisdictions with comparable care models to improve its Enhanced Care cost forecasts. However, the corporation's own baseline data will, gradually over time, provide ICBC with more certainty as to the full magnitude of future injury claims costs.

Inflation in auto repair costs remained high in 2023 and is expected to persist over the near term because of the repair technician shortage. It typically takes several years to train a technician to be proficient at providing safe, proper repairs. Despite ICBC's ability to repair vehicles at a lower cost than in most other jurisdictions, parts cost inflation, reduced parts availability, more sophisticated vehicle technology, and repair technician shortages are all increasing the risk of higher repair costs. ICBC is offsetting some of that pressure in a number of ways on an ongoing basis. One tactic is working with the repair industry to attract and retain workers, a program called Labour, Education, Training & Safety (LETS). ICBC is also leveraging new technology. Artificial intelligence is cautiously being used in the claims process;

the company has developed a framework to support decision-making and best practices to ensure it uses these tools in a trustworthy and responsible way in alignment with current government guidance. Volatility in the global investment market poses significant risk to ICBC's financial outlook. ICBC relies on investments to offset claims costs, reduce rates and strengthen its long-term financial sustainability.

ICBC's objectives for managing capital are to maintain financial strength, including the management of ongoing business risks and protection of its ability to meet the obligations to policyholders and others. Although recent market volatility has impacted ICBC's net income and capital levels, ICBC's financial reserves are adequate to absorb adverse events.

ICBC must deal with extreme weather events; the purchase of reinsurance is one of the ways it offsets the risk of large catastrophic events such as earthquakes. ICBC is also doing its part to address climate change by actioning its Environmental, Social, and Governance (ESG) Action Plan. After achieving its 2020 target to reduce its operational emissions by 33 percent in 2015 (baseline year 2007), ICBC set and is working towards new goals: reduce building emissions by 50 percent, fleet emissions by 77 percent, and paper emissions by 43 percent (all baselines 2010). More broadly, ICBC provides discounts on its Optional insurance to those who drive less than 10,000 kilometres per year, thus incentivizing customers to drive less and decrease B.C.'s environmental impact.

The company must adapt to societal trends. New vehicle technology, population growth and the changing driving needs of British Columbians require ICBC to evolve. Trends are studied closely and help inform policy and product decisions. For example, ICBC is exploring options to introduce more usage-based products in the coming years, so that Optional insurance customers who drive less will pay less for their insurance.

Internally, a significant risk faced by ICBC is maintaining a high-performing workforce that is engaged and productive. ICBC values its employees and, through its people strategy, is taking action to better support and retain them.

The multi-year people strategy represents ICBC's commitment to shape its future for an engaged, empowered and diverse workforce. The strategy aims to strengthen employee well-being and engagement by continuing to enhance the employee experience, provide more opportunities for learning and career development, modernize our HR system and programs, and more.

ICBC acknowledges its role in perpetuating colonial policies and practices and has committed to advancing Reconciliation within the organization and outside. To help support this work, ICBC is increasing its recruitment focus to seek out Indigenous applicants and expects to finalize an Indigenous Reconciliation framework report in 2024 informed by outreach to all Nations across the province. A Reconciliation action plan will align its policies with the [United Nations Declaration on the Rights of Indigenous Peoples](#), [Canada's Truth and Reconciliation Commission Calls to Action](#), and [B.C.'s Declaration Act Action Plan](#).

ICBC's [Diversity, Equity and Inclusion Strategic Action Plan](#) aims to promote diversity within its workforce, create an inclusive working environment, and ensure fair treatment for employees

and customers. ICBC will ensure a diverse and inclusive work environment free of discrimination and in which all employees and customers are treated with dignity and respect by identifying and removing barriers to full and fair participation and by providing respectful workplace training to all employees.

Overall, ICBC has performed well in recent years and forecasts another year of careful financial management and delivery of reliable service to customers. With continued thoughtful planning and decision-making, ICBC is well positioned to build on recent successes to overcome its risks and challenges as it serves British Columbians.

Performance Planning

ICBC is developing a new corporate strategy, which may result in changes to the goals, objectives, and performance measures and targets in next year's Service Plan (2025/26-2027/28).

Goal 1: To Make Insurance Affordable

ICBC is committed to delivering an affordable and sustainable insurance system for British Columbians.

Objective 1.1: Make insurance more affordable by reducing claims costs and legal expenses

The 2023 [mandate letter](#) sent to ICBC from the Minister of Public Safety directed ICBC to “continue to support the government’s priority to keep automobile insurance rates affordable for British Columbians while ensuring the financial stability of the corporation, including identifying and delivering on mitigations that will help reduce pressures on automobile rates.” To support this priority, ICBC continues to monitor and make improvements to the [Enhanced Care](#) model launched in May 2021. Enhanced Care has moved B.C.’s. auto insurance to a system that is more affordable, sustainable, and focused on injury recovery. ICBC continues to focus on repairing vehicles in a cost-effective manner and on industry partner collaborations that put customers first.

Key Strategies

- Improve health outcomes through our Enhanced Care model.
- Manage costs associated with legal-based claims.
- Manage escalating vehicle repair costs.

Discussion

Strategy 1: Improve health outcomes through our Enhanced Care model

In addition to providing better care for customers, ICBC’s Enhanced Care model improves affordability by removing legal costs from the system. This has enabled a greater percentage of claims costs to go back to customers to fund the necessary treatments and benefits they require for their recovery.

To ensure Enhanced Care’s ongoing success, ICBC continues to focus on supporting its people in having the right knowledge, skills and tools to empower customers in their recovery journey. This journey prioritizes the customer experience while aligning medical treatments with evidence-based research to help them return to their daily lives faster. ICBC will continue to work with healthcare providers to improve customer recovery outcomes while supporting affordability goals.

