

RAC are proud of our established brand reputation built on trust and respect, and our continued success in attracting, investing and developing great talent. As 2020 has been a particularly challenging year, it is even more important to recognise our **#OrangeHeroes** who continually strive to deliver exceptional service and going the extra mile for our customers.

Throughout 2020 our People Agenda has enabled greater focus and investment in how we engage and develop our colleagues. We remain committed to the equal and fair treatment of all colleagues, and we continue to welcome the governments initiative to increase gender pay gap reporting transparency and equality as an opportunity to assess and share the progress that we are making.

In April 2020, the difference between mean (average) pay for male and female colleagues within the RAC Group was 6%, and the Median was 11%. Although greater than we would like, this continues to compare favourably to the UK median of 15.5% [ONS November 2020]

We are pleased to demonstrate continued improvement against all measures since 2018, including colleague bonus and Gender Pay quartile metrics. In 2020, we have seen a focus on increased female representation across the business, including at senior levels alongside a broader inclusion of our female colleagues within bonus schemes.

We continue to strive to achieve gender pay parity across our business, and from our efforts to date we are already delivering positive results. We will continue to review and develop our processes to ensure we carry on driving our gender balanced approach throughout 2021 and beyond.

Our colleagues' passion, commitment, integrity and expertise create the positive culture the RAC is known for. We recognise the importance of the Gender Pay Gap Reporting, and will continue to use it as part of our strategy to drive increased diversity and inclusion across the Group; ensuring everyone is able to come to work, succeed and be their best selves.

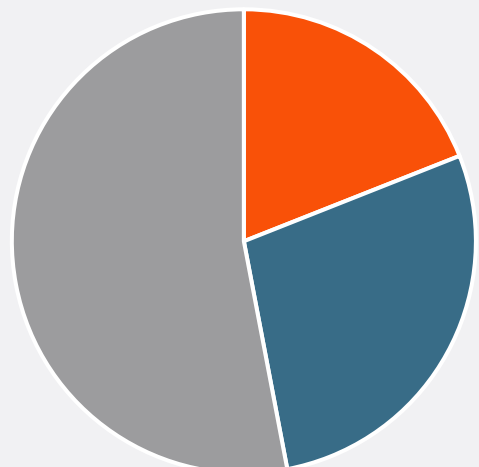
I confirm that the detail within this report is accurate and has been produced in accordance with the government requirements for Gender Pay Gap reporting.

Rachel Blay
Chief People Officer

RAC colleagues by function

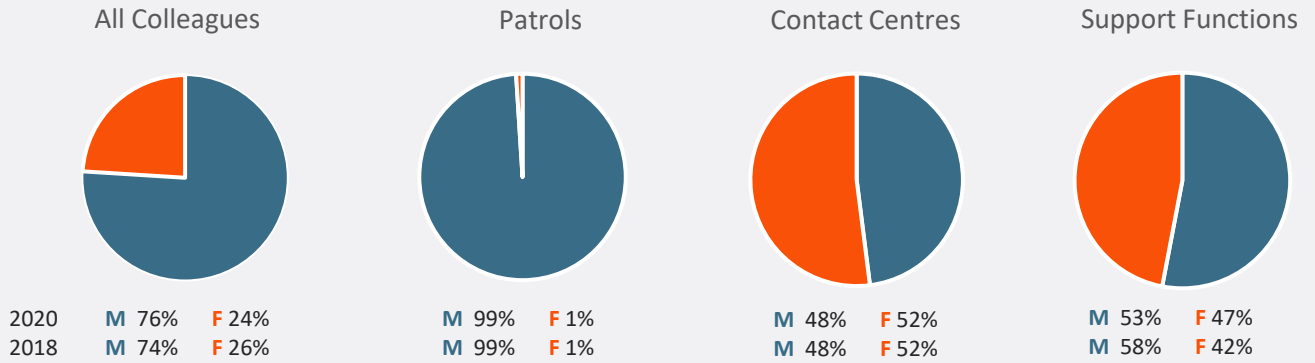
All colleagues (100%)

- Support Functions [19%]
- Contact Centres [28%]
- Patrols [53%]

