



Better for members, better for our community

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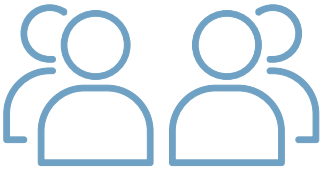
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In accordance with the requirements of the *Workplace Gender Equality Act 2012 (Cth)*, RAA lodged its annual compliance report with the Workplace Gender Equality Agency in August 2021.

To view a copy of the report go to:
www.raa.com.au/about-raa/corporate-governance/annual-reports



2020-21 at a glance



770k+
members



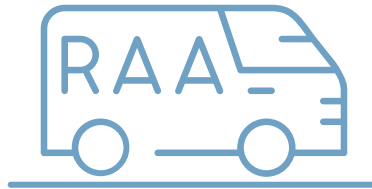
\$47.1m
member discounts
and savings



\$235m+
insurance claims
paid



5k+
travel experiences
booked



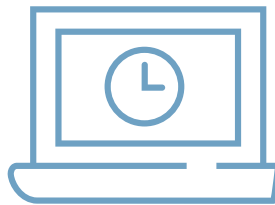
337k+
road service
callouts



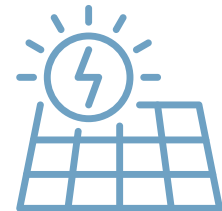
400k+
insured
South Australians



24k+
students educated
on road safety



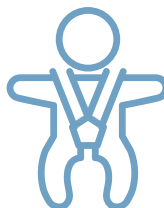
60%
employees working
flexibly



5k+
solar panels
installed



13k+
driving lessons
delivered



8.5k+
child restraint
consults



25k+
members
surveyed

Why we do what we do

As a proudly South Australian organisation, we keep our members – and our State – at the heart of what we do every day.

Our purpose

**Better for members,
better for our community**

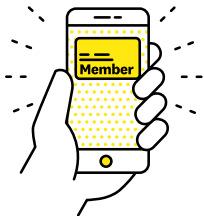
We're driven to make things better for our members and the community causes that matter to them most.

Our vision

**There for members,
each and every day**

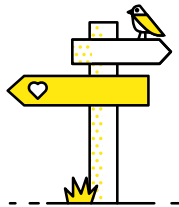
We're not just there for our members when their car breaks down or they need to make an insurance claim – we want to be there for them every single day.

Our values



Champion the member

We keep our members at the centre of every decision we make, and we are passionate about creating positive and memorable experiences that show we genuinely care.



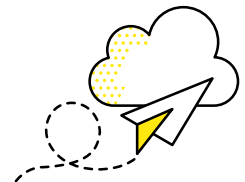
Do the right thing

We act with integrity and use good judgement so everything we do – as individuals and as a team – builds trust, earns respect and adds to our sense of pride at the end of each day.



On the same side

We thrive as a strong and dynamic team by making the most of our skills and talents and supporting our teammates to do the same. Our camaraderie and open communications help us achieve our collective goal of keeping our members moving.



Think beyond

We are creative and courageous in our approach to work – no matter the role we're in. We share diverse opinions and seek out those of our teammates in our ongoing quest for trialling new ideas, adapting to changes and driving improvements in the years ahead.



Pictured from left to right: Ian Stone at the trial of firefighting drone technology with SAFECOM Director of Emergency Management, Brenton Keen, and 11point2 Co-founder George Freney.

Innovation taking our members to new heights

Since 1903, RAA has been supporting members and the South Australian community, innovating and evolving as both society and our members change.

This year our members have hit the road in increasing numbers to explore their own back yard – keeping our patrols, travel services and insurance business especially busy.

Our Travel team has helped to boost domestic visitor tourism, helping South Australians find new places and experiences in their State to explore, and in turn helping to support local communities and businesses in our regions.

The way we live, travel and move around in our community is changing and our trusted Motor, Home and Travel services continue to develop as mobility and sustainability become increasingly important to our members.

Delivering for our members and keeping pace with change has seen even more South Australians putting their trust in RAA. In fact, we're proud to have grown our membership to more than 770,000 South Australians last year.

The year saw RAA invest in helping our members move around in more ways than ever, with the launch of two new mobility services. We launched an RAA Car Subscription service to provide members with access to a vehicle that suits their needs at the time – whether for local commutes

or a family road trip, as well as a car sharing initiative in partnership with Flexicar.

These new services came into their own with more people working from home and not needing the car as often for their daily commute, and greater numbers of South Australians holidaying at home.

On the home front, more members realised the benefits of our Solar and Battery services, home insurance, and trusted tradie services, with South Australians investing more into their homes throughout the year.

In the innovation space, we investigated new technology to aid in the battle against bushfire trauma. The Firefly drone (pictured, above) could be used in the future to determine the potential for bushfire outbreaks – and could be of benefit to not just our members, but the broader South Australian community.

The world will continue to change around us, but you can rely on RAA to support our members and South Australians through our services, education programs, community giving programs and advocacy.

As we look to the future, we'll continue looking for ways to take our members to new heights, each and every day.

President's report



Peter Siebels

RAA President and
Chairman of the Board

This year has seen RAA continue to adapt, and keep our members at the heart of everything we do.

My first full financial year as President has seen ongoing and changing restrictions to the way we live, work and serve our members.

Like many South Australians, more of our members worked from home, had to cancel or avoid interstate travel and in many cases limited face-to-face contact with people outside of their household.

This led to many members considering their household energy costs, not having to use their vehicle to commute to work, but then driving more on intrastate road trips and seeking access to more services online.

These lifestyle changes have increased the demand for specific RAA services. For example, regional demand for our roadside service team has increased, our Home services including Trade Assist and Solar and Battery have grown, and our travel team has been working hard to arrange SA Experiences for our members.

In response to changing demand, I'm proud of the way our organisation innovated and built on the lessons learned from the pandemic first impacting our operations in 2020.

We continued to equip staff to work flexibly and redeployed staff from some of our quieter business areas to others where demand was high.

Our investment in digitally-enhanced services has been widely adopted by members, particularly through the myRAA app.

This year, I was delighted to see the launch of real time fuel pricing within the myRAA app. Real time fuel pricing, which provides transparent pricing for every station in the State, was introduced largely in response to our advocacy and lobbying efforts. Users of the myRAA app have saved a monthly average of \$28.10 at the fuel pump thanks to the app – having a significant impact on stretched family budgets.

Advocating on behalf of our more than 770,000 members and the wider South Australian community is both an honour and a responsibility that RAA takes very seriously.

Our advocacy work continues to be informed by listening to our members. We ask about the issues important to them and lobby on their behalf to shape government policies and investments.

This helps us prioritise RAA investments through our Innovation Fund to develop new business opportunities and services to benefit our members and community more broadly.

After supporting the 2019-20 bushfire recovery efforts, this year we funded collaboration with the State Government to trial innovative drone technology which could help protect bushland and homes in fire-prone areas. We look forward to exploring more research and innovation colab opportunities over the coming year.

One of the Board's most important undertakings this year was to formally begin RAA's reconciliation journey. RAA has embarked on the development of our first Reconciliation Action Plan (RAP) and we look forward to our organisation playing its part in reconciliation in the South Australian community.

Every member of your Board shares my passion and commitment to reconciliation and the role RAA can play. Our RAP journey will continue for many years, in line with our values, as we seek to make a difference to people's lives in communities across the length and breadth of the State.

The achievements of the past year have been made possible by the hard work, resilience and commitment of our RAA team, led by Managing Director Ian Stone, and I'd like to acknowledge everyone's efforts in a changing and often challenging environment. I also thank my fellow directors for their leadership and expertise in helping guide RAA, through another testing year and also with a clear eye on the future.

It was with the future in mind that the Board introduced changes to RAA's constitution, which were endorsed by our members. The changes support the organisation through more robust governance to deliver more for members and protect the long term interests of members.

And when it comes to members, I'd like to recognise the contributions of outgoing Directors David Cross and Karen Thomas who have given tirelessly in support of our members during their tenure.

On behalf of the Board, I thank them both and wish them well in their future endeavours.

It's also with a huge debt of gratitude that we say thank you and farewell to our outgoing Governor of South Australia, His Excellency the Honourable Hieu Van Le, AC, as Patron of RAA. We wish him and Mrs Le all the best in the next chapter of their lives.

Finally, I thank all of our members for the trust and support they've shown RAA. I am proud to continue to serve you as President and Chairman of the Board and look forward to helping to deliver even more for our members and our State well into the future.



RAA embarks on a reconciliation journey

RAA has embarked on our own reconciliation journey, inspired by the theme of this year's National Reconciliation Week – 'More Than a Word, Reconciliation Take Action'.

RAA has committed to developing our own Reconciliation Action Plan.

We recognise that respecting, acknowledging and celebrating Aboriginal People's culture and history is an important responsibility for each and every South Australian, and South Australian business.

Listening and learning, before deciding on the role that RAA should play, is vital. We have started by engaging with our employees and members about what reconciliation means to them, and the role they think RAA should play in reconciliation.

We look forward to continuing our reconciliation journey.

Pictured above: Peter Siebels (centre) and four of our dedicated staff members that form part of the RAP Working Group – from left: Rebecca Taylor, Yvette French, Annie Gant, Shirley Banderas. Together, they will lead the development of our first Reconciliation Action Plan (RAP).

Managing Director's report



Ian Stone

Group Managing Director

The 2020-21 year was full of opportunities and challenges in equal measure. The evolving pandemic continued to put increasing demands on RAA, our members and the South Australian community.

In the face of these challenges, I'm proud to say RAA stood up to deliver for our members and South Australians when they needed us most. Our financial performance was robust, our membership grew to more than 770,000, member satisfaction remained high, and we delivered greater value to our members, with new and innovative services across our Motor, Home and Travel businesses.

For the year ended 30 June 2021, RAA achieved an overall profit after tax of \$12.9 million, a year-on-year increase of \$6.3 million, driven by membership growth and the strong performance of our home and motoring businesses.

This profit enables us to contribute more to the lives of our members and the community. We can expand our services, embrace innovation, support community programs and continue to advocate on behalf of our members and the community to make our State a safer, easier and more enjoyable place to live and work.

The net asset position of RAA at the financial year end was a healthy \$278m, up \$18m on the previous year, and our member discount programs returned \$47.1m in benefits and savings to members.

Our insurance business maintained its position as South Australia's largest motor and home insurer, with more than 400,000 members putting their trust in us and providing them with the comfort and reassurance that come with RAA insurance.