Strategy 2: Manage costs associated with legal-based claims

While Enhanced Care has removed significant legal costs from the auto insurance system, ICBC continues to manage the legal-based book of claims for crashes that occurred before the implementation of Enhanced Care on May 1, 2021. The number of pending bodily injury claims from pre-May 1, 2021, continues to drop as ICBC's legal based team has focused on expediting resolution of these claims. The legal-based files remaining are often complex and the current estimate for these claims is approximately \$7 billion, which is down from \$9 billion at last year. Ongoing file management strategies including predictive modeling and analytics, are critical elements to manage these claims.

Strategy 3: Manage escalating vehicle repair costs

Trends in B.C. vehicle repair costs continue to rise, similar to other jurisdictions in Canada and the United States. All jurisdictions are dealing with three key drivers of claims costs; firstly, newer vehicles are more complex and therefore more expensive to repair, including electric vehicles (EVs). British Columbia has the highest adoption of EVs compared the rest of Canada¹, contributing to the increase in the average cost to repair.¹ Current high inflation rates also contribute to this trend as they affect the cost of parts and materials used in repairs. Secondly, a shortage of vehicle repair technicians is reducing industry capacity, resulting in longer delays for customers and higher storage and rental costs for ICBC. Lastly, supply chain challenges continue, and while better than in past years, are not back to pre-COVID-19 levels. Although ICBC is facing the same trends affecting other jurisdictions, ICBC's average repair cost is amongst the lowest in Canada.

Since 2020, ICBC has experienced a decline in repair facilities through the Collision Repair Program, leading to fewer repair shops available to service customers. Industry analysis cites high interest rates, high inflation, retirements, and technician shortages as the primary reasons for shop closures. To address this trend, in 2022 ICBC announced a new repair rate framework to increase labour rates over three years. At the same time, ICBC also introduced several apprentice support [initiatives](#) for the repair industry, such as a tool grant for apprentices, a coaching and mentoring grant for shops, a training program on shop culture, and a commitment to providing newer vehicles to training schools for apprentices to learn on, collectively called LETS. ICBC continues to balance industry supply with rising claims costs.

To create internal estimator capacity, reduce cost and subjectivity, ICBC is implementing an artificial intelligence (AI) system to review vehicle damage submissions, helping increase the efficiency and effectiveness of the process. The new AI system will allow ICBC to focus on the highest risk vehicle damage submissions. ICBC has developed a decision-making framework to ensure AI is used in a responsible way and in alignment with current government guidance.

¹Data source: [B.C. making it easier to buy zero-emission vehicles | BC Gov News](#)

Performance Measures

Jurisdictional comparison of year-over-year rate changes

Performance Measure	2022/23 Actuals	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
[1a] Jurisdictional comparison of year-over-year rate changes	ICBC's Rate Change is 1.7 percentage points less than the Provincial Rate Change Benchmark	≤ Provincial Rate Change Benchmark	≤ Provincial Rate Change Benchmark	≤ Provincial Rate Change Benchmark	≤ Provincial Rate Change Benchmark

Data source: The private passenger vehicle (PPV) provincial benchmark and ICBC's Personal rate change represent the overall rate level change that PPV/Personal customers experienced in fiscal year 2022/23. The PPV provincial benchmark is from Canadian jurisdictions that have publicly available rate change information: Alberta, Saskatchewan, Manitoba, Ontario, and New Brunswick. Note that Manitoba includes some Commercial vehicles in their private passenger net written premium.

Discussion

ICBC is lower than the benchmark for 2022/23 mainly because there was no increase to Basic rates in 2022/23. This was part of its 23-month Basic rate filing to BCUC following the implementation of Enhanced Care, on May 1, 2021. A key measure of affordability is year-over-year changes in insurance rates. ICBC's rate affordability is evaluated each year against a Provincial Rate Change Benchmark, calculated using a weighted average of published rate changes implemented in other provinces.

Percentage of claims costs that goes to customers

Performance Measure	2022/23 Actuals	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
[1b] Percentage of claims costs that goes to customers	96.2%	96.0%	95.9%	95.9%	95.9%

Data source: Analysis of ICBC-incurred claims

Discussion

The cost for ICBC to resolve a claim includes costs that support an injured customer's recovery, costs for vehicle repair or replacement, and costs of administering the claim (such as towing and storing vehicles, managing payments to treatment providers, and investigating fraud). Additionally, for crashes involving ICBC customers outside of B.C., where a customer could hire a lawyer, ICBC pays for legal fees and litigation costs (such as medical examinations and expert reports).

This performance measure is determined by costs paid to customers to support their recovery and to repair or replace their vehicle. It does not include amounts that customers pay for legal representation and expert reports, or the amounts paid to manage and settle claims, including

litigation costs. ICBC expects the percentage of claims costs going to customers in future years to remain relatively stable under Enhanced Care.

Average cost for a vehicle-related claim

Performance Measure	2022/23 Actuals	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
[1c] Average cost for a vehicle-related claim	\$6,314	\$7,200	\$7,876	\$8,477	\$9,092

Data source: ICBC claims database

Discussion

This measures the combined average cost for all material damage claims (excluding glass claims) for ICBC’s main insurance products. ICBC continues to navigate challenges related to the cost of repairing vehicles. In 2022/23, repair costs rose to a higher level than had been previously forecast, driven by inflationary pressures, supply chain challenges, and repair capacity challenges that continue to affect the entire industry. As these pressures continue to escalate, the outlook for 2023/24 and targets for future years are also higher than previous forecast. However, the forecast would be even higher if not for the measures ICBC has taken and will continue to take to manage vehicle repair costs. For example, ICBC is partnering with its repair network to ensure far more parts are safely repaired than the more expensive option of part replacement.

Goal 2: To Be Customer Driven

ICBC aims to be customer driven and more flexible, with customer needs driving improvements in the design and delivery of its products and services.

Objective 2.1: Be more flexible, with customer needs driving improvements in the design and delivery of products and services

In alignment with the principles and priorities outlined in its mandate letters, ICBC will “develop and implement corporation-wide strategies to improve ICBC’s customer experience, perceptions and interactions with the corporation while achieving cost-effective service delivery and effectively communicating the corporation’s work to serve all British Columbians.” ICBC will continue to evolve products and services to meet the changing needs and expectations of its customers.

