

## PRESIDENT AND CHAIR'S 2023 AGM SPEECH

It's an honour and a privilege to be here today as the President and Chair of RACQ and reflect on my first year in this role.

As you have just seen in the opening video, despite many challenges, the team at RACQ is working hard to deliver for our members and for the broader community ... we have much to be proud of.

Now, it may feel like we have moved on from the global pandemic, however, its impacts, alongside geopolitical instability, are still being felt deeply. We are experiencing shortages of skilled tradespeople, persistent high inflation, record fuel prices and unprecedented threats of scams and cyber-attacks.

These pressures, together with increasing natural disasters, have certainly tested our Club's resilience. We are mindful that the associated increase in insurance premiums have also impacted our members.

Our team is working hard to balance increasing costs with the need to recover these increases in the premiums we need to charge.

To this end, our determination and resolve to be there for our members is unwavering and is why we are increasing our efforts to advocate for greater resilience funding – including building flood levees, modifying homes, rethinking building codes and improving town planning.

Furthermore, we are doing our part to be cost effective and drive efficiencies in our businesses. We are also investing to improve our systems and processes to make it easier for our people and members to use our products and services.

RACQ is Queensland's most trusted brand with a rich history spanning 118 years and is the State's largest member-owned organisation with more than 1.7 million members.

We take our trusted position in Queensland seriously and have canvassed our people to review why we exist as an organisation and refresh our purpose.

On the back of this work, it became clear that why we exist is to 'drive a positive future for all Queenslanders'.

Clarity of purpose is important for an organisation like ours - because it shapes the decisions we make, the actions we take and the member experiences we create - it underpins everything we do.

We live our purpose every day through our businesses and social impact initiatives.

Commercially, we remain one of the State's largest insurers, have a budding bank that continues to grow year-on-year and are the biggest roadside assistance provider, with more than 700 patrols performing 2,000 rescues every single day.

### **Business Performance Slide**

Our businesses are in good shape. We have continued to work through the issues we faced in 2022 and pleasingly, the Club delivered a profit this year of 7.4 million dollars after tax.

This result was largely driven by the return to profitability of our insurance business, growth in our auto services businesses and solid balance sheet growth in the Bank.

The Group remains well capitalised and financially strong to deliver for our members today and support our operations well into the future.

Rest assured; your board remains focused on ensuring the long-term financial sustainability of our Club.

Our CEO David Carter will speak more to the financial results in his address shortly.

### **Risk Transformation**

As I mentioned earlier, we have embarked on a deliberate strategy to transform the organisation.

Planning began in 2023 following the outcomes of the pricing promises review and will set a solid foundation to enable us to progress towards the RACQ of the future.

Maturing our risk management framework and capability extends to every part of our organisation, and this will be led from the very top.

Getting this right is essential for our licence to operate, maintaining trust with the community and most importantly, with our members.

As a result, we are committed to delivering stronger, effective risk management practices, leading to improved outcomes for our business and our members.

### **Cyber security**

Cyber security, however, remains top of mind for many of our members.



Throughout the year, we improved our maturity across all cyber security capabilities.

We have also focused on ways to help our members protect themselves against the most common scams.

This threat is ever present for all organisations and the board remains committed to doing all we can to protect your data in every way possible.

## **Sustainability and Community**

In addition to our products and services, we drive a positive future for all Queenslanders through our community and social impact initiatives.

We are dedicated to giving back to Queensland and I'm proud to say that since 2010, RACQ has provided more than 80 million dollars back into communities across the State.

This includes investing in our road safety and education programs where we engage with more than 60,000 students to be safe near and on the roads.

Our advocacy extends to lobbying for better and safer roads.

We focus on helping to solve some of the biggest issues facing our communities by focusing on climate risk and natural disaster resilience and assisting Queenslanders with the increased cost of living.

We do this through the RACQ Foundation, as well as funding community partnerships like LifeFlight and several local giving programs.

During the financial year, we provided on-the-ground assistance to communities in Yarrabah, Texas, Goondiwindi and Gympie.

In recognition of our community work, RACQ was independently nominated and awarded the 2023 Corporate Philanthropist of the Year award by the Queensland Community Foundation.

RACQ is also committed to helping Queensland transition to a more sustainable future.

Through our Sustainability Framework, the Club is holding itself accountable to commitments to improve how we operate, contribute to Queensland's economy and how we will support our members in the transition to decarbonise transport and energy.

As part of this commitment, we are reducing emissions in our own operations by shifting to 100% renewable electricity for our owned buildings by 2024.

We are also helping our members transition to more sustainable living by providing our suite of RACQ Bank green personal and home loans, the installation of more affordable and reliable solar panels through RACQ Solar and our support for the Queensland Electric Super Highway.

We continued our commitment to strengthening relationships with First Nations Peoples and launched the second phase of our Reconciliation Action Plan.

The Plan provides RACQ with a blueprint to make further meaningful contributions to reconciliation in Queensland and drive the inclusion of First Nations Peoples over the next two years and beyond.

## **Towards 2032**

We have made good progress in reshaping our business and aligning our operations behind three key strategic focus areas: mobility, home, and member and community.

We have significant opportunities as global economies accelerate the shift to decarbonising transport and transitioning to renewable energy in the home.

The rapid uptake of EVs, combined with renewable energy solutions through RACQ Solar, provides us with really exciting opportunities to expand our offering and capabilities beyond roadside assistance, insurance and banking.

## **Board update and constitutional changes**

And, finally, to board matters.

During the year we created new board committees including the People and Purpose Committee and the Strategy and Innovation Committee.

These changes assist the board to effectively focus on long-term strategy development disciplines, the difference we make in Queensland and ensuring we have a value proposition for our people that supports our purpose and delivers value to members.

In terms of today's resolutions – the two sitting directors facing re-election today are Sarah Pearson and John Minz.

Both are experienced RACQ directors and they each bring deep experience and specialist skills to their roles. The board unanimously recommends you vote in favour of their re-election.

The three other resolutions you are considering will support transparency, accountability, and strengthen our governance processes and give you, our members a greater say.

These resolutions will be further explained later in the meeting but are important changes that need your support to help us become a better and more efficient organisation.

Sadly, today's AGM will be the last for our Group Company Secretary Brad Bowes who will retire after nearly 11 years in the role. I would sincerely like to thank Brad for his hard work and commitment to the board and to RACQ over this time and wish him well in his retirement.

I would like to thank my fellow board members for their dedication over the past year. Their skills, experience, hard work and commitment have been highly valued in what has been a transformational year.

### **In closing**

In closing, whether it's advocating for fairer fuel, better roads or policies that benefit the broader community, RACQ will continue to be a strong and unwavering voice for our members.

We will continue to invest in programs that make a meaningful difference.

Our initiatives aim to drive a positive future for all Queenslanders.

Our direction for RACQ is clear: to uphold our legacy and to be at the forefront of positive change by providing solutions to help our members live safely, securely and sustainably.

To do this, we must move quickly, be forward-thinking, and responsive to the evolving needs of our members and the communities we serve.

Finally, I would like to take the opportunity to thank our CEO David Carter and his executive team for their dedication and hard work in what's been another extraordinary year on many levels.

I'd also like to thank you, our members, whose loyalty to our club is always evident – we appreciate your ongoing support, in good times and bad.

My final thanks is to our amazing people at RACQ who turn up and serve our members every day. Thank you for your dedication and care for our members.

### **Ends**