By building trust with our members and the community, this financial year we grew the number of RAA policies by a further 3.9 per cent. We also demonstrated that we're here for members when they need us, with more than \$235m paid to policy holders across 70,000 claims. This was made easier by the introduction of a digital claim lodgement solution.

Our motoring business performed well during the year, with our roadside assist team coming to the aid of more than 337,000 members to help keep them moving and get back on the road.

We recognise that motoring, and the way we move around our towns, cities and regions, continues to evolve, and RAA has an unwavering commitment to keep pace with change and deliver more for our members.

We're now providing greater assistance to people with bicycles and mobility scooters, investing in innovations such as Mobility as a Service, with Car Share and Car Subscription services, Electric Vehicles and EV charging infrastructure, and enhancing our digital services for members.

Our focus on sustainability continues to grow. Our Solar and Battery business operated for its first full year, expanding into regional South Australia and offering more flexible payment options for our members. The Solar and Battery team also helped light up the city as part of the popular and successful Illuminate Adelaide event.

Our Trade Assist service continues to help more members with home repairs, maintenance and renovations through our network of trusted tradespeople. This year, more than 3,300 members used Trade Assist, an annual increase of 65 per cent, with more than \$1.35m of work undertaken by our local tradies.

Our travel team has focused its efforts on domestic tourism and helping South Australians to holiday at home and explore our great State. These additional local bookings provided a much-needed boost to our regional communities and businesses impacted by the pandemic.

RAA remained a strong voice for our members and all South Australians through our advocacy efforts and community programs. This led to the funding of vital road upgrades by the Federal and State governments, and RAA taking a lead role in saving lives on our roads through education and road safety initiatives.

None of our achievements would have been possible without the dedication and commitment of our outstanding workforce who again stepped up to help our members, community and each other during a challenging year. I thank them all for their contribution to RAA.

I also recognise and value the Board's leadership this year as we work together to ensure that RAA continues to be there for members well into the future.

Finally, and most importantly, I thank our members for putting their trust in RAA to represent their interests and deliver services to meet their Motor, Home and Travel needs.

The resilience and community spirit that our members, employees and the wider South Australian population have shown over the past year, will help us all emerge stronger from the pandemic.

Better for members, better for our community

RAA has been here for members and South Australians since 1903. As we enter our 119th year, RAA has reinforced its commitment to members and the wider community launching a new company purpose – *Better for members, better for our community*.

This new purpose better reflects our aim to make a difference in the lives of our members and the people of

South Australia, and aligns with our approach to delivering both member services and wider community advocacy and education programs.

The new purpose will inform RAA's decision making for the next decade and inspire us to do even more for you.



One of the many ways RAA supports the community is through its Street Smart Primary program – educating primary aged children on the importance of road safety.

Christina Swain (pictured) is one of the educators in our Street Smart Primary team.

Serving our members

During 2020-21, RAA’s membership continued to grow, with **14,000** new members joining, and the organisation proudly championing the interests of more than **770,000** South Australians.

We are now connected to more than **70 per cent** of South Australia’s households, and maintain a high member satisfaction of **88 per cent**.

As the largest member organisation in the State, we recognise the trust placed in our local brand, and the investment members make in our diverse range of products and services. With trust comes responsibility, and this is something that RAA takes very seriously.

Member value

In 2020-21, we continued to deliver value to our members and their communities – which took on new forms as we managed the pandemic and its impact on everyday life.

We delivered \$22.9m in member discounts through our retail partner network. These discounts were enjoyed by 159,000 members – with an average saving of \$143 per member.

More than 36.8 per cent of our member base received a discount for holding multiple products with RAA resulting in \$24.2m in loyalty savings.

\$143

average member saving

\$47.1m

in loyalty and discount savings to members

COVID-19 Care Call initiative

As we faced the uncertainty of the global pandemic, and as SA’s leading service brand, we felt it was our responsibility to be there for our most vulnerable members and reassure them that we’re here to help.

We continued a Care Call and Care Pack initiative that saw us offer support to more than 27,000 vulnerable South Australians.

We contacted our vulnerable members to check-in and make sure they were doing alright.

Our members were extremely grateful simply for the call and opportunity to have a chat.

For those members in need, we safely hand-delivered Care Packs of grocery essentials and hard-to-access items provided by our community partner, Foodbank.

Improving the digital experience

Providing seamless and intuitive experiences has been a core focus for RAA over the past year, ensuring we provide our members with the ability to self-service when, where and how they want.

By listening and responding to our members, we quickly delivered enhancements to our website and app experiences in a way that combines member feedback, design and development. This included the creation of a central membership platform as a one-stop hub for member information.

More than 125 digital enhancements have been implemented including a new and integrated insurance claims experience, self-service payments functionality and the ability for members to check real-time fuel pricing on the myRAA app and website – a feature that’s been accessed by more than 150,000 users since it launched at the end of March 2021.

150k+

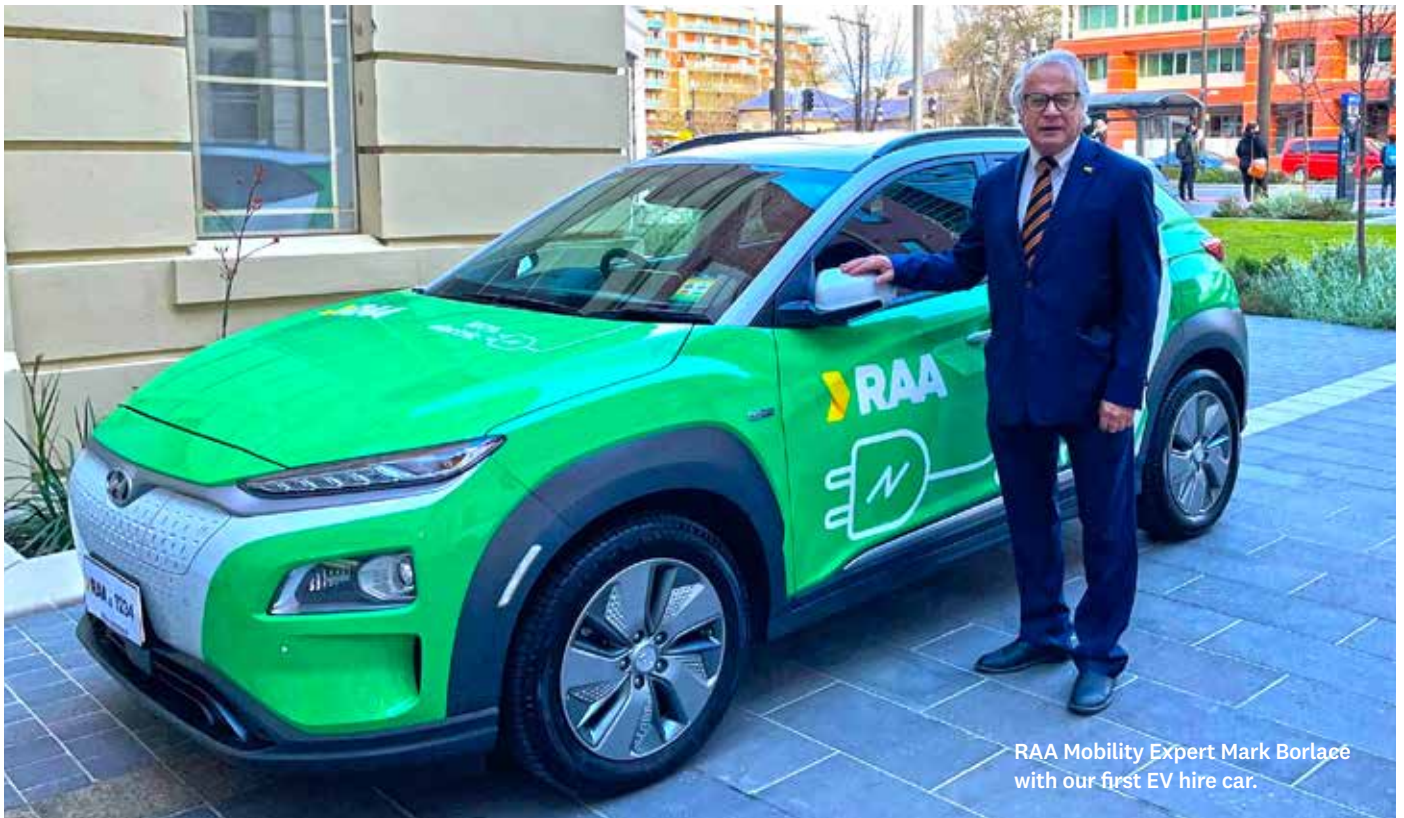
members accessing real-time fuel pricing savings through myRAA app

2020-21 membership highlights

14,000
new members

Represented in
70%
of SA homes

88%
member satisfaction rate



RAA Mobility Expert Mark Borlae with our first EV hire car.

New ways to move with RAA

RAA launched two innovative mobility offerings in 2020-21.

Launched in February 2021, RAA Car Subscription offers longer-term exclusive use of a vehicle – anywhere from two months up to one year.

RAA Car Subscription users pay a fee which includes registration, damage cover, road service, servicing,

maintenance and allows you to swap vehicles if your needs change.

In April 2021, RAA also launched a car sharing initiative in partnership with Flexicar.

The service is particularly suitable for people who don't own a car and need infrequent access to one. Flexicar car sharing gives South Australians access to a range of vehicles from different locations across Adelaide's CBD and

metropolitan area. Cars can be accessed by the hour (for up to five days), all from the palm of your hand through the Flexicar app or website.

Adelaide's first electric hire car

RAA and Flexicar extended their partnership to offer a fully electric car as part of the range of hire vehicles available to members.

Motor



Members benefit from RAA's digital investment

Following the myRAA app launch in the previous financial year, RAA members have realised the benefits of our expansion and enhancement of the digital options available to them. In fact, more than 8,200 requests for assistance have been received through the myRAA app.

An additional 520-plus non-urgent roadside service assistance requests were booked through the RAA website along with more than 820 battery replacements.

8k+
roadside assistance
requests through
the myRAA app

Helping our members to motor ahead

Our roadside assistance service was in high demand across the State during 2020-21, with RAA patrols coming to the aid of members at the roadside more than 337,000 times. Up to 25 per cent of these assists occurred outside of the metropolitan area.

337k+
roadside breakdowns attended

Operating 24 hours a day, 365 days a year, our more than 350 patrols across the State attended an average of 926 breakdowns a day last year, with our network of more than 60 regional contractors assisting members outside the metropolitan area.