Key Strategies

- Implement ICBC’s customer experience model across the organization.
- Introduce usage-based products.

Discussion

Strategy 1: Implement ICBC’s customer experience model across the organization

ICBC is developing and implementing a customer experience model across the organization that ensures customers have interactions with ICBC that are straightforward and helpful. The model will seek to enhance customer insights and resolve pain points. In 2024/25, ICBC will continue to focus on improving customer communications, increasing online services, and improving customer experience management capabilities. ICBC will continue to build on changes to claims handling processes to improve the customer experience when working with people injured in a crash, including pedestrians and cyclists.

Strategy 2: Introduce usage-based products

Usage-based products are insurance products that reflect vehicle usage such as distance traveled. These products are valued by customers who want insurance that reflects how much they are driving. ICBC is exploring options to introduce more usage-based products in the coming years, informed by customer insights.

In 2023, customers driving up to 10,000 kilometres per year became eligible for discounts on select Optional insurance coverages. We are exploring changes that could mean more drivers will be eligible for discounts based on how far they drive. Customers are encouraged to provide their odometer information when purchasing or renewing their insurance as evidence of distance driven and to help them qualify for these discounts.

Performance Measures

ICBC measures customer service based on the percentage of satisfied customers for each major transaction type or service that it provides: insurance product purchase, mid-term changes and renewal; claims service; and driver licensing.

Performance Measure	2022/23 Actuals	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
[2a] Customer Satisfaction for Insurance Services	85%	85%	85%	86%	86%
[2b] Customer Satisfaction for Claims Services	74%	76%	74%	75%	76%
[2c] Customer Satisfaction for Driver Licensing Services	77%	74%	76%	77%	78%

Data source: An independent firm is retained to conduct ongoing surveys of customers for the purposes of monitoring transactional satisfaction.

Discussion

Insurance Services Satisfaction — Independent insurance brokers process more than four million AutoPlan policies each year. Insurance services satisfaction is measured by surveying approximately 5,000 customers over the course of a year. ICBC does not anticipate any significant changes to its insurance services in the coming year and the customer satisfaction target is set at 85 percent for 2024/25. This target is one percentage point higher than the current year's goal and aligns with previously published target for 2024/25.

Claims Service Satisfaction — ICBC processes claims through the claims call centre, claims centres and specialty departments such as commercial claims and recovery services. As well as reporting claims by telephone, customers can also report and access claim details online. Customer satisfaction for claims services is measured by surveying personal claims, averaging the results of surveys conducted after the First Notice of Loss and after claims are closed. In a typical year, approximately 14,000 surveys are completed. ICBC's claims service satisfaction target for 2024/25 is set at 74%, which is higher than 2023/24 and the previously published 2024/25 target. ICBC will seek to achieve incremental improvements of 1 percentage point in subsequent years, demonstrating its commitment to long-term improvements in customer experience.

Driver Licensing Satisfaction — Each year, ICBC conducts approximately 3.5 million counter transactions¹ related to issuing driver licences, including renewing licences and facilitating knowledge and road tests. ICBC weights this measure by the number of transactions for each type of service drawn from a sample of more than 5,000 customers surveyed throughout the year. ICBC's driver licensing satisfaction target for 2024/25 is set higher than for 2023/24 and is consistent with the previously published 2024/25 target of 76 percent. ICBC continues its significant efforts to improve services and address the increasing demand for driver licensing services.

Goal 3: To Be Smart & Efficient

ICBC will invest in data, analytics and technology to improve efficiency and make better decisions.

Objective 3.1: Invest in data, analytics and technology to improve efficiency and decision-making

ICBC will continue to actively use data, analytics and technology to make quality business decisions and improve processes as to meet its commitment to the efficient use of public resources and to affordability.

Key Strategies

- Make informed decisions using quality data.
- Integrate analytics into key claims processes.
- Streamline claims processes.

Discussion

Strategy 1: Make informed decisions using quality data

ICBC continues to invest in its data quality and governance program, optimizing processes and capabilities for effective data accessibility, data management and governance. In 2024/25, this

¹ In previous Service Plans the number of transactions was incorrectly referenced as 1.3 million. This error was attributed to accessing data from an incorrect source.

strategy will embed a culture of informed decision making that will focus on improving data literacy and other capabilities.

Strategy 2: Integrate analytics into key claims processes

Data insights and predictive modeling can improve file handling and settlement processes to effectively and proactively manage claims liabilities. In 2024/25, work under this strategy will continue to support customer services, material damage claims, legal-based claims and Enhanced Care claims.

Strategy 3: Streamline claims processes

Manual administrative work increases costs and can be a barrier to better customer service and a meaningful employee experience. By 2025, ICBC will implement digital solutions and streamlined processes for claims operations (non-Enhanced Care, i.e., claims operations excluding the injury book of business) that will enable us to operate a more cost-effective organization. This strategy will also enhance the employee experience by reducing touchpoints and duplicative tasks, and improve customer experience through self-serve capabilities, timely notifications, and digitally enabled transactions.

Performance Measures

Expense ratio

Performance Measure	2022/23 Actuals	2022/23 Actuals Restated ⁴	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
[3a] Expense Ratio ^{1,2,3,5}	20.8%	21.2%	22.1%	22.4%	22.6%	22.3%

Data source: Financial performance measures are derived from actual financial information, forecasted trends and assumptions.

¹ICBC's 2022/23 Expense Ratio is lower than a comparable 2022/23 benchmark of 32.7% percent from MSA Research (benchmark includes all Canadian auto writers excluding ICBC and Saskatchewan Auto Fund and is on a calendar year basis). Note MSA data is on a calendar basis.

²ICBC's Expense Ratio includes over 3.0% for non-insurance services, which most other insurance carriers typically do not have.

³ICBC's 2022/23 Actuals Restated and the forecast years thereafter, reflect changes to the International Financial Reporting Standards ("IFRS") 9 (Financial Instruments) and 17 (Insurance Contracts), effective April 1, 2023.

