

RACQ AGM – Tuesday, 21 October 2025

Managing Director and Group CEO Address – David Carter

Good morning everyone,

It's a privilege to stand before you today as we reflect on another significant year for your Club.

I want to begin by thanking you, and all our members, for your loyalty and continued support. Each day, it enables us to deliver on our purpose - *to drive a positive future for all Queenslanders*.

As the Chair highlighted in her address, this year we celebrated 100 years of roadside assistance and 120 years since RACQ's formation.

These achievements aren't just numbers. They're a testament to the enduring value we deliver to our members and the meaningful impact we continue to have across Queensland.

Like all organisations, to remain true to our purpose, we must evolve. That means honouring and learning from our legacy of service and embracing the opportunity to change, transform and continuously improve.

ASIC review

Before I reflect on the Club's transformation, I want to address the recent announcement from ASIC regarding Federal Court proceedings against RACQ Insurance.

These proceedings relate to the introduction of annual price comparisons in 2019.

At the time, RACQ chose to display the price that had been offered at the last renewal.

For most policy holders, this would have been the price they had paid. However, where members made changes to their policy at renewal or during the year, those changes were not reflected in their comparison price shown in the following year's renewal notice.

The limitations of the comparison price shown should have been explained on the renewal notice.

Member and staff feedback was provided at or around the time of its introduction, but steps weren't taken to better explain this.

In November last year the notices were brought to my attention. We promptly self-reported that the way we were presenting the comparison had the potential to be misleading.

In addition to advising ASIC, we commenced a review and promptly took steps to provide further clarification in our communications.

We also updated our system and renewal notices to make the annual comparison price accurate for more people and the remaining limitations clearer.

Our investigation, which we have previously shared with ASIC, did not reveal evidence that anyone at RACQ acted with bad intent nor evidence that it was done to benefit RACQ in some way.

To you, and all our members – I'm sorry. This matter is certainly not in line with our high standards or the experience we strive to offer.

This matter has no bearing on the way we calculated premiums, and I want to assure you, the premium you paid was correct.

We have done a lot of work over the past few years through our Risk Transformation Program to uplift risk management practices, processes and capabilities and we are creating a culture with an unwavering commitment to continuous improvement.

We will work with the regulator to finalise the renewal notice matter, and we will continue to be open and transparent through this process - that is my commitment to you.

We have spoken publicly about the need to improve our complaints management processes, and this area continues to be a key focus for us.

We are leveraging technology to monitor and analyse member complaints, enabling us to detect emerging issues, trends and respond more quickly.

This work, combined with the successful transition of our insurance business to IAG, gives us confidence that our insurance operations will continue to improve.

RACQ Insurance transition

The shift in our insurance business marked an important milestone in our Club's history, as we strive to simplify our organisation and build new capabilities for the future.

Like many of you, I remain a proud RACQ Insurance policyholder. By transitioning our insurance product and claims management business to IAG, we can leverage their scale, technology and reinsurance capabilities, while we focus on marketing and distribution, and continue to offer insurance under our trusted brand.

This decision was made with a clear goal – grow RACQ Insurance and support more Queenslanders with their insurance needs now and into the future.

We're nearly two months into our 25-year strategic partnership with IAG, and that goal is, and continues to be the anchor for our partnership.

Queensland is the nation's most exposed state to natural disasters, and IAG shares our concerns and commitment to building a more resilient Queensland and to supporting accessible insurance.

At the same time, the partnership reduces RACQ's exposure to the volatility which comes with running an end-to-end insurance business, giving us the confidence to enter new markets, accelerate our 2032 strategy and scale the important work we do in communities.

Advocacy that Delivers

One of our greatest strengths as a profit-for-purpose mutual is advocacy, and this year marked one of our biggest achievements in that area.

In partnering with leading Queensland organisations, we successfully helped secure a \$9 billion funding commitment to upgrade the substandard Bruce Highway.

The success of our 'Fix the Bruce' campaign is a testament to the power of persistence, collaboration, and evidence-based advocacy.