Helping our members to motor ahead isn't just about assisting them with their cars and motorbikes, with RAA also providing roadside assistance for 167 bicycles and 563 mobility scooters during the year.

As technology in all forms of transport, from cars to bikes and mobility scooters, constantly evolves, our roadside assist team continues to develop their technical motoring knowledge, skills and capabilities, particularly in electric vehicle diagnostics, safety and mobile fast charging.

893k+
calls for assistance

During 2020-21 our Roadside Assistance Centre managed more than 893,000 calls from members and service providers, including 84,500 extended benefit and incident management calls.

66k+
vehicle batteries replaced

More than 66,000 vehicle batteries were replaced and the old batteries recycled. RAA provided members with more than \$610,000 of savings for replacement batteries through high level Road Service policies.



RAA patrol Charles Kouba helps to get the Flinders University Flex Bus on the road.

The ongoing impact and challenges associated with COVID-19 didn't impact demand for Road Service products, with growth of 3.2 per cent recorded, driven in part by more South Australians holidaying at home and taking road trips in South Australia and interstate.

Pleasingly, during the year we were able to increase our best-practice Net Promoter Score (NPS) to 86.2 per cent, while member satisfaction reached 95.9 per cent.

Motor Insurance

More than 420,000 motor vehicles are insured with RAA and in 2020-21, we helped members with more than 49,000 claims – totalling \$148.5m.

\$148m+
paid in insurance claims

49k+
motor insurance claims

Claims were made easier with the introduction of a digital claim lodgement solution, with more than 16 per cent of members choosing to lodge their claims online.

The new digital claims solution is part of our ongoing commitment to improve members' digital experiences.

For the third year running, RAA has been recognised as having the most satisfied car insurance customers in the State by CANSTAR.

Savings for members

RAA paid out nearly \$4.3m in extended Plus and Premium product benefits, helping members deal with the consequences of a breakdown further from home, funding additional towing, accommodation, transportation and services.

Safety first

During the year, RAA was able to assist more members to make an informed choice about buying a new vehicle, with the delivery of more than 9,000 vehicle inspections by our highly skilled mechanics. This was fuelled by strong growth in vehicle inspections of taxis and rideshare vehicles.

Investing in our Service Delivery capability

RAA continued to enhance our network with investments in new patrol vehicles and fit-outs, and an increase in the number of flat-bed towing vehicles within our network of 60 regional contractors.

Electric and Hybrid Vehicles

RAA recognises that electric and hybrid vehicles are the future of motoring across the world. During the year, we introduced both into our own fleet and installed an EV Charger to better understand this technology and help educate members. In what will be a significant body of work for RAA, we have initiated conversations with government, industry and the community to both explain the benefits of EVs and encourage their uptake.

Home



Home Insurance

When South Australia faces adversity, RAA steps in and steps up, and this year has been no exception.

We paid out on more than 21,000 claims – in excess of \$50m – and continued to step in to support our members when they needed us most.

21k+
home insurance claims

We were there for the Broken Hill community when it experienced another adverse weather event in January – and we continued to support the members impacted by the 2019-20 bushfires as they rebuild.

As the insurer of more than 171,000 South Australian homes, RAA continues to ensure customer service is at the heart of everything we do. Once again, we were recognised as having the most satisfied home insurance customers in the nation by CANSTAR.

Trade Assist

Trade Assist has been connecting RAA members with a reliable tradesperson since 2017.

Our network of approved tradespersons, from plumbers and electricians to carpenters and painters, has assisted our members to renovate their homes and complete home maintenance.

Last financial year, Trade Assist engaged with more than 3,300 members and delivered more than \$1.35m in renovations, maintenance, and repairs.

\$1.3m+
in renovations

Solar and Battery

Solar and Battery Storage continues to be popular with our members with more than 5,500 solar panels installed since we launched in January 2020. Growth of this business has been driven by our ability to install in most regional locations and offer interest free payment plans so the cost of the system



can be paid over two years, in monthly instalments.

Our members are also taking advantage of the rebates offered through the South Australian Home Battery Scheme, with 15 per cent of members choosing a battery together with solar panels, or to add to their existing solar panel set up.

5k+
solar panels installed

Illuminate Adelaide sponsorship

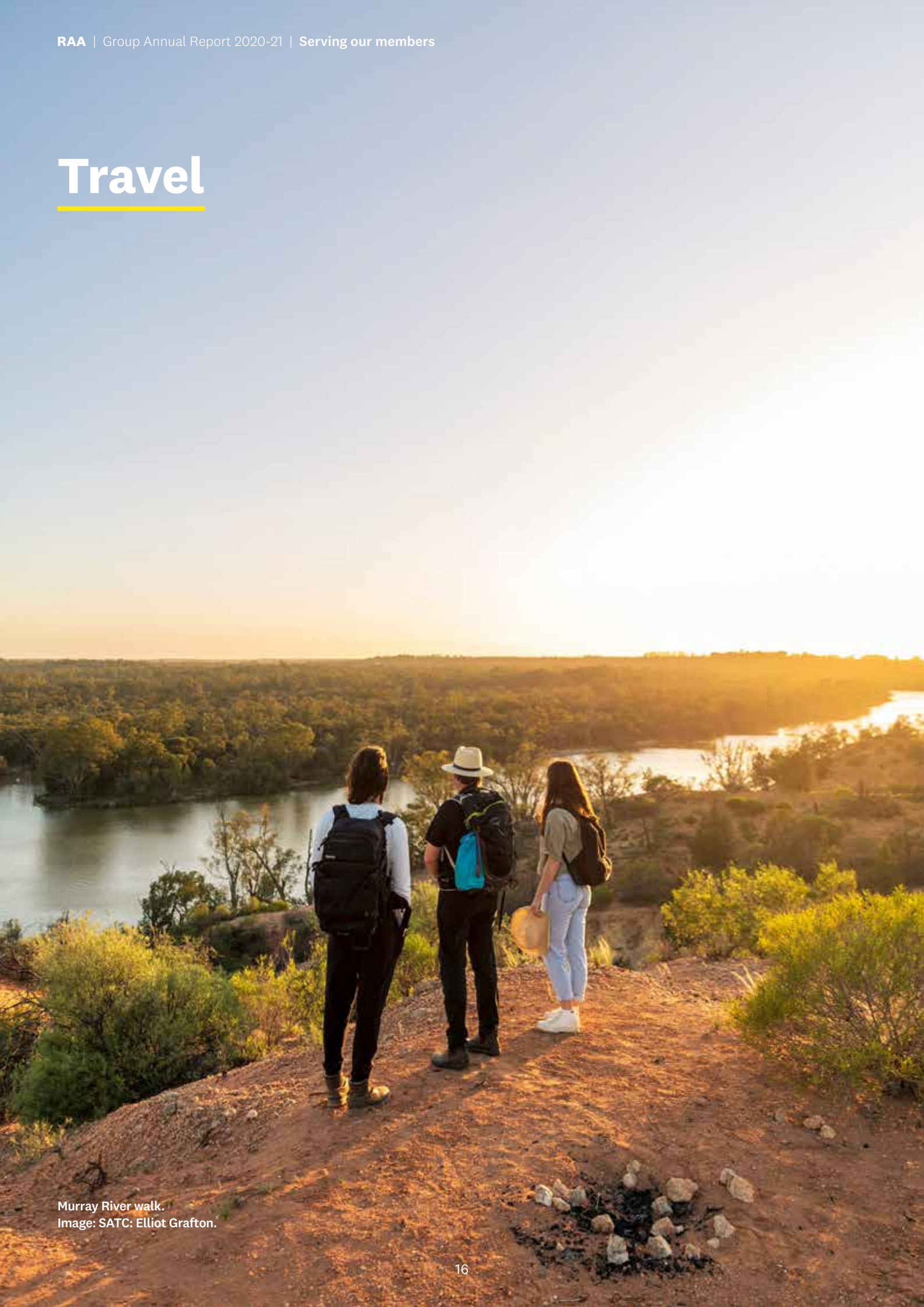
RAA was proud to be a presenting partner for Illuminate Adelaide 2021. The latest event to hit the city streets through the winter months, Illuminate Adelaide saw more than 150 performances, installations and events featured in the jam-packed program. Originally planned to run from 15 July to 1 August, the event experienced some date and exhibition changes due

to the pandemic, but was still excitedly attended by the public, with many shows selling out.

RAA was particularly proud to power an installation with our own Solar and Battery Storage – further enhancing our efforts to increase awareness and usage of sustainable energy sources in our State. *Firefly Field* (pictured above) saw a collection of lights hovering above Goodman Crescent Lawns at the University of Adelaide, designed by Dutch design collective Studio Toer. Visitors could see the RAA Battery at work, and read all about it on-site.

President and Chairman of the Board Peter Siebels also spoke on a panel as part of the *Adelaide Festival of Ideas*, igniting conversation and spurring change in the area of the future of power. *RAA presents Powering the Future* was an hour-long discussion about future energy, sustainability and the climate crisis.

Travel



Murray River walk.
Image: SATC: Elliot Grafton.

South Australians made the most of their own backyard as international and interstate travel continued to be hit hard by COVID-19 lockdowns and border closures.

South Australia has been fortunate compared to other States with minimal disruption to local travellers wanting to take a road trip or mini-break.

RAA Travel has focused on helping members see more of our great State and holiday at home this year. This includes both regional and domestic travel within Australia, when borders permitted.

With RAA Travel impacted throughout the year, we supported our staff, providing meaningful work in other areas of the business including retail sales, insurance claims, administration, research and marketing. This ensured ongoing employment for the Travel team and protection of their income during the pandemic.

5k+
SA travel experiences booked

Experiencing SA

RAA Travel has seen SA Experience bookings increase by 69 per cent, with nearly fourfold growth over the past three years.

The SA Experience portal has also grown to offer more than 5,000 accommodation and experience options within South Australia, most with member discounts or bonus offers.

SeaLink holiday bookings through RAA Travel, predominantly to Kangaroo Island, increased by more than 139 per cent this year.

Working with the South Australian Tourism Commission and the Tourism Industry Council for South Australia, RAA Travel promoted many local operators and their unique experience and accommodation options. This has now extended to interstate sister club members who are eligible for member discounts and services, further promoting South Australian tourism.

Cruises

RAA members love cruising, and when new releases for 2022 and 2023 cruises were announced, we saw significant interest. The cruise industry has worked very hard to introduce strong health protocols to ensure the joy of cruising is coupled with exceptional safety and security for the future. At RAA, we are also constantly monitoring travel restrictions that apply to cruising and how they might affect our members.