⁴The 2022/23 Actuals Restated (21.2%) is higher than 2022/23 Actuals (20.8%), as acquisition costs under IFRS 17 are expensed as incurred where previously, these costs were deferred and amortized over the policy period.

⁵Performance metric terminology updated from 'Operating Expense Ratio' as presented in the 2022/23 ICBC Annual Service Plan Report. There is no change to how this metric is calculated.

Discussion

The Expense Ratio is a standard industry measure to assess the operational efficiency of an insurer. All other things being equal, a lower expense ratio is better. This ratio is calculated as a ratio of insurance expenses and non-insurance expenses (excluding claims and claims-related costs) to premiums earned. This includes both insurance and non-insurance lines of business. ICBC is unique in providing non-insurance services (driver licensing, vehicle registration and licensing, violation ticket administration and fines collections) as other insurance carriers in Canada do not typically provide these services. As ICBC continues to be

an efficient and low-cost organization, this ratio will continue to remain below the industry average. The 2022/23 actual ratio(s) reflect lower compensation costs from lower staffing levels because of recruitment challenges and delays in hiring in fiscal 2022/23. In 2023/24, ICBC has been successful in filling vacancies required to reach staffing targets to maintain service levels. The increase in staffing levels as well as increases to general inflation, salaries, benefits and expenses, has resulted in an increase to the 2023/24 expense ratio. For 2024/25 and beyond, the expense ratios are expected to stay consistent.

Loss adjustment expense ratio

Performance Measure	2022/23 Actuals	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
[3b] Loss adjustment expense ratio	15.7%	11.2%	9.9%	9.9%	9.9%

Data source: Financial performance measures are derived from actual financial information, forecasted trends and assumptions.

Discussion

The loss adjustment expense ratio is an indicator of the efficiency of the claims settlement process and compares the cost to settle claims to total premiums earned. This measure primarily considers loss adjustment expenses on an incurred basis, which means that it represents costs for losses occurring in the current fiscal year. The higher 2022/23 actual and 2023/24 forecast are caused by increases in loss adjustment expense reserve, recognizing the higher expenses required to service the more complex legal-based claims from prior loss years that remain to be settled. With the introduction of the Enhanced Care model and the elimination of most remaining legal costs from the system, ICBC expects that the loss adjustment expense ratio will remain stable with approximately 10 percent of premiums going towards the cost of settling claims.

Goal 4: To Be Future Focused

ICBC will prepare for the future of insurance and mobility in B.C. through road safety programs and workplace practices.

Objective 4.1: Prepare for the future of insurance and mobility in B.C.

ICBC will support British Columbians as insurance and mobility continue to evolve. As the mobility landscape changes, the implementation of road safety programs to reduce crashes becomes even more critical. ICBC is committed to working with road safety stakeholders and partners to reduce the frequency and severity of crashes and ensure that roads are safer for all British Columbians. To support British Columbians through these changes, ICBC needs workplace practices that attract and retain a talented, diverse and engaged workforce.

Key Strategies

- Prevent crashes now and as mobility evolves through existing crash prevention programs and the development of future initiatives.
- Build a talented, diverse and engaged workforce that supports a business in transition.

Discussion

Strategy 1: Prevent crashes now and as mobility evolves

ICBC is committed to making B.C.'s roads safer and road safety programs are an integral part of ICBC's commitment to both leading and supporting initiatives that contribute to reducing the severity and frequency of all crashes (injury and material damage). ICBC's Road Safety programs support the globally recognized [Safe Systems Approach](#), which uses a holistic approach to prevent and minimize the impact of crashes by influencing driver behaviour through road safety campaigns, promoting safer speeds, improving the road network, and encouraging safer vehicles. ICBC will also strengthen collaboration with partners, including law enforcement, municipalities, health and provincial stakeholders.

ICBC leverages technology to continuously enhance its understanding of driver behaviours and help promote safer driving outcomes. For example, ICBC will augment its hazard perception training application, [Street Sense](#), with new driving scenarios, closed-captioning and multi-language support to help pre-drivers, young drivers and drivers new to B.C. better identify common hazards.

To anticipate trends that may influence future crashes as well as better inform the planning and design of road safety programs, ICBC is monitoring shifts in the use of vehicle technology and evolving forms of mobility. ICBC will also broaden its approach in 2024/25 to include vulnerable road users, with a specific focus on collisions with vehicles involving cyclists, pedestrians or micro-mobility users.

Strategy 2: Build a talented, diverse and engaged workforce that supports a business in transition

Work environments and the business of insurance are changing rapidly, and ICBC will continue to evolve its operating model and organizational structures to anticipate and adapt to changing needs. Its success is dependent on the ability to attract and retain a talented workforce that reflects the diversity of its customers and business partners across B.C. ICBC continues to develop programs and tools that support the overall well-being and engagement of its people, and builds a talented, diverse, and inspired workforce that delivers on its customer commitments.

Performance Measures

Employee engagement score

Performance Measure	2022/23 Actual	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
[4a] Employee engagement score	62%	66%	68%	70% ¹	70% ¹

Data source: Employee Opinion Survey conducted by an independent firm.

¹Development of employee engagement targets beyond 2025/26 are being assessed.

Diversity, Equity and Inclusion score

Performance Measure	2022/23 Actual	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
[4b] Diversity, Equity and Inclusion index	75%	76%	77%	78% ¹	79% ¹

Data source: Employee Opinion Survey conducted by an independent firm.

¹Development of longer-term DEI index targets are being assessed.

Discussion

ICBC's Employee Opinion Survey (EOS) seeks to listen to and understand candid employee perspectives about the company and what matters most to them. The EOS reflects ICBC's commitment to attracting and retaining a talented, diverse and engaged workforce.

The EOS is held annually with increasing targets to ensure a commitment to employee listening in order to be the diverse, equitable and inclusive employer we strive to be. Feedback captured in the EOS directly informs the People Strategy with corporate-wide initiatives that focus on developing leaders through a formalized development program, improve our recognition approach to ensure all employees feel valued, and increase our diversity, equity and inclusion training to foster a strong sense of belonging. These are just some of the initiatives that will increase employee engagement, unleash the potential of our workforce and ensure we attract and retain talent to Move All Forward. Targeted divisional action plans focus on specific tactics to help improve the employee experience.

