

Operations GHG Inventory

As an insurance company, climate change is a key strategic issue and we acknowledge that action is necessary. We know that only through collaboration can society meet the goals set out by the Paris Agreement to prevent more than a 1.5 degrees Celsius warming globally. In 2022, we invested considerable effort to begin estimating a baseline of our Scope 1 and 2 GHG emissions, and certain Scope 3 emissions categories, for annual disclosure. To the right are the results of our 2022 and 2023 emissions calculations, which have been **third-party verified**.

| Emissions Category | 2023 Total Emissions (tCO ₂ e) | 2022 Total Emissions (tCO ₂ e) |
|---|---|---|
| Scope 1 Emissions | | |
| Stationary Combustion (Natural Gas) | 143 | 178 |
| Stationary Combustion (Fuel Oil / Diesel) | 0.2 | 1.2 |
| Refrigerants | N/A | 24 |
| Mobile Combustion (Vehicles) | 98 | 89 |
| Subtotal | 241 | 292 |
| Location-Based Scope 2 Emissions | | |
| Electricity | 31 | 29 |
| Steam | N/A | N/A |
| Chilled Water | N/A | N/A |
| Subtotal | 31 | 29 |
| Market-Based Scope 2 Emissions | | |
| Electricity | 31 | 29 |
| Steam | N/A | N/A |
| Chilled Water | N/A | N/A |
| Subtotal | 31 | 29 |
| Total Scope 1 and Location-Based Scope 2 Emissions | 272 | 321 |
| Total Scope 1 and Market-Based Scope 2 Emissions | 272 | 321 |
| Scope 3 Emissions | | |
| Purchased Goods and Services ¹ | 6,891 | 5,413 |
| Capital Goods ¹ | 222 | 492 |
| Water Supply | 1.2 | N/A |
| Fuel & Energy Activities | 68 | 64 |
| Waste in Operations | 8 | 10 |
| Business Travel | 339 | 141 |
| Employee Commuting ^{2,3} | 1,063 | 1,073 |
| Subtotal | 8,592 | 7,193 |
| Total Scope 3 Emissions | 8,592 | 7,193 |

Scope 1 and 2 Facility Emissions (By Office)

| Location | Sq. Footage Occupied | 2023 | | Annual GHG Intensity (kgCO ₂ e/sqft) |
|------------------|----------------------|------------------------------|------------------------------|---|
| | | Scope 1 (tCO ₂ e) | Scope 2 (tCO ₂ e) | |
| | | Stationary Combustion | Electricity | |
| Cambridge Office | 68,916 | 108.1 | 26.5 | 1.9 |
| Toronto Office | 10,097 | 18.8 | 2.5 | 2.1 |
| Vancouver Office | 7,228 | 16.5 | 1.7 | 2.5 |
| Total | 86,241 | 143 | 31 | 6.5 |

Terms & definitions

Scope 1 emissions refer to direct greenhouse gas (GHG) emissions that occur from sources that are controlled or owned by an organization. This includes all land-use emissions from companies that own or control land to produce agricultural and forest-risk commodities.

Scope 2 emissions refer to indirect GHG emissions associated with any purchases of electricity, steam, heat, or cooling

Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain. This includes both upstream and downstream emissions.

Location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

Market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice).

GHG Intensity (kgCO₂e/sqft) is a measure of building emission intensity expressed as kg of GHG emissions (CO₂e) per square foot.

As can be seen from the data, our Cambridge campus, which is our only owned and operated office space, accounts for **77%** of our overall operational emissions (scope 1 and 2) of which our fleet makes up **36%**. In 2023 using our existing baseline of 2022, we conducted an in-depth Net Zero Carbon feasibility energy audit to map out the actions and investments required to get us to Net Zero for our operational emissions. This study provided critical insights into the decarbonization potential of our Cambridge campus and informed our decision in taking a net zero pathway that will lead to significant emissions reductions.

¹ Purchased Goods and Services & Capital Goods: emissions calculations are based on total spend.

² Employee Commuting: consists of emissions from employee commute and work from home.

³ Employee Commuting: calculations were done by estimates based on home postal codes, base-office location, and assumption of 2.5 days per week in office.

Total Scope 3 emissions are higher in 2023 than in 2022 because we added emissions from our Water Supply for the first time in 2023 and we were able to use actual travel data for Business travel, while last year part of that data was based on estimates.