As cruise holidays return, we expect to see many new ships coming to Australian shores in the coming years, with exciting new cruise itineraries and fabulous new ships to explore.

Travel Insurance

Underwritten by Tokio Marine, RAA Travel has provided exceptional cover for members throughout the year, particularly those whose travel plans were adversely impacted by COVID-19.

Our expert travel advisors have assisted many of our members and customers with deferring, cancelling and rebooking their holidays, and making insurance claims for eligible policy holders.

2k+
travel insurance claims

Supporting South Australia's pre-eminent travel event

Australia's favourite eating, drinking and tourism experience, Tasting Australia presented by RAA Travel, announced its return after a one-year hiatus due to COVID-19. More than 53,000 people came through the gates of Tasting Australia Town Square in Victoria Square/Tarntanyangga, with more than 90 events sold out across Adelaide and regional South Australia during the 2021 event.

With RAA's support, the event showcased the very best South Australian produce, producers and regions.

50k+
visitors at Tasting Australia presented by RAA Travel

Planning for the future

The past year has given us the opportunity to plan ahead, better support members with their travel plans and give them the confidence to travel again when the time is right.

RAA Travel continues to invest in new technology to complement systems upgrades made in 2020.

We've also invested heavily in the professional development of our travel advisors to ensure they have the product, technology and destination expertise to further support members to plan and book holiday experiences.

Looking ahead, RAA has been planning for the future – developing an omni channel booking system which will give members the flexibility and choice to book travel with RAA through their preferred channel.

Members will be able to choose a face-to-face, phone or online consultation, with bookings made for airfares, accommodation and other travel services online at any time, day or night.

Members will also be able to choose a combination of channels for the same holiday, depending on the level of assistance required with making or changing bookings.



Standing up for our members

RAA is proud to be a strong voice for our members and drive improvements for our State, as the largest membership organisation in South Australia.

Our policy positions are evidence-based, ensuring we represent the interests of South Australians who trust us to be their voice on specific issues.

We are dedicated to building and maintaining relationships with all sides of politics and the relevant decision-makers in South Australia, to effect meaningful change on behalf of our members across the entire State.

Saving lives on our roads

We take our role as South Australia's leading road safety advocate seriously. We are committed to doing everything we can to ensure our members, and all South Australians, can safely travel on our streets, roads and highways, in the city, suburbs and in regional areas.

National Road Safety Week

We supported National Road Safety Week with a powerful display in Elder Park and eight regional centres to remember the 977 people who lost their lives, and the nearly 7,400 people who had been seriously injured, on our roads in the last decade. The display featured an empty white chair for every life lost and was visually impactful.

As a key stakeholder, we have provided input into South Australia's Road Safety strategy for the next decade, along with the SA Walking Strategy. We also prepared a submission to the Black Spot program for the intersection of Warren Rd/Martin Rd/Lucky Hit Rd which resulted in \$520,000 in funding for an upgrade.

Securing road funding

Key infrastructure priorities identified by RAA to fix South Australian roads and improve road safety have been funded by the Federal and State Governments in 2020-21 budgets. These include:



Regional installation for National Road Safety Week, Victor Harbor.

- \$180m towards Augusta Highway duplication stage 2 (Nantawarra to Lochiel).
- \$202m for the Truro bypass on the Sturt Highway.
- Business case to duplicate the Princes Highway and Swanport Bridge between Murray Bridge and the Mallee Highway, aligning strongly with RAA's advocacy for the staged duplication of the Dukes Highway.
- \$315m for road safety works across the State, including improved intersections, shoulder sealing, physical barriers, median treatments and audio tactile line marking.
- \$250m for improved access from the South-Eastern Freeway to Hahndorf, and better traffic management.
- \$185m for improvement for road safety and traffic flows south of the existing duplication works on Main South Road and Victor Harbor Road.
- \$58m for road maintenance works on high priority metropolitan roads including Port Road, Fullarton Road, Marion Road and ANZAC Highway.

During the year, RAA also welcomed additional State and Federal funding to

completely seal the Strzelecki Track, bringing the total funding to \$215m. RAA called for full sealing of the Strzelecki Track in our 2020-21 State Budget resubmission, and it was also a part of our 2016 Federal Election campaign.

Conducting road assessments

As part of our regional road assessment program, we completed an assessment of the Fleurieu Peninsula region and released a comprehensive report to improve safety and access. This included assessing the entire length of Victor Harbor Road and releasing a report detailing what should be done to improve safety on this important regional and tourist route.

RAA also conducted a number of road assessments throughout the Adelaide Hills, recommending new cycling infrastructure to reduce road trauma and promote tourism. This included extending the Amy Gillett Bikeway from Birdwood to Mount Pleasant and from Balhannah to Hahndorf. RAA welcomes Federal funding of \$2.6m to complete the stage four section of the Amy Gillett Bikeway.



2020-21 advocacy highlights

Real-time fuel pricing

myRAA app users have saved a monthly average of **\$28.10** at the fuel pump

Saving lives on our roads

\$180m towards Augusta Highway duplication

\$202m for the Truro bypass on the Sturt Highway

Travel

\$106m for new regional infrastructure projects to promote tourism

Risky Rides

In September 2020, RAA launched our inaugural Risky Rides survey to identify the roads, cycle lanes and paths that pose the biggest risk to cyclists. This enables us to advocate for safer cycling infrastructure for the two in 10 RAA members who currently ride a bicycle and the many others who would do so if they felt safer. More than 900 nominations were received, with ANZAC Highway, Marion Road and Greenhill Road the top three riskiest rides. Based on the findings, RAA is calling on the State Government to undertake resurfacing and renew line marking on metropolitan arterial roads, which will benefit both cyclists and motorists.

We also assessed and reported on the popular Encounter Bikeway between Goolwa and Victor Harbor. In response to concerns with the condition of Main Road, Chandlers Hill, we conducted a detailed site assessment, with a report for the Department for Infrastructure and Transport including key safety and improvement recommendations.

Inviting members to Report a Road

As part of our ongoing Report a Road program, we received 437 nominations from members via a portal which enabled them to log concerns about the local, State or Federal network.

During 2020-21, we resolved 210 of these for our members and have investigated a further 87 nominations, which are awaiting a response from the responsible road authority. These included road surface conditions and poor intersection layout.

A notable outcome included the trial of improved line marking on the recently-opened Northern Connector. This followed RAA investigating members' complaints about poor line marking, where we undertook an assessment and provided a report to the Department for Infrastructure and Transport with recommendations.

430+
nominations for roads
to investigate

Tourism advocacy

We continue to call on both State and Federal governments for support in the tourism sector, with continued travel restrictions having a significant impact. RAA advocated and welcomed the commitment of funding in the State Budget for:

- \$106m for new regional infrastructure projects funded by the Local Government Infrastructure Partnership Program, including: Kingston Beacon visitor centre

project at Cape Jaffa lighthouse, town centre revitalisation projects for Strathalbyn and Victor Harbor, new Normanville visitor accommodation cabins, Port Lincoln foreshore redevelopment project, and the Cuttlefish Coast Sanctuary tourism and conservation project.

- An extra \$32m over four years to secure major leisure events and conventions to further drive future visitation and economic development of the State.
- \$1.5m invested in installing 360 tourism signs across South Australia, including 'welcome to region' signs and brown directional signs.

Working with Government and other stakeholders

RAA proactively works with Government and other key stakeholders to positively influence and contribute to many policy areas that affect our members and South Australia as a whole, including contributing to the State's next road safety strategy, amendments to the Graduated Licensing Scheme for motorcyclists and the government's proposed EV road user charge.



RAA's regional road assessment program.

Member Panel – giving our members a voice

Since its introduction in 2013, the Member Panel has been an important instrument for RAA to listen to our members’ views on advocacy issues. Survey results are shared with our 4,000 panellists and used to inform both RAA advocacy, and to influence public debate.

During 2020-21, six online surveys were sent to our panellists to canvass their views on issues including: road safety, tourism infrastructure, fuel prices, electric scooters, walking, and the impact of COVID-19 on transport usage.

25k+
members surveyed

Public and active transport

Public and active transport is a priority for RAA. We will continue to advocate for safe and accessible rail, bus and on-demand services that support current and future populations. We welcome the commitment to roll out next generation ticket validators to support new ticketing and tap-and-pay systems, and we have been working with the State Government on measures to modernise South Australia’s ticketing systems.

In the 2020-21 State Budget, we welcomed:

- \$99m over 10 years for the Railway station refresh program, including upgrades to 14 stations along the Gawler Rail Line, Adelaide Railway Station, Goodwood Railway Station, Ovingham Railway Station, Woodlands Park Railway Station, and Ethelton Railway Station and platform repairs;
- \$10m over two years for Green Public Transport to retrofit energy storage and recovery systems to diesel rail cars to reduce fuel consumption and improve performance;
- \$48.5m to construct a new multi-storey car park at Tea Tree Plaza for Park ‘n’ Ride services.

Future mobility

RAA recognises that EVs are the future of mobility and our members agree, with more than 40 per cent saying they would consider going electric when they next purchase a vehicle. Among those surveyed, the obstacles to EV ownership were noted as high initial purchase prices and limited access to charging stations.

This year, RAA has lobbied government to help overcome these obstacles, with the State Government committing \$13.4m in grants to build EV infrastructure and recently announcing plans to incentivise the purchase of EVs.

Communicating with our members

Our *samotor* magazine remained one of South Australia’s most read publications and a key means for us to communicate with members and the broader community, particularly during the pandemic. Quarterly circulation of the magazine remains at 370,000, with an 85 per cent satisfaction rating among readers.

With an ever increasing focus on digital news and media, the *samotor* website remains an important touch point for our community, with 918,000 stories read throughout the year. More than 229,000 subscribers also receive the dedicated *samotor* eNews every fortnight.

900k+
samotor stories read online

In the media

We worked hard to keep our members and the community informed, raising awareness of our community contribution and advocacy efforts in areas including transport, infrastructure, economic development and tourism.

4K+
news stories generated

\$16m+
earned media value

9m+
people reached
through our social
media channels

Educating South Australians

We are committed to our role as a leading road safety educator in South Australia, delivering a suite of education programs to South Australians of all ages, from preschool to high school students, and from new parents to retirees.

Preschool students

Evidence and research suggest that children who start learning about road safety from an early age adopt safer behaviours later in life. This year we launched a new program called Street Smart Preschool, featuring an RAA commissioned road safety storybook – *Yippe!* Our program focuses on pedestrian and passenger safety. Across the financial year, we visited 10 preschools, and the program is set to grow in 2021-22.