As part of ICBC's commitment to being an inclusive employer that reflects the diversity of B.C.'s people and communities, a diversity, equity and inclusion (DEI) index was identified to measure employees' perceptions and feelings of equity and inclusion. DEI considerations are foundational to ICBC's way of doing business, enabling a culture of respect, belonging and empowerment, and helping ICBC serve its customers and communities.

In last year's Service Plan there was reference to exploring a potential a new performance measure for this year's Service Plan. However, as ICBC is reviewing all strategic elements as referenced earlier, any new measures are deferred until 2025-26 Service Plan.

Financial Summary

(\$Millions)	2022/23 Actual ¹	2022/23 Actual Restated	2023/24 Forecast	2024/25 ² Budget	2025/26 ² Plan	2026/27 ² Plan
Insurance Revenues						
Premiums earned	5,290	5,304	5,659	6,126	6,529	6,959
Service fees and other	135	117	204	224	200	205
Total earned revenues	5,425	5,421	5,863	6,350	6,729	7,164
Insurance Services Expenses						
Provision for claims occurring in the current period	3,702	3,626	4,494	4,978	5,317	5,675
Change in estimates for losses occurring in prior periods	419	278	(422)	(575)	(538)	(483)
Claims services and loss management	481	481	498	532	533	527
Claims and Claims Related Costs	4,602	4,385	4,570	4,935	5,312	5,719
Insurance operations expenses	300	118	130	119	123	119
Premium taxes and commissions	630	650	747	825	893	959
Other acquisition costs – operating expenses	-	39	37	46	48	50
Total claims and operating expenses	5,532	5,192	5,484	5,925	6,376	6,847
Net expense (recovery) from reinsurance contracts	-	13	7	22	22	22
Insurance service result	(107)	216	372	403	331	295
Investment and other income	401	312	551	370	760	770
Net insurance finance expenses	-	106	477	432	325	284
Net other operating expense (income), non-attributable	-	126	132	150	166	178
Net income - insurance operations before impairment loss	294	296	314	191	600	603
Loss from non-insurance operations	(162)	(162)	(174)	(191)	(200)	(203)
Net income before impairment loss	132	134	140	-	400	400
Investment impairment loss	(327)	-	-	-	-	-
Net income / (loss)	(195)	134	140	-	400	400

Financial Summary – continued

(\$m)	2022/23 Actual ¹	2022/23 ² Actual Restated	2023/24 ² Forecast	2024/25 ² Budget	2025/26 ² Plan	2026/27 ² Plan
Other comprehensive income (OCI)						
Pension and post-retirement benefits re-measurements	3	3	15	-	-	-
Net change in available for sale financial assets	239	-	-	-	-	-
Total comprehensive income	47	137	155	-	400	400
Total equity – beginning of year	3,715	3,918	4,052	4,207	4,207	4,607
Non-controlling interest (NCI) disposition	(3)	(3)	-	-	-	-
Total equity – end of year	3,759	4,052	4,207	4,207	4,607	5,007
Represented by:						
Opening retained earnings (RE)	3,347	3,414	3,549	3,689	3,689	4,089
Net income / (loss) excluding NCI	(197)	135	140	-	400	400
Ending retained earnings	3,150	3,549	3,689	3,689	4,089	4,489
Opening other components of equity (OCE)						
OCI	242	3	15	-	-	-
Ending other components of equity	603	497	512	512	512	512
Non-controlling interest	6	6	6	6	6	6
Total equity – end of year	3,759	4,052	4,207	4,207	4,607	5,007
Total liabilities³	18,427	14,209	15,483	14,709	14,180	14,120
Capital Expenditures⁴	41	41	63	69	203⁵	66

¹ 2022/23 Actual as reported in ICBC 2022/23 Annual Service Plan Report

² The 2022/23 Actual Restated, 2023/24 Forecast, 2024/25 Budget, 2025/26 and 2026/27 Plan results and presentation are consistent with the new accounting standards, effective April 1, 2023. Reconciliations of fiscal 2022/23 Actual as reported in ICBC's 2022/23 Annual Service Plan Report, to the 2022/23 Actual Restated Actual, reflecting the new standard are below.

³ For 2022/23 Actual Restated and onwards, under IFRS 17, premium receivables are netted in liabilities as part of what is defined as insurance contract liabilities.

⁴ Major categories of capital expenditure include: facilities (land, building, and leasehold), furniture and equipment, IT systems (computer equipment and software). Looking ahead, ICBC expects capital expenditures will change in the planning period as the company maintains or replaces aging infrastructure, including replacement or upgrade of facilities, and as critical business systems are renewed.

⁵ Head Office Relocation is a 15-year capital lease (\$111M) commencing April 1, 2025. Full cost of lease and leasehold improvements is \$164M with leasehold improvements spanning 2024/25 – 2027/28. Timing and amount of expenditure is subject to change and Board approval.

International Financial Reporting Standard (IFRS) Transition

In compliance with IFRS, the Financial Plan Financial Summary reflects the new accounting standards, effective April 1, 2023. IFRS 9 has changed the accounting and disclosures of ICBC's financial instruments. Net Change in Available for Sale Financial Assets, formerly in Other Comprehensive Income (OCI), is included with Investment and Other income within Net Income.

IFRS 17 has changed the accounting and disclosures of ICBC's insurance contracts (primarily premiums, claims costs, broker commissions and premium taxes) and have significant impact to the financial statements' presentation.

The following two tables illustrate the reconciliation of the fiscal 2022/23 Annual Service Plan Report results to the new accounting standards.

