



# Gender Pay Report 2018-2019

Automobile Association Developments Ltd

At the AA we are committed to creating an inclusive and diverse workforce. We aim to ensure that people are treated equally at work, across all levels and locations and we value the contribution that everyone makes for us, regardless of their background.

Although we have over 7,000 employees in the AA, we are only required to report our gender pay gap data for entities of over 250 employees. For the purposes of this report, we will therefore focus on the gender pay gap for the Automobile Association Developments Ltd which is where c.6,900 of our people are employed. Data for the combined AA Group is included overleaf for completeness.

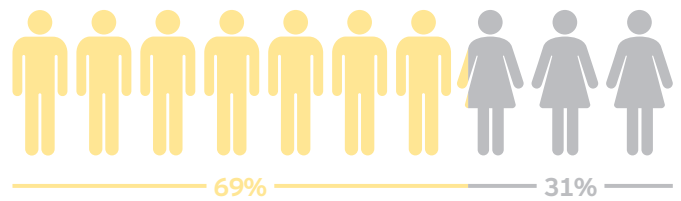
## Gender pay & bonus gaps

	Mean		Median	
	2017/18	2018/19	2017/18	2018/19
<b>Pay gap</b>	17.8%	18.0%	23.2%	27.1%
<b>Bonus gap</b>	38.2%	53.8%	7.4%	47.1%

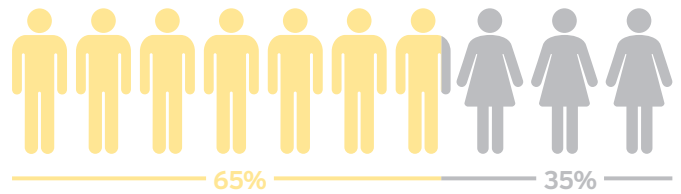
We have a mean gender pay gap of 18% and a median gender pay gap of 27.1%, which is higher than the median pay gap for the UK<sup>1</sup> and a small increase on last year; the main driver being the recruitment of more male than female employees overall in the year.

As we have reported in previous years, we know that the main drivers of our gender pay gap lie in the under representation of females in the company, but particularly within our roadside business, where 99% of our patrol workforce who make up over 44% of our total workforce, are men.

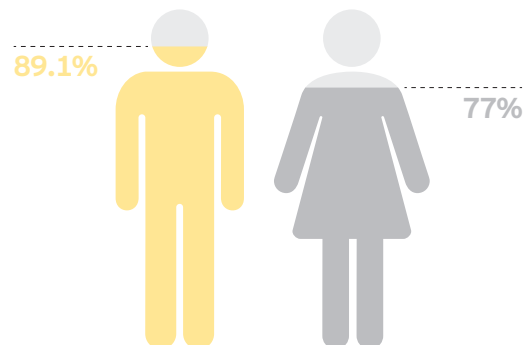
## Company demographic



## SLT demographic



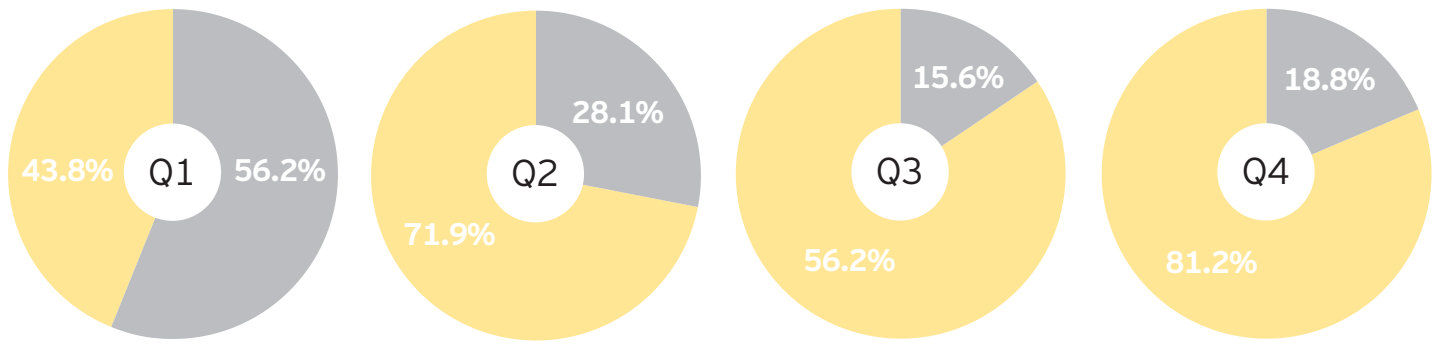
## Proportion of employees receiving a bonus in 2018-19



<sup>1</sup>ONS provisional figures indicate that the UK national median pay gap was 17.3%

## Pay Quartiles

Population of males and females in each pay quartile.



In addition, female workers represent c.57% of our contact centre workforce, which largely includes lower paid roles than those of our roadside patrol force. We have seen a widening of our bonus gap year on year, as a result of incentives being removed and base pay being increased for this population part way through the reporting year in order to drive stronger customer service. Incentives continue to operate in Roadside, where the workforce is predominantly male.

We continue to review our recruitment practices and talent pipelines to attract a higher proportion of female candidates to the company and over the course of the past twelve months. Due to this and internal progression the proportion of females in our senior leadership team has increased from c.25% to c.35% of this population in the last year. This is solid progress, but we know that we need to do more.

## How we're closing the Gap

- ▶ Levelling the playing field by creating a culture where those with diverse views thrive. Role modelled from the top of the company, the message is re-enforced, that creating an inclusive culture is the responsibility of everyone
- ▶ Developing initiatives to strengthen the attraction and retention of women, including improvements to paid family leave policies, the introduction of our "Women in Road", which held its first company-wide event in March 2020, and a year on year increase in the number of female apprentices
- ▶ Reviewing all policies and practices to ensure they operate in an inclusive way

## AA Group

The figures in the tables overleaf, represent the results for Automobile Association Developments Ltd, which is the only entity which we are required to report on from a statutory perspective. The AA group has other companies that do not qualify to be included in the statutory gender pay gap reporting but we choose to publish them. The combined figures for this wider population are below:

	Mean		Median	
	2017/18	2018/19	2017/18	2018/19
<b>Pay gap</b>	17.9%	18.2%	23.2%	27.3%
<b>Bonus gap</b>	38.6%	54.0%	3.5%	47.0%

	Receiving Bonus	
	2017/18	2018/19
<b>Male</b>	95%	89%
<b>Female</b>	89%	77%

	Mean		Median	
	2017/18	2018/19	2017/18	2018/19
<b>Q1</b> (lower quartile)	47.9%	43.7%	52.1%	56.3%
<b>Q2</b>	71.3%	71.2%	28.7%	28.8%
<b>Q3</b>	82.6%	84.3%	17.4%	15.7%
<b>Q4</b> (upper quartile)	84.0%	81.1%	16.0%	18.9%

Simon Breakwell, CEO

Linda Kennedy, Chief People Officer