10
new preschools visited
in 2020-21

Primary school students

Catering for five-year-olds to year sevens, our Street Smart Primary team of four qualified teachers delivered road safety education lessons to primary schools throughout South Australia. Our content is reviewed annually to ensure lessons are engaging, relevant and curriculum-focused. During the financial year, we visited 262 schools, including 69 regional schools, educating 24,036 students. This program is funded via a three-way sponsorship between RAA, THINK! Road Safety and Lifetime Support Authority.

24k+
students educated
on road safety

High school students

Road crashes continue to be one of the leading causes of death for people aged under 25. However, due to COVID-19, we were unable to present our Street Smart High event for teenagers learning to drive. We will return in 2021-22 to deliver the annual road safety event.

Working with Tech Advisory, we were able to instead deliver our Street Smart High Car Care Workshop, presenting to year 11 and 12 students in four schools. We also worked with Rotary to deliver the Rotary Youth Driver Awareness program, which delivers road safety content to senior secondary students, including the Speed and Stopping, and Drive S.O.S. presentations.

Breaking down barriers for teenagers getting a license

The Licence to Work program helps disadvantaged learners obtain their P licence. The program runs each calendar year. We began the year with 60 students from five high schools including our first dedicated Aboriginal program with Ocean View College B-12.

Bike safety

Bike Ed is a fee-for-service program, operating in conjunction with the Department for Transport and Infrastructure and Bicycle SA. A school visit comprises two bike mechanics and two helpers for approximately three hours per school, including undertaking a complete safety check of students' bikes before their practical lesson. We visited 49 schools, including mechanical checks on 2,221 bikes.

2k+
bikes checked

Child safety

At the RAA Safety Centre, we provide free advice to new parents and carers on how to safely install child restraints in their vehicles. In 2020-21, we provided

8,827 physical car seat fittings, checks and appointments for members. We also offer members phone advice, commercial child restraint training, and free talks to community-based groups, to ensure all our members move safely on the roads.

8k+
child restraint consults

Road safety for seniors

Our Years Ahead Program consists of six discussion-based, free presentations for organised groups throughout South Australia. These presentations include information on road safety, motorised wheelchairs, travel, security in the home, how to save money on fuel, the history of RAA and road rules. Through our Years Ahead Program, we delivered 77 presentations to 2,028 people.

Driver education

We help prepare South Australians to drive safely on the road through South Australia's largest driving school, offering a range of learner, corporate and refresher education programs. In 2020-21 RAA delivered lessons to more than 1,900 customers in both Competency-Based Training and Assessment (CBTA) and Vehicle on-road testing (VORT) driving methods.

Keys2drive

Keys2drive is a revolutionary national program funded by the Federal Government and run by RAA on behalf of Australian Automobile Association (AAA). It offers free one-hour lessons to help learner drivers, driving instructors and supervisors (usually a parent) learn about safe driving together and reduce the risk of harm for new P-plate drivers. In 2020-21, we delivered 83,802 free lessons around Australia.

83k+
free lessons



Street Smart Preschool

This year, we launched a new program called Street Smart Preschool, featuring an RAA commissioned road safety storybook *Yippee!* Our program focuses on pedestrian and passenger safety. Across the financial year, we visited 10 preschools, and the program is set to grow in 2021-22.

Supporting our community

RAA's community support continued as the State tackled ongoing challenges associated with the pandemic.

During 2020-21, we contributed nearly \$350,000 to community organisations across a range of sponsorship programs, including Foodbank SA, CFS Foundation and Regional Safety Grants.

We also provided support and in-kind donations to other causes and events throughout the year.

Feeding South Australians in need

The pandemic has hit the most disadvantaged in our community hard, including those living in regional South Australia. During 2020-21, RAA completed our first full year of a partnership with Foodbank SA.

The RAA Foodbank Mobile Food Hub distributed more than 116,370 meals to people in need, including those living in Berri, Renmark, Loxton, Barmera, Waikerie, Clare, Kadina and Port Lincoln.

The RAA Food Drive, which ran for a week in RAA shops and shopping

centres throughout metro Adelaide, saw us collect an incredible 311 kilograms of food donations with the generous support of the SA community.

Our Mobile Food Hub also received 13,000 meal donations through its pop-up locations during the week, and we were thrilled to see \$6,300 in online and cash donations from the community.

116k+
meals for South Australians in need

More than 5,200 people received support thanks to RAA with the social return on investment (SROI) calculated by Foodbank SA to be more than \$1.3 million.

Safer regional communities

Our Regional Safety Grant program is one of the many ways we invest in and improve the safety and security of regional communities and the lives of South Australians.

During 2020-21, we provided more than \$50,000 to community groups,

not-for-profits and schools via various grants to help them rollout a project, program or activity targeting local safety issues across regional areas of the State.

This helped groups like the Port Lincoln SES purchase a steering wheel cutter, Riding for the Disabled Yorke Peninsula buy road safety equipment, and Marion Bay CFS invest in a new thermal imaging camera.

\$50k
in grants to support grassroots community causes

Grassroots Community Grants

Our Grassroots Giving program is designed to support members, their communities and the causes they're passionate about.

Community groups and organisations are encouraged to apply for a grant of up to \$5,000 with the aim of helping disadvantaged and vulnerable South Australians, supporting youth in need, shining a light on cultural diversity and the environment, encouraging



Diana Luff volunteering at Foodbank.



Pictured from left to right: Gloria Berni, CFS Foundation CEO; Brenton Eden, CFS Assistant Chief Officer, Director Operational Training and PD; and Andrew Petersen, RAA Events and Community Partnerships Manager.

innovation and wellbeing, and supporting local community groups and events.

This year, we provided more than \$80,000 to community groups across our State including the Tjindu Foundation, Anzac Day Celebrations with RSL SA, Sammy D Foundation and Kernewek Lowender.

Providing shelter at community events

RAA's Community marquee was again incredibly popular. It was donated for use at community events including the Vinnies CEO Sleepout, Million Paws Walk, Relay for Life and Anzac Day celebrations at the Torrens Parade Ground.

Supporting our volunteer firefighters

During 2020-21, RAA welcomed the CFS Foundation as our newest RAA Momentum Partner which built on funds raised the previous year for the Foundation by RAA.

The CFS Foundation provides immediate financial assistance and care to CFS volunteer firefighters and their families to offset suffering and distress caused in the line of active duty.

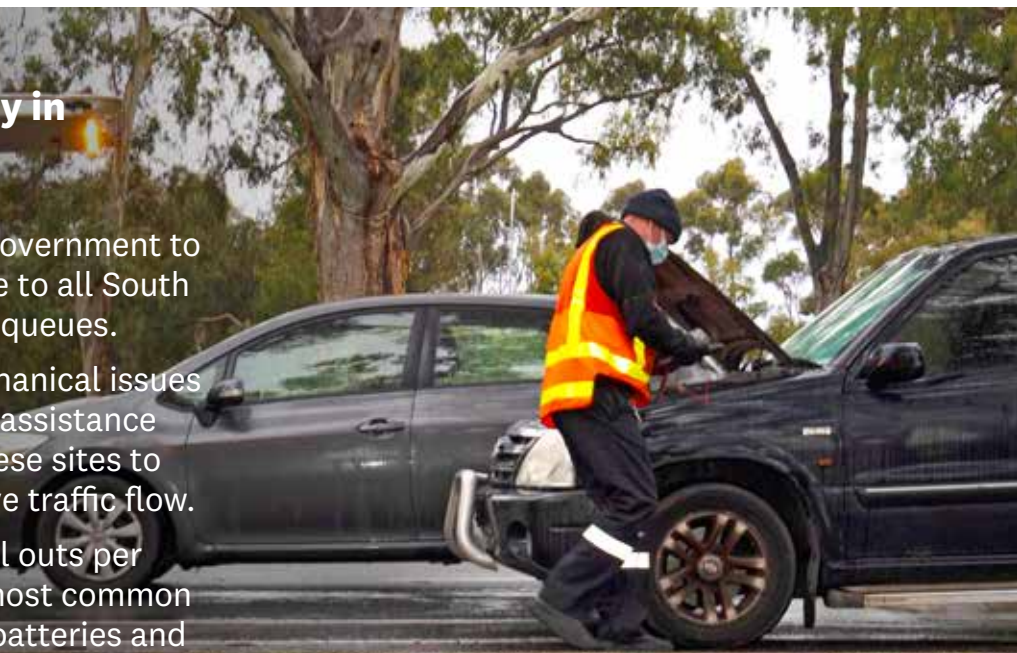
Supporting the community in COVID-19 testing lines

RAA partnered with the State Government to provide free roadside assistance to all South Australians in COVID-19 testing queues.

Any motorist experiencing mechanical issues could contact a dedicated RAA assistance line – prioritising call outs to these sites to minimise disruption and improve traffic flow.

RAA attended more than 40 call outs per day from these sites, with the most common reasons for call outs being flat batteries and drivers running out of fuel.

Image credit: Emma Brasier.



People first

At RAA, we recognise that people drive our organisation, – and together with our culture and values – they underpin our purpose and vision.

Every member of every team at RAA plays an important role in helping us achieve great things for our members and the community. And they do this by living our shared values to champion the member, do the right thing, be on the same side and think beyond each and every day.

It's during challenging times, like the ongoing global pandemic, that the values of people and organisations are tested. This year we lived our values while standing up to tackle the challenges and making the most of the opportunities.

Wellbeing and Resilience

Wellbeing and resilience remained a key priority as the pandemic continued to evolve, and we adapted to ensure the ongoing support of our people, our members, business continuity and compliance with current government and health advice.

This year extended the rollout of our Wellbeing and Resilience Program. The program was developed in partnership with the South Australian Health and Medical Research Institute and has been designed to support our workforce to be resilient and adaptable to changing circumstances.

We undertook training across 14 sessions with more than 230 employees during 2020-21. This means we're now well on the way to training the whole workforce by the end of the 2022 financial year.

230+
employees trained in wellbeing and resilience

We developed our Adapt program when we were unable to deliver the resilience skills training due to COVID-19 restrictions. This program provides RAA employees with a diverse range of tools and resources to support their mental health and wellbeing.

We also offer Mental Health First Aid – a two-day accreditation program available to any employees who would like to undertake the training. We have Gold Level recognition in the Mental Health First Aid Australia (MHFA) skilled workplace program, which demonstrates RAA's strong commitment to the program and our culture of care. More than 10 per cent of our workforce is trained in MHFA.