Net Income Breakdown for the Twelve Months Ended March 31, 2023

(\$M) ¹	Actual Increase / (Decrease)
Reported net loss under the old IFRS standards	\$ (195)
Reclassification of investment fair value changes from other comprehensive income to net investment income	239
Difference in discounting and risk adjustment impact on claims	112
Impact of expensing acquisition costs	(21)
Other	(1)
Restated net income under new IFRS standards	\$ 134

Equity Breakdown for the Twelve Months Ended March 31, 2023

(\$M) ¹	Actual Increase / (Decrease)
	Actual
Balance, beginning of 2022/23 before IFRS 9/17 restatement	\$ 3,715
Claims liability – risk adjustment and discounting changes	490
Write-off DPAC and other ²	(287)
Balance, beginning of 2022/23 after IFRS 9/17 restatement	\$ 3,918
Net income, ICBC	134
Balance, end of 2022/23 - restated	\$ 4,052

¹ Rounding may affect totals.

² Other includes financial investments - fair value vs amortized cost adjustment and change in reinsurance contract assets.

Operating Cost by Nature

(\$m)	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Forecast	Budget	Plan ¹	Plan ¹
Premium taxes and commission expense	666	787	866	935	1,002
Compensation and other employee benefits	519	543	592	1,065	1,071
Pension and post-retirement benefits	67	46	55		
Professional and other services	40	30	33		
Road improvements and other traffic safety programs	31	36	38		
Building operating expenses	27	26	28		
Merchant and bank fees	43	48	52		
Office supplies and postage	23	23	21		
Computer costs	36	33	37		
Depreciation and amortization	93	92	84		
Corporate Initiative project expenses ²	-	38	46		
Other ³	37	44	49		
Total operating costs	1,582	1,746	1,901		

¹ Operating Costs targets are not planned in detail beyond 2024/25.

² Corporate Initiative project expenses are planned expenses, which are based on corporate priorities. The actual project expenses get allocated based on the nature of the expense.

³ Other include bad debt expenses, telecommunications, outside information processing and staff related expenses including training.

Key Forecast Considerations

Financial forecasts take into consideration ICBC's plans to address the key strategic risks facing the organization and changes in the external environment. Typical of other property and casualty insurance companies, ICBC faces material risks in the execution of its strategy and conduct of operations. The Board, the Board Committees and the Executive Leadership Team review these material risks, including financial market risk, as part of their governance and oversight function. Actual results could vary from these projections depending on actual implementation, actual behavioural changes and associated impacts.

Based on these plans, the following assumptions were developed along with certain key considerations and incorporated into the financial forecasts on page 19-20.

- Commencing May 1, 2021, the actuals and forecasts reflect Enhanced Care. Given Enhanced Care is a new product that heavily relies on external data, there remains risk to the forecast.
- The summary financial outlook reflects the overall operations of the business, including Basic and Optional insurance and non-insurance activities. It has been prepared considering legislative, regulatory and judicial frameworks. The forecast reflects a number of financial and behavioural assumptions.
- Rate changes are assumed for both Basic and Optional insurance businesses in the forecast period. Any changes to Basic insurance rates are subject to BCUC regulatory approval. Other assumptions that can impact financial forecasts can include the number of additional policies that are sold, vehicle sales and whether people are listing more risky drivers and/or buying more coverage.
- The forecast includes the BCUC-approved Basic insurance rate change of 0% for Policy Year 2023, April 1, 2023 - March 31, 2025, that also includes a capital provision, which contributes to rebuilding ICBC's capital reserves.
- The financial information was prepared based on International Financial Reporting Standards (IFRS).
- Investment income, as shown, includes the expected interest, dividends, other income and net market value change of financial assets.
- Changes in the net market value change in available for sale financial assets formerly reported in Other Components of Equity, are reflected in net income as a result of IFRS 9.
- Claims incurred reflect current claims trends, vehicle population growth and inflation.
- Prior years' claims reflect the re-estimation of prior years' claims and release of risk adjustments as claims are settled.
- Net insurance finance expenses reflect the unwinding of discounting and the impact of changes in the discount rate on the liability for unpaid claims.

- Assumptions were made with respect to the claims discount rate and the rate used to discount pension and post-retirement benefits. Actual discount rates may be different from these estimates as they are influenced by external market and economy factors.
- Risks are inherent in insurance forecasts since they are based on assumptions about the future. These assumptions are based on historical driving, claims and other economic patterns, as well as expert judgment. However, due to the volatile nature and the inherent risks of the insurance business, there are a range of uncertainties in these estimations. The following highlight the effect of variations in the assumptions underlying the financial forecast.

Premiums

- 1 percentage point fluctuation represents approximately \$56 – \$70 million in net premiums (Basic and Optional combined).

Claims

- 1 percent change in current year claims costs represents approximately \$45 – \$57 million in current year claims costs.
- 1 percent fluctuation in the unpaid claims balance represents approximately \$94 – \$130 million in claims costs.
- 1 percentage point fluctuation in the rate used to discount claims represents approximately \$300 – \$340 million in claims costs.

Investments

- 1 percentage point change in investment return represents approximately \$180 – \$195 million in investment return.
- 1 percent change in the investment portfolio represents approximately \$4 – \$8 million in investment return.
- 1 percentage point change in interest rate would result in a change of approximately \$322 million in the fair value in ICBC's fixed income portfolio.
- A 10-percent change in equity prices would result in an estimated corresponding change to unrealized investment income of approximately \$385 million.
- A 10-percent change in Canadian dollar exchange rate would change the fair value of the non-Canadian equity fund investments and would result in a change to unrealized investment income of approximately \$460 million.

Market Share

- 1 percentage point change in market share represents approximately \$11 – \$21 million impact in net income.

Pension

- 1 percentage point change in discount rate represents approximately \$490 million impact to the defined benefit obligation.
- 1 percentage point change in discount rate represents approximately \$48 million impact to pension expense.

Management's Perspective on Financial Outlook

ICBC forecasts a net income of \$140 million for FY 2023/24 compared to a budget net income of \$0 million. The forecasted net income for 2023/24 is higher than budget, primarily due to higher investment income, partially offset by higher claims costs.

