

Our people have always been and will continue to be at the heart of the RAC. We are committed to being an inclusive employer where colleagues love to work and where they can do their best every day to give our members and partners complete peace of mind when it comes to driving services.

During 2022 we pledged to ensure that our colleagues' mental health and wellbeing was a priority, given the exceptional years that had preceded with Covid and many of our colleagues working in ever more isolated environments at either roadside or at home.

Over the last 12 months we've invested in increasing awareness, providing enhanced support and tools, and being open about the wellbeing challenges we face - this approach has been welcomed and embraced by our colleagues. We have committed to continue our wellbeing journey into 2023, with further initiatives and support all across our business.

Our goal is to build a company that represents the diverse communities we serve, creating an environment where colleagues feel genuinely positive and can be comfortable and confident to be themselves at work. As such, we have gender-neutral job descriptions and job advertisements which ensure our job vacancies are open to all.

Upholding a culture with no barriers or prejudice is a key principle for the RAC, and we are committed to making progress on inclusion for the long term. As part of our commitment, we continue to drive opportunities for all and to close the gender pay gap where it exists.

Dave Hobday - CEO

2022 Challenges:

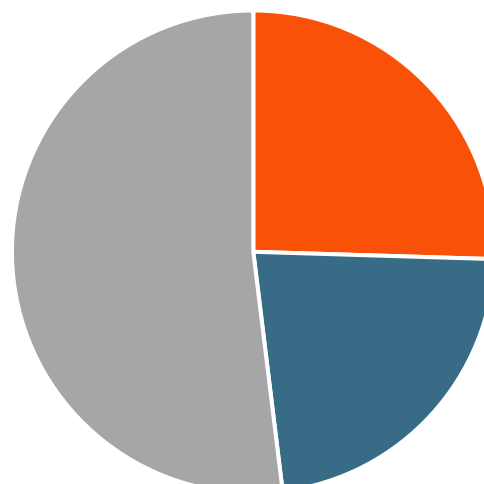
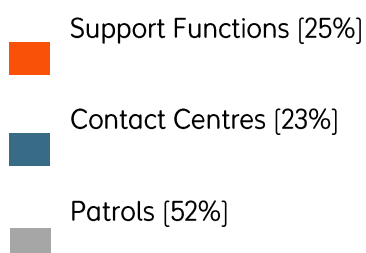
2022 continued to be an exceptionally challenging year. We've continued to embrace and support our colleagues' whatever roles they do or wherever they work, be it alone at the roadside, together in our office locations or working from home. We've had to continue to make adjustments and be flexible as our colleagues not only faced settling into new ways of working, but also started to experience the impact of the cost of living starting to rise towards the end of the year.

Despite the financial challenges and our increasing operational costs, we were able to provide pay increases and award a special recognition bonus facilitated by our new investor, as well as being able to award a bonus in March 2022.

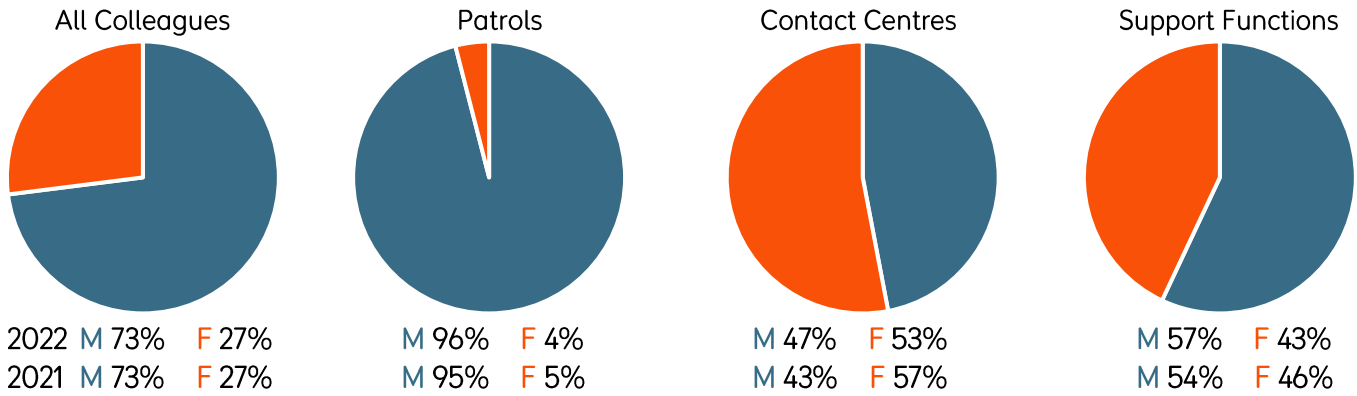
This contributed to the stabilisation of our Mean Pay Gap of 6% for the third year running and a decrease in our Mean Bonus Gap again this year for the fifth year running since the start of reporting in 2017.