Flexibility in our workplace

Flexible working is now embedded in the way we operate. It has enhanced the culture of our organisation, demonstrating an appreciation that our employees work hard to balance the demands of their working and personal lives.

60%+
employees working flexibly





How do our people feel about life at RAA?*

89%
are proud
to work for RAA

87%
would recommend RAA
as a great place to work

81%
think they're
encouraged to come
up with new ideas

*Findings of a June 2021 Staff Engagement Survey, attracting a workforce participation rate of 90 per cent.

Our Working Flex program, incorporating Flex Leave, Flex Place and Flex Time, continued throughout 2020-21, with 60 per cent of our entire workforce now working under flexible working arrangements.

These flexible working arrangements have led to better engagement and satisfaction among our employees with 87 per cent of our workforce feeling supported if they choose to make use of flexible working arrangements.

During the year, we also launched our much-anticipated Modbury Satellite Site. The site is a new workspace that has been set up in response to learnings gained from our response to COVID-19. It aims to increase collaboration between member-facing employees and improve employee work-life balance by reducing travel times for those who live north of the city.

Reconciliation Action Plan (RAP)

RAA recognises the importance of having a formal Statement of commitment to Reconciliation.

During the year, the Board of Directors and RAA Executive established the intent and scope for RAA's first Reconciliation Action Plan (RAP).

We have begun work on the foundational REFLECT level RAP, which will set measurable actions under the pillars of Relationships, Respect and Opportunities in line with the Reconciliation Australia Framework.

Keeping our people engaged

Each year, RAA conducts an in-depth Staff Engagement Survey to obtain confidential and anonymous feedback from our employees on our business,

workplace, culture and other key factors related to their engagement at work.

The survey provides us with valuable feedback on areas for improvement to ensure that RAA is an employer of choice.

Pleasingly, in 2020-21 the survey participation rate among our employees increased by 2.5 per cent to 93 per cent, while employee engagement grew to 77 per cent.

The survey found RAA's position as an innovation incubator was also supported by employees, with 81 per cent saying they were encouraged to come up with new ideas.

By the year's end, the survey found 89 per cent of employees were proud to work for RAA.



Staff attend the launch of RAA's Modbury office in April.

Thinking beyond: the future

Like all businesses aiming to thrive into the future, RAA is committed to innovation.

To date, RAA's Innovation Fund has funded 14 new business opportunities, including the development of our own Solar and Battery Storage business.

This year, seven new venture projects were approved, with the Innovation Fund allocating \$5.475m to these projects. The innovation team evaluated 61 opportunities, of which 35 continue to be explored as potential partnerships.

Earlier this year, we funded a collaboration with the State Government and South Australian information technology firm 11point2 to trial innovative drone technology to help better protect bushland and homes against fires.

RAA is also working with local technology firm SAGE to find smart cities solutions for mobility, and

has developed key findings and recommendations through a car-pooling trial and further developments in the area of Mobility as a Service (MaaS).

The in-depth MaaS discovery led to a seed initiative for Smart Cities and the creation of a proof-of-concept platform, developed in partnership with SAGE.

Implementing an RAA MaaS platform remains a strategic priority. The successful launch of two initiatives providing alternatives to car ownership (Flexicar and Car Subscription) have uncovered demand from South Australians for accessing cars by the hour, or for longer periods of up to 12 months.

RAA's Business Innovation and Market Development teams also undertook numerous external engagement activities during the year to identify collaboration opportunities and build RAA's profile in the local innovation system and future of mobility network.

This included collaboration with local and international car clubs, Government, industry and university partnerships, and contribution to local innovation activities such as the InsurTech Australia event at Lot 14 showcasing the Future of the Home scenarios.

\$5m+
allocated by
RAA Innovation Fund



RAA struck a partnership with the State Government and South Australian information technology firm 11point2 to trial firefighting drone technology.

Giving back to local business

RAA remains committed to growing our State's economy and supporting the nation's recovery from the COVID-19 pandemic.

Each year, we invest in South Australia through a network of service suppliers who are all part of the RAA family.

Our contractors, business partners, preferred providers and approved repairers live and breathe our vision and values, and play an integral role in delivering more to our members each and every day.



RAA was a Presenting Partner of Illuminate Adelaide 2021.



Governance

Our Executive team



Ian Stone
Group Managing Director



Tom Griffiths
Chief Executive
Insurance



Sam Pafumi
Chief Financial Officer



Dominic Jacob
General Manager
Automotive Services



Dougie Parr
General Manager
Marketing, Digital and Business
Development



Emily Perry
General Manager
Community and Corporate Affairs



Gina Norman
General Manager
Travel and Distribution



Belinda Vivian
General Manager
People and Environment



Mike Walters
General Manager
Information Services

Board of Directors



Peter Siebels

President and Chairman of the Board

BEC, FCA, FAICD

Peter Siebels joined the RAA Board in 2008 and was appointed President of the association in 2019. He is currently Principal of 4D Advisory Pty Ltd, Chairman of RAA Insurance Ltd, Robern Menz (MFG) Pty Ltd, Hood Sweeney and the Electricity Industry Superannuation Scheme. Peter is also Director of ECH Inc and Emerald Valley Investments and is the Chair of RAA's Appeals Committee, the Group Governance and Remuneration Committee, and the Insurance Board.



Kathy Gramp

Vice-President

BAcc, FCA, FAICD

Kathy Gramp joined the RAA Board in 2013 and was elected Vice-President of the association in 2019. Kathy's Director experience spans a diverse range of Australian organisations and industry sectors. She is Director of RAA Insurance Ltd, Codan Ltd (ASX:CDA), Uniti Group Ltd (ASX:UWL), Silver Chain Group Ltd, Australian Institute of Company Directors, Adelaide Community Hospital Alliance Incorporated, and Bushfire & Natural Hazards CRC and is a member of the Flinders University Council. Kathy is Chair of RAA's Audit Committee.



Ian Stone

Group Managing Director

BEC, FCA

Ian Stone was appointed Managing Director in August 2009 and formerly CEO from August 2007. Ian has extensive senior management experience and expertise in the motor, home and health insurance industry. He is a Director of RAA Insurance Ltd and various Australian automotive associated entities.



Victoria Angove

BCom., GAICD

Victoria Angove joined the RAA Board in 2015. Victoria has a strong sales and marketing background, specialising in export, public relations and national account management with experience gained in the local, Asian, North American and European markets. She is joint Managing Director of Angove's Pty Ltd and a Director of the Australian Grape and Wine Incorporated.



Dr Stephen Holmes

MBBS, FACRRM, FRACP

Steve Holmes joined the RAA Board in 2021 and is a Rural Generalist Doctor practicing in Clare. He is a member of the AMASA Road Safety Committee, State Chair of Rural Maternity Services Committee, National Chair Australian College Rural Remote Medicine (ACRRM) Obstetrics and Gynaecology Working Group and Obstetric Advisor to the SA Rural Generalist Program.



Jacqui McGill AO

BSc, MBA, GAICD

Jacqui is a professional director and consultant and was appointed to the RAA Board in 2020. With a background in the resources sector, her Board portfolio includes the Art Gallery Board of South Australia, the Adelaide Festival Centre and ASX listed New Hope Corporation and 29 Metals. She is also a Member of SA's Economic Advisory Council and the Playford Memorial Trust. In addition to her tertiary qualifications, Jacqui was awarded an honorary doctorate from the University of Adelaide for her work in inclusion and diversity, and was awarded an Officer of the Order of Australia (AO) for contribution to the resources sector. Jacqui is the Chair of RAA's Group Investment Committee.



David Osborn

BBus, GAICD

David Osborn joined the RAA Board in 2020. David has significant experience as a Managing Director and Senior International Director with Kimberly Clark Corporation, a Fortune 150 company. In addition to manufacturing and supply chain roles, David has a strong sales and marketing background with experience gained in New Zealand, South East Asia and the United States. He focuses on the application of technology and digital processes to transform organisational capability. David is Group General Manager at The Detmold Group, a proud South Australian family-owned business.



Elizabeth Perry AM

LLB, FAICD

Elizabeth Perry joined the RAA Board in March 2009. In June 2020, Elizabeth was awarded an AM for her significant service to tertiary education, to business, and to the community as part of the Queen's Birthday Honours 2020. She is Deputy Chancellor of the Flinders University Council, Chair of Radiology SA, Board Member of Return to Work SA. Elizabeth held the role of President of the Australian Automobile Association and council member of the Federation International de L'Automobile from December 2018 to December 2020. Elizabeth formerly practised as a lawyer specialising in employment and industrial relations, as well as operating as a partner in law firms. Elizabeth is the Chair of RAA's Risk & Compliance Committee.



Martin Small

BA (Hons), MA, GAICD

Martin Small joined the RAA Board in November 2019. Martin owns and runs a road safety and regulatory management consultancy operating across Australasia, Asia and Africa. He previously held a variety of senior government transport positions in his native New Zealand, and in South Australia as Director Road Safety and Registrar of Motor Vehicles. Martin is President of the Australasian College of Road Safety.



Sharon Starick

BAGSc (Hons), MAICD

Sharon Starick joined the RAA Board in 2009. Sharon is a primary producer from the Murraylands and is involved in rural and regional communities. She is Chair of Animal Health Australia and a Director of the Grains Research and Development Corporation, Nature Foundation, the Regional Investment Corporation, the Sedan Cambrai Football Netball Club and Murray Plains Farmers.

Activities of the board

Principal activities

The principal activity of the Royal Automobile Association of South Australia Inc ('RAA') in the course of the financial year was the provision of motoring, insurance, travel and finance to members. The audited financial report of RAA for the financial year ended 30 June 2021 is available on RAA's website raa.com.au, or by request.

Directors

Information on the directors of RAA during the financial year is set out on pages 34-35.

Directors' meetings

The 'Summary of meeting attendance 2020-21' table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director, while he/she was a director or committee member.

Board committees

Each committee operates under a charter approved by the board. The primary functions are as follows:

Group Governance, Nominations and Remuneration Committee

Responsible for ensuring RAA's corporate governance framework practices and procedures are relevant and appropriate. The committee ensures the board and its committees operate effectively and efficiently, reviews the remuneration of non-executive directors, the Managing Director and senior executives, and is responsible for the administration of the board election process.

Audit Committee

Responsible for reviewing and reporting to the board on internal and external audit performance, financial policies, statements and transactions, taxation and internal control.

Risk and Compliance Committee

Responsible for overseeing the coordination of RAA's risk and compliance management.