ICBC earns investment income to help offset the cost of insurance and aims to balance risk and return within its investment portfolio. ICBC's forecast assumes a market downturn in the short term. Higher investment income in FY 2023/24 is due to a shift in the expected market slowdown into the last quarter of FY 2023/24 and into FY 2024/25. High levels of volatility have been experienced in FY 2023/24 and uncertainty persists in the global investment markets. This has resulted in a wide range of possible outcomes for investment income, both favourable and unfavourable. Inflation and high interest rates have lingered longer than previously expected in FY 2023/24 and are anticipated to come down in FY 2024/25. Due to a delay in impact of the market downturn, the post-market downturn recovery has also shifted to later in the forecast period. ICBC's investment income forecast continues to reflect a narrow band of outcomes considered "most likely."

Major considerations for the forecast are the challenging global investment market conditions due to geopolitical events, and fears of a market slowdown. While interest rate cuts are expected, the timing and levels of rate cuts are uncertain. These factors have significantly impacted ICBC's results and forecasted fair values of the investment portfolio.

Claims costs are higher than budget. High inflation, above historical averages, have put considerable pressure on the ability to manage claims costs in terms of higher material and labour costs, delayed repairs due to shortage of parts and skilled technicians. ICBC has also observed unfavourable emergence on legal-based injury claims. The rate to discount claims has come down since last quarter, landing back to a rate similar to budget after being higher (favourable) during most of FY 2023/24. There is the possibility of further reductions to the present discount rate in the forecast period which would result in an unfavourable impact (increase to) the unpaid claims liability, and unfavourable impacts to net income. Increases in material damage are expected through the forecast period as well as the continued emergence of more legal-based injury claims as ICBC works to settle prior years' legal-based injury claims.

On the positive side, claims financial results under Enhanced Care, which removes the adversarial approach and focusses on helping customers get the care they need, have been favourable, while acknowledging that ICBC's experience with the Enhanced Care product is still very new. As a result of the limited experience with Enhanced Care, ICBC's injury severity

forecasts continue to rely on external data which leads to considerable uncertainty/risk (favourable/unfavourable) in the forecast. Claims cost assumptions and forecasts will continue to evolve as more experience with the new product is observed.

The forecast period premium revenue growth is the result of policy growth and higher average premium to offset the increase in material damage costs; and higher premium as a result of older vehicles being replaced with newer, more expensive vehicles.

Operating costs have increased in fiscal 2023/24 and in the forecast periods. In 2023/24, ICBC has been successful in filling vacancies required to reach staffing targets to maintain service levels. The increase in staffing levels as well as increases to general inflation, salaries, benefits and expenses, has resulted in an increase to 2023/24 operating costs. Non compensation increases are the result of previously negotiated contracts, new initiatives and strategies, sustainment costs associated with completed projects and general inflation. For FY 2024/25 and beyond, while there are additional staffing needs to manage service levels, these pressures are expected to be offset with a gradual reduction in its legal-based claims-related staffing requirements as ICBC continues to manage and progressively wind down legal-based claims. Despite the gradual reduction in legal-based claims-related staffing requirements, overall operating costs continue to slightly increase due to the increases to general inflation, salaries, benefits and expenses.

Similar to other insurance organizations, ICBC has a capital management framework under which it operates. This framework takes into consideration both its management operating targets and its regulatory minimums to ensure that capital reserves are adequate to protect policyholders from financial risk while keeping rates as low as possible over the long term. ICBC is guided by the capital management framework of the Office of the Superintendent of Financial Institutions (OSFI), adopting OSFI's Minimum Capital Test as a means to measure and monitor ICBC's capital levels. While recent market volatility has impacted ICBC's net income and capital levels, ICBC's financial reserves are adequate to absorb adverse events.

Special Direction IC2 to the British Columbia Utilities Commission B.C. Reg. 307/2004 (section 3(1)(d)) requires the BCUC to ensure that rates are set in accordance with ICBC's most recently approved capital management plan (CMP). The proposed rate change in the 2023 Revenue Requirements Application was determined using the CMP as amended by *Special Direction IC2*, per Order in Council 666/2022 dated December 12, 2022. Given the amendments to *Special Direction IC2*, ICBC has delayed updating the CMP until the next revenue requirements application.

Special Direction IC2 defines Policy Year 2023 as encompassing the 24-month period from April 1, 2023 to on March 31, 2025. As part of the December 12, 2022 amendments to *Special Direction IC2*, the requirement to set the Basic rate in a manner that allows ICBC to maintain a Basic Minimum Capital Test ("MCT") ratio of 100% was suspended for PY 2023.

Capital Expenditure

Major Capital Projects ¹ (over \$50 million in total)	Targeted Year of Completion	Project Cost to Dec 31, 2023 (\$m)	Estimated Cost to Complete (\$m)	Anticipated Total Cost (\$m)
ICBC Head Office Relocation ²	Fiscal 2027/28	-	164	164

¹ Only projects that receive provincial funding and have been approved by Treasury Board and/or Crown corporation boards are included in this table. Ministry service plans may include projects that still require final approval. Capital costs reflect current government accounting policy.

² 2025/26 - Head Office Relocation is a 15-year capital lease (\$111M) commencing April 1, 2025. Full cost of lease and leasehold improvements is \$164M with leasehold improvements spanning 2024/25 – 2027/28. Timing and amount of expenditure is subject to change and Board approval.

Appendix: Mandate Letter from the Minister Responsible



July 26, 2023

Catherine Holt
Board of Directors
Executive Office
Insurance Corporation of British Columbia
517 - 151 West Esplanade
North Vancouver BC V7M 3H9

Dear Catherine Holt:

On behalf of Premier Eby and the Executive Council, I would like to extend my thanks to you, your board members and your organization's leadership for your dedication, expertise, and service to the people of British Columbia.

Public sector organizations – including Crowns, Health Authorities and Post Secondary Institution Boards – support British Columbians by delivering vital public services and are accountable to the public through their responsible Minister. Your leadership in advancing and protecting the public interest strengthens trust in public institutions.

