

RACQ AGM 2021 President's Speech

Members, we live in unpredictable and unprecedented times. That much is true. Also true, as I hope you saw in the video just now, is that despite the tumult of the past year, our purpose at RACQ has never been more clear. We exist to help improve the lives of our members now and into the future.

How do we do this? Perhaps best known is our deployment of the State's largest roadside assistance network of 600 vehicles stretching from Cape York to the New South Wales border. But we also do this by supporting the life-saving activities of our RACQ Air Rescue Network, our advocacy for better roads and stronger communities, our role as a trusted banking and insurance provider, our wide-ranging discounts program, and by supporting community organisations across the State. The RACQ team stands ready to be there in the moments that matter.

CEO, David Carter, will speak further about our financial results today. In summary, I'm pleased to report to our members that prudent governance, management and planning over many years served us well in FY21. Buoyed in part by strongly performing financial investment markets, we tackled the challenging environment around us, to achieve a very pleasing surplus of \$56.5 million in FY21. As a member-owned organisation, that surplus is, of course, ploughed back into our purpose – enabling us to continue to deliver better outcomes for members.

It is particularly pleasing to see the financial performance of RACQ Bank improve considerably in FY21, contributing positively to the Group's result, with total capital and liquidity holdings remaining strong as RACQ Bank funded \$448 million in home loans, and \$32 million in personal loans

I mentioned earlier the unpredictable and unprecedented times in which we live.

The pandemic has materially impacted Queensland communities, especially those heavily reliant on travel and tourism, challenging us to think about how we build more resilient communities for the future. Conversely it caused Queenslanders to get out on our roads in droves and rediscover their own wonderful State. It also impacted on the nature of workplaces, causing us to reflect on the way we work and what we expect or demand of our workforces.

At the same time – as Queenslanders rose to the challenge of the life-saving measures put in place by health authorities, we also must acknowledge the hardship felt by many members with the ongoing border closures and the impact this has had on them and their families.

Another acute impact in Queensland has been dramatic increases in the value of members' homes and vehicles. This has a number of less obvious or expected consequences for our members:

- First, it is more important than ever to check that your home and car are insured to a sufficient level for these increases in value;
- Second, it has hampered the ability for many of our members to buy into the property market; and
- Third, coupled with global supply issues, and a shortage of skilled labour, this movement has put a real strain on the time and cost of insurance repairs.

In terms of insurance claims, these additional strains served to highlight the apparent need for us to do more to improve our claims handling processes at RACQ. Our efforts on this score are an

immediate and high priority for the board. It is pleasing to see some positive improvements beginning to show in our claims handling results.

One thing we can no longer call unpredictable or unprecedented however is Queensland's volatile weather.

We have all seen and felt the devastating impact of more frequent and more severe weather events in Queensland over recent years. Ironically, today, members in large parts of our State struggle with the devastating consequences of decade-long drought, while others are preparing for another very wet La Nina year.

With the reality of drought, cyclone and flood to contend with, it is little wonder that the RACQ Foundation has been busy supporting those affected by natural disasters for 10 years now.

You saw and heard some of the great work of the Foundation in the video earlier. I am immensely proud of the many RACQ current and past employees who volunteered to be a part of the Foundation's Community Assistance Programs this year in Miles, Tara, Barcaldine and Winton.

In June this year I was honoured to travel to Winton to witness firsthand the amazing impact of this program on our 50 volunteers, who learnt new skills, had new experiences and made new friendships, as they provided practical, hands-on support for drought-affected Queensland families, businesses and towns.

The board's nomination at today's meeting of outgoing Foundation Chair, Fay Barker, for Honorary Life Membership reflects our gratitude for her exceptional leadership of the Foundation. I would also like to thank and acknowledge incoming Foundation Chair, past President, Bronwyn Morris, who has hit the ground running as she follows in Fay's large footsteps.

At this juncture I won't repeat what you heard in the video presentation but I do want to reinforce our commitment at RACQ to supporting our community through education programs, support for the Air Rescue Network and a range of other activities designed to make life for our members better by helping make the communities we all live in - more resilient and liveable.

Against the backdrop of both the predictable and the unpredictable, the board has embraced a new 2030 strategy with a clear focus on members living and moving more securely and more sustainably.

We believe the next decade of the 21st century will see the most significant revolution in mobility since the invention of the internal combustion engine that set the course for the 20th century. The shift to electric and low-emission vehicles has begun at pace and our members need from us information and support, just as early motorists did 116 years ago. We are stepping up our advocacy for more charging stations and fair road user charges as well as training and equipping our roadside patrols for the future. In addition, as a State with more solar panels on our homes per person than anywhere else in the world, our members are demanding affordable and renewable energy solutions to fuel both their electric car and home. All of this provides a great opportunity for RACQ.

Naturally - RACQ must play its own part and we are committed to reducing our carbon emissions across our sites, fleet, and operations over that timeframe.

Interestingly the next decade also coincides with the exciting planning for Brisbane to host the 2032 Olympic and Paralympic Games.

RACQ wants our Games legacy to be world class infrastructure that provides opportunities right across Queensland and improves the safety and reliability of travel and transport throughout the State long after the last race is run.

Members, today's Annual General Meeting marks the end of my first year in the role of President. I am honoured to mark this by thanking you, our almost 1.8 million members, for continuing to be a part of the RACQ community.

Our members are a diverse group, spread right across Australia's most decentralised State. Some 600,000 of our almost 1.8M members reside outside the south-east corner. For the board, staying in tune with our members right across Queensland is both a challenge and a key priority. To that end it was my and our hope as a Board to meet in person with far more of our members than was possible this year.

We kicked off this intent with our first Board meeting outside Brisbane in many years. The meeting and a range of other stakeholder events was held in Townsville in May. Four additional regional member forums were scheduled to discuss with our members the constitutional changes that will be considered later in today's meeting. It was with great disappointment that those forums had to be quickly converted to virtual online forums due to COVID-related travel restrictions. While it provided a second-best option, we certainly hope for more opportunities to meet with you in person in 2022.

Before I conclude, I'd like to acknowledge the leadership of RACQ CEO David Carter and his executive team, as well as our hard-working staff and contractor network who strive always to be there for our members in their moments of need.

Finally, I would like to personally thank and acknowledge three Board members who retire at this year's AGM after many years of dedicated service.

Tony Gambling, who retires after 16 years; Vyn Tozer, who has served on the Board of our insurance company for 12 years; and of course a special mention for Bronwyn Morris, immediate RACQ past President and Board member of 13 years, who as I mentioned earlier now continues to Chair our RACQ Foundation.

Thank you, I look forward to addressing you all in a few moments as we bring forward today's resolutions.

In the meantime, I would like to invite CEO David Carter to address the meeting.