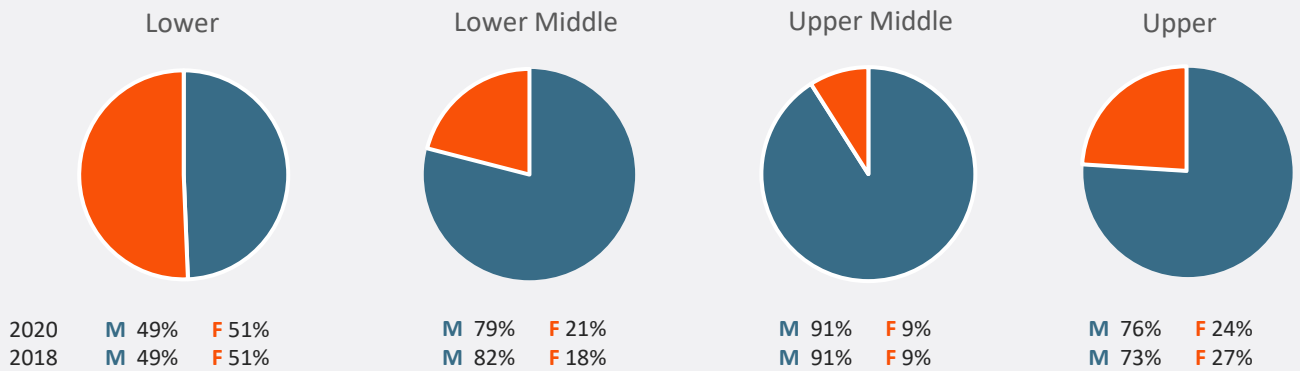


Our Mean (6%) and Median (11%) Gender Pay Gap continue to reduce year on year, with a positive reduction by 4% and 3% respectively since 2018. As demonstrated below the overall number of female colleagues within the Group has remained roughly static, however the distribution of female colleagues into senior roles across the business has supported an overall reduction in the Gender Pay Gap.

Gender split by function

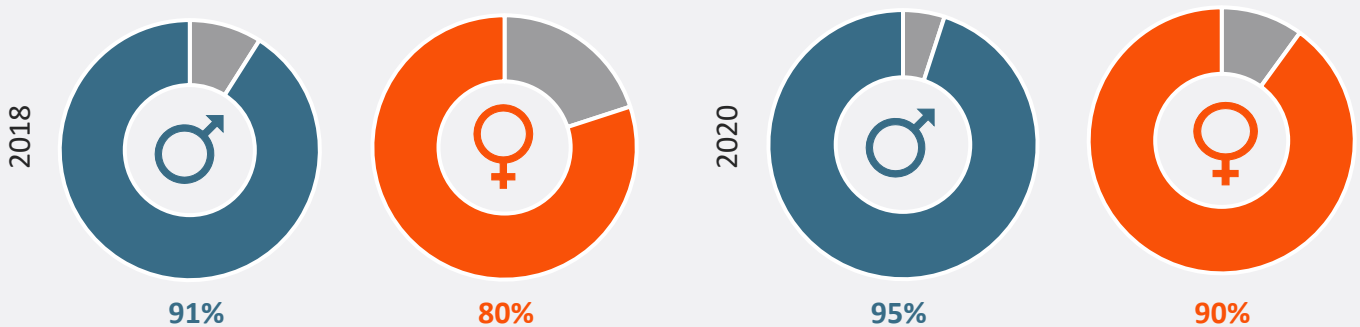


Gender Split by pay quartiles



Proportion of colleagues awarded bonus in 2019

In 2020 there has been an increase in the number of male (+2%) and female (+5%) colleagues awarded a bonus compared to 2018. Furthermore, the mean (34% vs 54% in 2018) and median (55% vs 69% in 2018) bonus gaps have experienced a positive reduction.



Roadside and contact centre colleagues are paid on set rates by collective agreement. Regardless of gender, colleagues receive the same pay for the same roles. Most of this population can also earn monthly performance bonuses. Where no collective agreement exists, we have performance related pay. All roles within the RAC are benchmarked to industry standards to set base rates and benefits (Hay & Willis Towers Watson). Our rates of pay and benefit packages are market competitive regardless of gender or other protected characteristics.