Group Investment Committee

Reviews the investments of RAA in line with the investment policy set and agreed by the board.

Appeals Committee

Reviews appeals by members whose membership has been refused, suspended or cancelled.

Nominations Committee

Established in May 2021 following the changes to RAA's Constitution approved at the General Meeting held in March 2021, this committee is responsible for developing endorsement criteria for the election or appointment of directors, assessing candidates for election against those criteria and making recommendations to the board on the endorsement of those candidates. The committee is comprised of the RAA Chairman, Company Secretary and two independent members.

Reduction in number of directors

Mr Ray Grigg resigned effective 24 August 2020. In accordance with the transitional provisions set out in clause 27.6 of RAA's Constitution,

Mr Grigg's position was not replaced and his resignation reduced the number of directors from 10 to nine. The reduction in Board size concluded the operation of the transitional provisions and they ceased to have effect from the close of the 2020 AGM.

Key changes to RAA's constitution

At the general meeting held on 29 March 2021, members voted in favour of changes to RAA's Constitution which support RAA in being a more modern and robustly governed organisation that delivers more for members.

Key changes included member meetings and Board election notices being sent to members by email only, saving RAA around \$250,000 a year and expanding the reach of RAA member meetings by allowing members, particularly those living in regional SA, to attend virtually.

In addition, key changes were also made to enhance the eligibility criteria for RAA board members, candidate endorsement, board composition and flexibility of tenure of the President and Vice President.

Summary of meeting attendance 2020-21

Directors	Board of Directors		Group Governance Nominations and Remuneration**		Audit		Risk and Compliance		Group Investment		Appeals	
	Held*	Attended	Held*	Attended	Held*	Attended	Held*	Attended	Held*	Attended	Held*	Attended
Siebels	14	14	10	10	7	7	6	6	6	6	0	0
Angove	14	13	1	1					6	6		
Cross+	7	4	5	3								
Gramp	14	13	10	10	7	7	6	6			0	0
Grigg**	2	2							2	2		
Holmes***	7	7			4	4	3	3				
McGill AO	14	13	4	4					6	5		
Osborn****	10	10							3	3		
Perry AM	14	14	10	9	7	7	6	6	6	6	0	0
Small	14	14			7	7	6	6				
Starick	14	12	10	10								
Thomas*****	3	3			2	2	2	2				
Stone	14	14	10	10	7	7	6	6	6	6		

*A meeting was held which the Director was available to attend (and not subject to a leave of absence).

**Members do not attend meetings of this Committee at which Board election matters are discussed if they are eligible for re-election at the AGM.

+Term ended 17 December 2020

++ Resigned 24 August 2020

+++Commenced 17 December 2020

++++Commenced 14 October 2020

*****Resigned 2 October 2020

Remuneration report

Non-Executive Directors' remuneration 2020-21

The Group Governance, Nominations and Remuneration Committee reviews the remuneration packages of all non-executive directors, the Managing Director and senior executives on an annual basis and makes recommendations to the Board.

For non-executive directors, the constitution of RAA specifies that the aggregate remuneration shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. At the date of this report, the latest determination was at the Annual General Meeting held on 18 November 2013, at which members approved an aggregate remuneration up to \$600,000 per year.

Specified Directors	Short-term benefits	Post employment benefits	Total
	Salary/Fees	Superannuation	
	\$	\$	\$
Siebels (President)	82,740	7,860	90,600
Gramp (Vice President)	56,804	5,396	62,200
Angove	41,370	3,930	45,300
Cross	20,526	1,950	22,476
Grigg	14,011	758	14,769
Holmes	21,003	1,996	22,999
McGill	43,625	4,144	47,769
Osborn	28,322	2,691	31,013
Perry	41,370	3,930	45,300
Small	41,370	3,930	45,300
Starick	41,370	3,930	45,300
Thomas	11,934	1,134	13,067
Total	444,444	41,650	486,094

Executive team

Remuneration packages for senior executives are reviewed in light of performance and other relevant factors; the aim being to retain and attract executives of sufficient calibre to facilitate the effective management of RAA. The Group Governance, Nominations and Remuneration Committee seeks the advice of external advisers on remuneration packages that reflect the market.

Remuneration packages for the Managing Director and senior executives contain salary, superannuation, non-cash benefits and at-risk components, based on achievement of agreed targets.

	Consolidated 2021	Consolidated 2020
	\$	\$
Short-term employee benefits	3,845,887	3,649,269
Long-term employee benefits	46,707	(3,237)
Post-employment benefits	259,090	217,046
Total	4,151,684	3,863,078

Financial performance

RAA is run to benefit members and the South Australian community. As one of SA's largest and oldest organisations, we're proud to keep our members moving in the right direction and are able to do so through financial stability.

RAA's financial performance was strong throughout 2020-21 despite the continued challenges of COVID-19 on our Travel business. The growth, and efficient and effective operations of our core Motoring and Insurance businesses, formed the basis of our strong financial performance, which in turn enabled us to effectively manage the impact of COVID-19 on our business, our people, and support our most vulnerable members through our Care Call and Care Pack initiatives.

The continued strong financial performance has allowed RAA to continue to reinvest into our differentiated member service and drive our membership to more than 770,000.

Financial results

RAA reported a net profit after tax of \$12.9m for 2021, an increase in profit of \$6.3m from the \$6.6m reported in 2020.

Total income for the year was \$524m, 3% higher than the prior year. This increase was driven largely by an increase in new and existing members accessing our Insurance and Roadside Assistance products.

Total expenses were \$507m, an increase of just 1.6% on prior year. Insurance claims, being the largest of the group's expenses, increased by just 4.6% due to reduced motor claim frequency, brought about through a reduction in mobility following COVID-19 induced lockdowns, and favourable weather throughout the year.

The net asset position of the group at the close of the 2021 financial year was a healthy \$277.6m, up \$18.2m from the previous year and is reflective of the net profit after tax and the upward revaluation of the Group's Land and Buildings, undertaken by an independent third party.

Effective working capital management continues to enable RAA to meet operational, capital and project expenditures, whilst meeting the APRA capital adequacy requirements of the insurance business.

The year 2020-21, saw the continuation of significant investment in the uplift of our cyber security capabilities required in order to keep pace with changing business needs and further protect our member information. Work also began on transforming our technology platforms to improve the digital experience for our members, as consumer preferences shift in response to COVID-19, including the introduction of omni channel booking for travel in preparation for the recovery of this business. Overall, \$7.4m was invested in projects across RAA in 2021.

A focus on achieving growth, generating member value and building sustainable operations

This year our membership numbers have grown to more than 770,000. This growth is driven by our commitment to advocacy and community education, and member benefits. Total member return, consisting of Member Architecture and More for Members program discounts reached \$47.1m in the 2021 financial year.

Membership retention, services and returns drive revenue growth within our established product businesses of insurance and motoring, leading to the generation of profits. This profit is then reinvested in our member service areas such as advocacy and community education programs, and our Member Architecture and More for Members discounts.

In addition, profits are used to fund projects within our core businesses and internal support services forming the basis of our business improvement program and culture.

In order to ensure that we remain relevant, and are well positioned to serve our members into the future, we continue to commit funds to underpin innovation and support the development of new products and assets. These investments may ultimately become a part of RAA's core business and, with further development, contribute to Member growth, services and returns through generation of profits.

Membership Architecture discounts

\$24.2m

of profits returned to members

Our Membership Architecture rewards loyalty, reducing costs for members who hold two or more products. These discounts are funded through our established insurance and motoring businesses.

More for Members discounts

\$22.9m

returned to members

We reward the loyalty of our members by providing savings through our portfolio of partners. The average saving per member in 2021 was \$143.

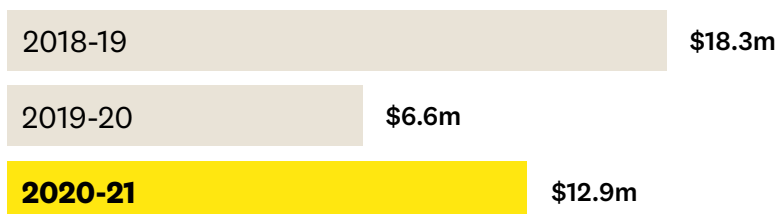
Our key performance indicators

Group net revenue



Normalised group net revenue represents RAA group revenue as reported in our financial report but excluding reinsurance and other recoveries revenue. We exclude this revenue as it is influenced by significant claim events and not growth in our business

Profit after tax



Improvements in cost management and operational efficiencies has seen our revenue growth translate to profit after tax year on year. The impact of the severe weather events on claims expense and the overall result can be seen in 2019-20 along with the accelerated amortisation of digital assets. A change in RAA's capitalisation policy in 2020-21 saw an increase in depreciation expense.

Net assets



Our net asset movement year on year is a direct result of RAA's profit or loss after tax. Our strong net asset position demonstrates the financial stability of RAA.

Business improvement

\$4m

profit generated through business improvement initiatives across the organisation

We continue to embed a successful business improvement culture across the group to further enable investment in our core business, innovation and member return.

Project investment

\$7.4m

investment in projects across the business

Project investment is key to driving efficient, effective and sustainable operations.

Statement of profit or loss

For the year ended 30 June 2021	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Revenue from contracts with customers	110,752	115,955
Insurance revenue	405,529	383,909
Other revenue	44	56
Revenue	516,325	499,920
Other income	6,306	8,396
Share of net profit of associates and joint ventures	1,526	88
Total income	524,157	508,404
Expenses		
Employee benefits	(91,274)	(90,276)
Payments to contractors for roadside assistance	(19,821)	(17,657)
Cost of sales	(15,288)	(16,482)
Depreciation, impairment and amortisation	(12,255)	(20,580)
Finance costs	(242)	(237)
Insurance claims expense	(265,279)	(253,623)
Outwards reinsurance premium expense	(44,487)	(45,344)
Other expenses	(57,992)	(55,076)
Total expenses	(506,638)	(499,275)
Operating profit before income tax from continuing operations	17,519	9,129
Income tax (expense) / benefit	(4,599)	(2,504)
Profit after tax for the year	12,920	6,625
Other comprehensive income		
<i>Items not to be reclassified subsequently to profit or loss</i>		
Actuarial gain / (loss) on defined benefit plan	443	(223)
Fair value adjustments relating to land and buildings	7,088	-
Income tax on items of other comprehensive income	(2,259)	67
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods	5,272	(156)
Other comprehensive loss for the year net of tax	5,272	(156)
Total comprehensive income for the year net of tax	18,192	6,469

Discussion and analysis of the statement of profit or loss

RAA made a \$12.9m profit after tax (2020: \$6.6m profit) in the year ending 30 June 2021. This result was driven largely by the performance of the insurance business. Gross written premium was \$346m in 2021, with total policies exceeding 600,000. Insurance claims expense increased by just 4.6%, with reduced claim frequency, due to a reduction in mobility following COVID-19 induced lockdowns, having a large favourable impact. Benign weather

also had a favourable impact on claims expense, with only one re-insurable weather event experienced during 2021. Further to this, motoring generated \$74.4m of subscription revenue after member discounts.