This isn't just about roads - it's about getting Queensland families home safely every day.

Supporting communities in times of need

We also supported members and communities through three significant natural disasters, including Tropical Cyclone Alfred.

Like we have done many times before, RACQ rallied – our teams were on the ground completing make safes and repairs, our roadside assistance teams were on standby to keep members moving and teams across the organisation put their hand up to help our members lodge their claims.

We also responded swiftly with immediate relief and long-term recovery support with a million-dollar support package, to support communities impacted by Alfred as well as those in and around Ingham who had suffered just a few weeks before.

This helped bolster the efforts of our community partners, FareShare, Thread Together and Brisbane Sustainability Agency to deliver essential items such as food and clothing to those most in need.

It also included a special RACQ Foundation disaster recovery grant round to ensure our local sporting clubs, charities, and community groups had access to the support they needed to recover and rebuild to a stronger standard.

As we look ahead to the upcoming storm season, when Queensland will no doubt be at the mercy of mother nature again, I want to assure our members, communities and partners, that RACQ will once again be there when you need us most.

Business Performance

From a commercial perspective, during the financial year our insurance, bank and assistance businesses all performed strongly, contributing to a net Group surplus of 48 million dollars. This included a \$68.2 million income tax expense associated with the insurance sale.

We achieved member growth, reinforcing the relevancy of our brand, products, and services and maintained positive member satisfaction and net promoter scores.

The Insurance business delivered an after-tax profit of \$126.7m, driven by reserve releases following our exit from the CTP scheme, strong growth across our core portfolios and solid investment income.

We received over 193,000 claims and paid out \$988 million to members, suppliers and customers within our community to facilitate the settlement of these claims.

During the year we also finalised the remediation program resulting from the pricing promises review, refunding \$167 million to eligible members.

In Assistance, we responded to more than 736,000 calls across Queensland, our insurance business

We opened two new Auto stores, and expanded our automotive portfolio to include glass services, ADAS recalibrations, mechanical repairs, logbook servicing, and battery solutions.

As we continue to grow and expand our auto services, we're also adapting to changes in mobility to ensure we continue to meet the needs of our current and future members

We also introduced a new, cost-effective roadside offering, Everyday Lite, to ensure roadside support remains accessible.

The Bank had one of its strongest years, issuing \$700 million in new loans.

The growing demand for online banking services, requires banks like RACQ to invest heavily in technology and infrastructure upgrades to ensure they remain relevant to members now and into the future.

It also requires ongoing investment in data and security infrastructure to meet regulatory requirements and manage the increasing threat of cybercrimes and financial scams.

We will continue to assess our portfolio of businesses to ensure they are delivering on expectations and enabling us to do what we do best – support communities, advocate for Queensland and deliver member value.

Looking Ahead

As we look to the future, we are drawing strength from our 120-year legacy of advocacy and roadside assistance.

In the Chair's address earlier, she talked through our vision for the future and now I will discuss the strategic priorities to get us there.

We are aligned behind three key areas – mobility, home and community.

In mobility, we are continuing to expand our auto services to deliver more for members.

In home, we are entering and expanding our presence in new markets, particularly energy through RACQ Solar, helping our members take advantage of the Federal Government's 30 percent battery rebate scheme which further supports our members to take charge of their energy future.

And as we expand the work we do in communities, advocacy will remain at our core, as well as delivering the best member experience and benefits.

We will be enabled by data and smart technology, as well as robust risk management, governance and processes.

And at the centre, will be our people and our culture that supports growth and development, inclusivity and is purpose-driven.

In closing

Our achievements over the past year are a testament to our people and their continued dedication to supporting our members and communities.

I want to thank them, our executive team, our directors, partners and communities for their confidence and commitment to RACQ.

We are Queensland's Club - born here, raised here, and deeply committed to the safety and prosperity of our state's future, and serving our members.

My commitment to you is to build a stronger, better RACQ to ensure we can continue to deliver for our members and the communities we serve for another 100 years.

Thank you.