RAC colleagues by function

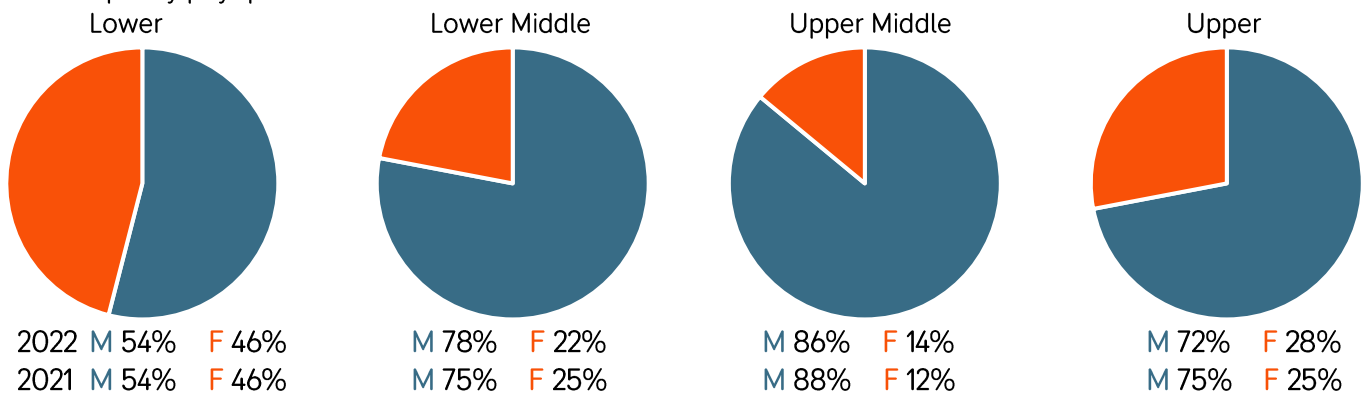
All colleagues (100%)



Gender Split by Function:

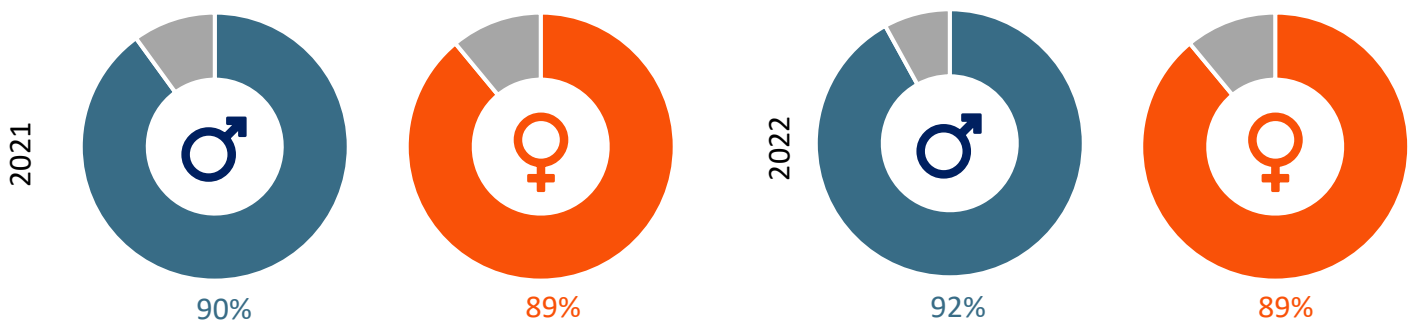


Gender Split by pay quartiles



Proportion of colleagues awarded bonus in 2022:

Ensuring we continue to reward our colleagues for their hard work during a challenging year, the level of employees receiving a bonus has remained largely the same with a 2% increase in male colleagues receiving a bonus and the same percentage of females receiving a bonus.



The bonus pay gap however has seen a sharp increase surpassing levels we saw in 2019 with an increase of 26% from 55% in 2020 to 83% in 2022. We can attribute this in part to the number of females leaving in the year who may have been paid higher bonus levels. As females proportionally only make up just over a quarter of our workforce, this has created an impact on the gap.