Investment returns across the group were strong despite market disruption due to COVID-19, with total investment income reaching \$5.1m (2020: \$6m).

Total comprehensive income for the year, net of tax, was \$18.2m (2020: \$6.5m). This increase on profit after tax was driven by the \$7.1m upwards revaluation of the group's land and buildings.

Within the overall result, \$24.2m of discounts were returned to members.

Statement of financial position

As at 30 June 2021	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Current assets		
Cash and cash equivalents	26,849	23,903
Trade and other receivables	216,603	189,344
Inventories	1,437	1,386
Deposits in trust account	1,136	262
Current tax asset	1,209	-
Other current assets	3,418	2,876
Financial assets	285,919	242,497
Deferred acquisition costs	7,159	7,084
Total current assets	543,730	467,352
Non-current assets		
Trade and other receivables	5,653	4,464
Pension asset	1,125	809
Financial assets	5,819	6,673
Investments in joint ventures	-	3,071
Investments in associates	3,970	3,842
Property, plant and equipment	53,576	50,557
Right-of-use assets	7,428	7,557
Intangible assets	25,436	29,540
Goodwill	61,199	61,199
Deferred tax asset	10,785	10,387
Total non-current assets	174,991	178,099
Total assets	718,721	645,451
Current liabilities		
Trade and other payables	54,424	49,871
Unearned income	228,764	206,060
Interest bearing liabilities	1,114	1,402
Deposits in trust account	1,136	262
Provisions	15,598	15,996
Current tax liability	-	2,422
Outstanding claims liability	108,433	83,332
Total current liabilities	409,469	359,345
Non-current liabilities		
Interest bearing liabilities	7,189	6,728
Provisions	1,910	1,644
Deferred tax liability	15,667	14,150
Outstanding claims liability	6,884	4,174
Total non-current liabilities	31,650	26,696
Total liabilities	441,119	386,041
Net assets	277,602	259,410
Equity		
Retained earnings	225,144	211,914
Reserves	52,458	47,496
Total equity	277,602	259,410

Discussion and analysis of the statement of financial position

Net assets for the year totalled \$278m, an increase of \$18m on prior year due to the current year total comprehensive income.

The increase in total assets of \$74m (11.5%) was predominately due to a \$44m increase in financial assets (investment portfolio plus loans to related parties) from the reinvestment of realised gains and surplus cash, and a \$28m increase in trade and other receivables due to an increase in insurance premiums receivable.

Total liabilities increased by \$55m (14%) due to an increase in unearned income of \$23m in line with the increase in subscription and insurance premium revenue as well as a \$27m increase in the outstanding claims liability.

Statement of cash flows

For the year ended 30 June 2021	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Cash flows from operating activities		
Receipts from members and customers (inclusive of GST)	557,472	541,044
Payments to suppliers and employees (inclusive of GST)	(509,392)	(506,261)
Interest received	157	344
Rental income received	47	61
Income tax (paid)/received	(9,370)	(12,660)
Net cash from operating activities	38,914	22,528
Cash flows from investing activities		
Proceeds from sale of fixed assets and intangibles	1,960	1,050
Proceeds from the sale of financial assets	1,913	-
Proceeds from disposal of operations	-	11,027
Distributions received	3,787	6,108
Dividends received	1,438	319
Purchase of fixed assets and intangibles	(5,554)	(9,647)
Purchase of financial assets	(41,770)	(34,741)
Proceeds from disposal of joint venture	3,031	-
Net cash used in investing activities	(35,195)	(25,884)
Cash flows from financing activities		
Loans (to)/from related parties	854	338
Payment of principal portion of lease liabilities	(1,627)	(1,290)
Net cash (used in) / from financing activities	(773)	(952)
Net (decrease) / increase in cash	2,946	(4,308)
Cash and cash equivalents at beginning of the year	23,903	28,211
Cash and cash equivalents at the end of the year	26,849	23,903

Discussion and analysis of the statement of cash flows

2021 saw a net cash inflow from operating activities of \$38.9m, \$16.4m above that of 2020, predominantly due to an increase in receipts from members and customers, in line with increased revenue.

Net cash used in investing activities was \$35.2m (2020: \$25.9m) as a result of the reinvestment of \$41m of surplus operational cash into financial assets offset by the \$3m proceeds received from the disposal of the investment in MCFL, and distributions and dividends received of \$5m.

Net cash used in finance activities was \$773k (2020: \$952k) with the increase in payment of the principal portion of lease liabilities, due to additional leases undertaken in the year, being more than offset with increased loan repayments from associates.

Tax transparency

As a proudly South Australian and member-focused organisation, RAA is committed to corporate responsibility and transparency. We recognise our contributions to governments' public finances is of interest to our members and the South Australian community.

RAA contributes to our community as a major South Australian employer, investor and consumer, and subsequently pays the right amount of tax. RAA collects a significant amount of income tax on employee salaries and wages and makes payments of Fringe Benefits Tax (FBT) and Payroll Tax to the Australian Taxation Office (ATO)/ State Revenue Offices.

RAA supplies services to the community which result in collection of Goods and Services Tax (GST) and Stamp Duty on insurance premiums which are remitted to the ATO/State Revenue Offices.

RAA pays income tax at the company tax rate of 30 per cent based on accounting profit before tax, adjusted for differences between the accounting standards and the income tax legislation.

RAA's estimated income tax payable for 2020-21 is \$5.6m. Tax payments of \$6.8m were made during 2020-21 and therefore a refund of \$1.2m will be due on lodgement of the tax return.

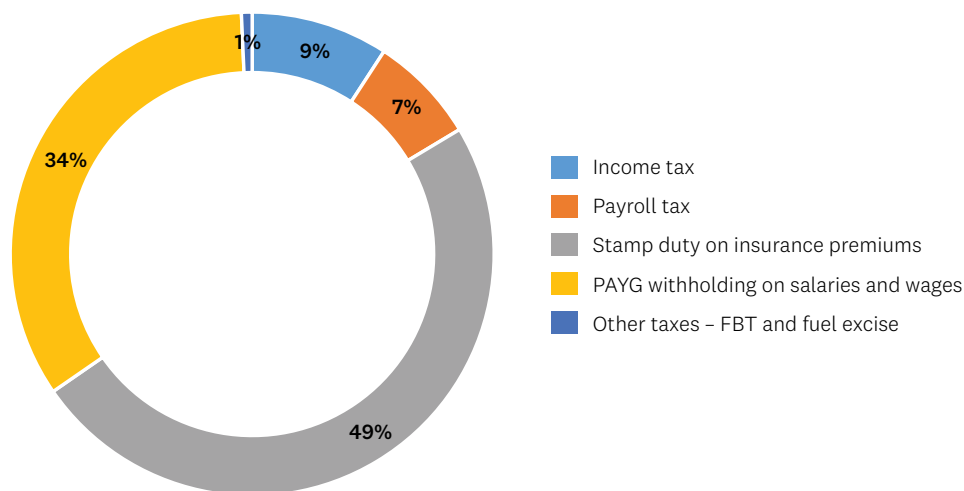
RAA adopted the Board of Taxation's Voluntary Transparency Code in 2016-17. In 2017-18, the RAA Board approved the RAA Tax Governance Framework.

This framework reflects RAA's low risk appetite and is consistent with RAA's overall strategy, approach to risk and core values. RAA makes decisions for commercial reasons and does not enter transactions for the primary purpose of obtaining a tax benefit. RAA takes advantage of available deductions, tax rebates, offsets and credits to achieve the best tax outcomes for the organisation. RAA continually monitors the RAA Tax Governance Framework, ensuring best practices are adopted and addressing regulatory developments.

RAA is committed to complying with all relevant tax laws, rulings and regulations and to maintaining a transparent and proactive relationship with tax authorities. RAA has controls in place to ensure it pays the right amount of tax.

RAA's 2021 tax contributions

Income tax	\$5.6 million
Payroll tax	\$4.4 million
Stamp duty on insurance premiums	\$30.0 million
PAYG withholding on salaries and wages	\$20.6 million
Other taxes – FBT and fuel excise	\$0.4 million
Total 2021 financial year tax paid	\$61.0 million



Get in touch

Head office

101 Richmond Rd, Mile End, SA 5031

Website	raa.com.au
Email	info@raa.com.au
General enquiries	8202 4600

Motor

Emergency road service	13 11 11
Insurance	1300 884 567
Claims	1300 884 575
Motoring road rules information	8202 4570
Technical advice	8202 4689
Traffic and road safety	8202 4517
Vehicle inspections	8202 4688
Driving school	8202 4444
Child Safety Centre	8202 4592

Home

Insurance	1300 884 567
Claims	1300 884 575
Trade Assist	8202 4988
Solar and Battery	8202 8078

Travel

Travel services	8202 4589
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RAA Shops

Metropolitan	8202 4600
Adelaide	41 Hindmarsh Square
Colonnades	Shop 169, Centro Colonnades
Elizabeth	Shop 147, Elizabeth Shopping Centre
Marion	Shop 2042, Westfield Marion
Mile End	101 Richmond Road
Modbury	Shop 20, Westfield Tea Tree Plaza
West Lakes	Shop 297, Westfield West Lakes

Regional

Broken Hill	8202 8025 320 Argent Street
Clare	8842 2575 280 Main North Road
Kadina	8821 1111 62 Graves Street
Mount Barker	8202 4516 2 Victoria Crescent
Mount Gambier	8202 8055 55 Commercial Street West
Murray Bridge	8532 1935 19 Bridge Street
Port Augusta	8642 2576 7 Caroon Road
Port Lincoln	8682 2934 2 Liverpool Street
Renmark	8586 3160 49 Renmark Avenue
Victor Harbor	8552 1033 66 Ocean Street
Whyalla	8645 8188 85 McDouall Stuart Avenue



RAA's National Road Safety Week 2021 installation - 977 chairs representing the lives lost on South Australian roads in the past decade.

**Group Annual Report
2020-21**