You are serving British Columbians at a time when people in our province continue to recover from and respond to the upheaval caused by the COVID-19 pandemic, an ongoing toxic drug crisis, climate-related natural disasters, and while global inflation is driving up costs. Now more than ever, we need to focus on building a prosperous, low-carbon, sustainable economy, and a province where everyone can find a good home – in rural areas, in cities, and in Indigenous communities.

This mandate letter, which I am sending in my capacity as Minister responsible for the Insurance Corporation of British Columbia, sets out overarching principles relevant to the entire public sector and specific direction on priorities and expectations for your organization for the remainder of Government's term.

Government and public sector organizations must continue to advance results that people can see and feel in these key areas: strengthened health care, safer communities, attainable and secure housing, and a clean and fair economy that delivers affordability and prosperity.

In doing so, you will continue working towards lasting and meaningful Reconciliation by supporting opportunities for Indigenous Peoples to be full partners in the province we are building together, and delivering on specific commitments as outlined in the *Declaration on the Rights of Indigenous Peoples Act* action plan.

As required by the *Climate Change Accountability Act*, please ensure your organization implements targets and strategies for minimizing greenhouse gas emissions and managing climate risk, including achieving carbon neutrality each year and aligning with the CleanBC target of a 50% reduction in public sector building emissions and a 40% reduction in public sector fleet emissions by 2030. Your organization is expected to work with government to report out on these plans and activities as required by legislation.

Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. The public sector has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every public sector organization has a role in this work. As part of this work, your organization is expected to adopt the Gender-Based Analysis Plus (GBA+) lens to ensure gender equity is reflected in your operations and programs.

British Columbians expect that public sector organizations operate in a responsible manner to deliver quality services equitably in all regions of the province. This requires strategic stewardship of planning, operations, and policies in the areas of financial, risk, and human resource management including information security and privacy protection.

The protection of government data and networks is a priority, especially where it concerns personal information of British Columbians. Public sector organizations must maintain up to date systems and effective cybersecurity practices, including maintaining current information management and cybersecurity policies, guidelines and standards; evaluating your organization against industry standards; and maintaining appropriate security and privacy practices. The Office of the Chief Information Officer within the Ministry of Citizens' Services is available to support and offer guidance to your organization in any of these areas.

Public sector organizations must also implement and maintain an effective fraud risk management strategy. The Office of the Comptroller General and the Risk Management Branch in the Ministry of Finance are available for consultation.

The Crown Agencies Secretariat (CAS) in the Ministry of Finance supports public sector organizations to operate effectively, in the public interest, and aligned with government's strategic direction and priorities. Within CAS, the Crown Agencies and Board Resourcing Office (CABRO) will continue to support you and your board on recruitment, appointments and professional development, as well ensuring Board composition and governance reflects the diversity of our province. CAS can support you in public sector governance best practices, policy and planning.

In addition to continuing to make progress on your [2021 mandate letter](#), I expect you to ensure the important priorities and areas of focus listed in this letter are incorporated into the practices of your organization and develop plans to address the following new priorities within your approved budget:

- Continue to support the government's priority to keep automobile insurance rates affordable for British Columbians while ensuring the financial stability of the corporation, including identifying and delivering on mitigations that will help reduce pressures on automobile rates.
- Develop and implement corporation-wide strategies to improve ICBC's customer experience, perceptions and interactions with the corporation, while achieving cost-effective service delivery and effectively communicating the corporation's work to serve all British Columbians. Continue to improve customer experience and communications with pedestrians and cyclists who have been injured in vehicle collisions.
- Work with the Ministry of Public Safety and Solicitor General, the Ministry of Transportation and Infrastructure and other partners to reduce the frequency and severity of crashes to support the safety of British Columbians and help make insurance more affordable.
- Advance work to modernize BC's driver licensing services to ensure the services continue to be reliable and respond to the needs of customers in the future.
- Work with CAS to develop a specific vehicle insurance product for the film industry in BC, which will streamline insurance requirements and support the province continuing to be a destination of choice for the film sector.

Each board member is asked to sign this letter to acknowledge this direction from government to your organization. The signed letter is to be posted publicly on your website by summer 2023.

I look forward to continuing to work with you and your Board colleagues to meet the high standards set for us by all British Columbians.

Sincerely,



Mike Farnworth
Minister of Public Safety and Solicitor General
and Deputy Premier

Date: July 26, 2023

cc: Honourable David Eby, KC
Premier

Shannon Salter
Deputy Minister to the Premier, Cabinet Secretary and Head of the BC Public Service

Heather Wood
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Mary Sue Maloughney
Associate Deputy Minister, Crown Agencies Secretariat
Ministry of Finance

Douglas Scott
Deputy Solicitor General
Ministry of Public Safety and Solicitor General

Jennie Moushos
Director
ICBC

Paulette Flamond
Director
ICBC

Jill Leversage
Director
ICBC

Bonnie Pearson
Director
ICBC

Allan Seckel
Director
ICBC

Janet Wood
Director
ICBC

Salima Remtulla
Director
ICBC

Chris Lewis
Director
ICBC

Bill Tilford
Director
ICBC

Len Boggio
Director
ICBC

David Wong
President and Chief Executive Officer
ICBC



Catherine Holt
Chair, ICBC
Date: July 27, 2023



Jill Leversage
Director, ICBC
Date: July 28, 2023



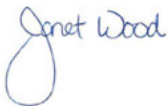
Paulette Flamond
Director, ICBC
Date: July 27, 2023



Chris Lewis
Director, ICBC
Date: July 31, 2023



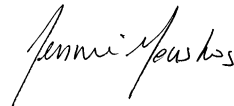
Len Boggio
Director, ICBC
Date: July 27, 2023



Janet Wood
Director, ICBC
Date: July 27, 2023



Bonnie Pearson
Director, ICBC
Date: July 27, 2023



Jennie Moushos
Director, ICBC
Date: July 27, 2023



Allan Seckel
Director, ICBC
Date: July 31, 2023



Salima Remtulla
Director, ICBC
Date: July 27, 2023



Bill Tilford
Director, ICBC
Date: July 27, 2023