AA Insurance



Sustainability Report **2026**

AA Insurance
1 July 2025 – 30 June 2026

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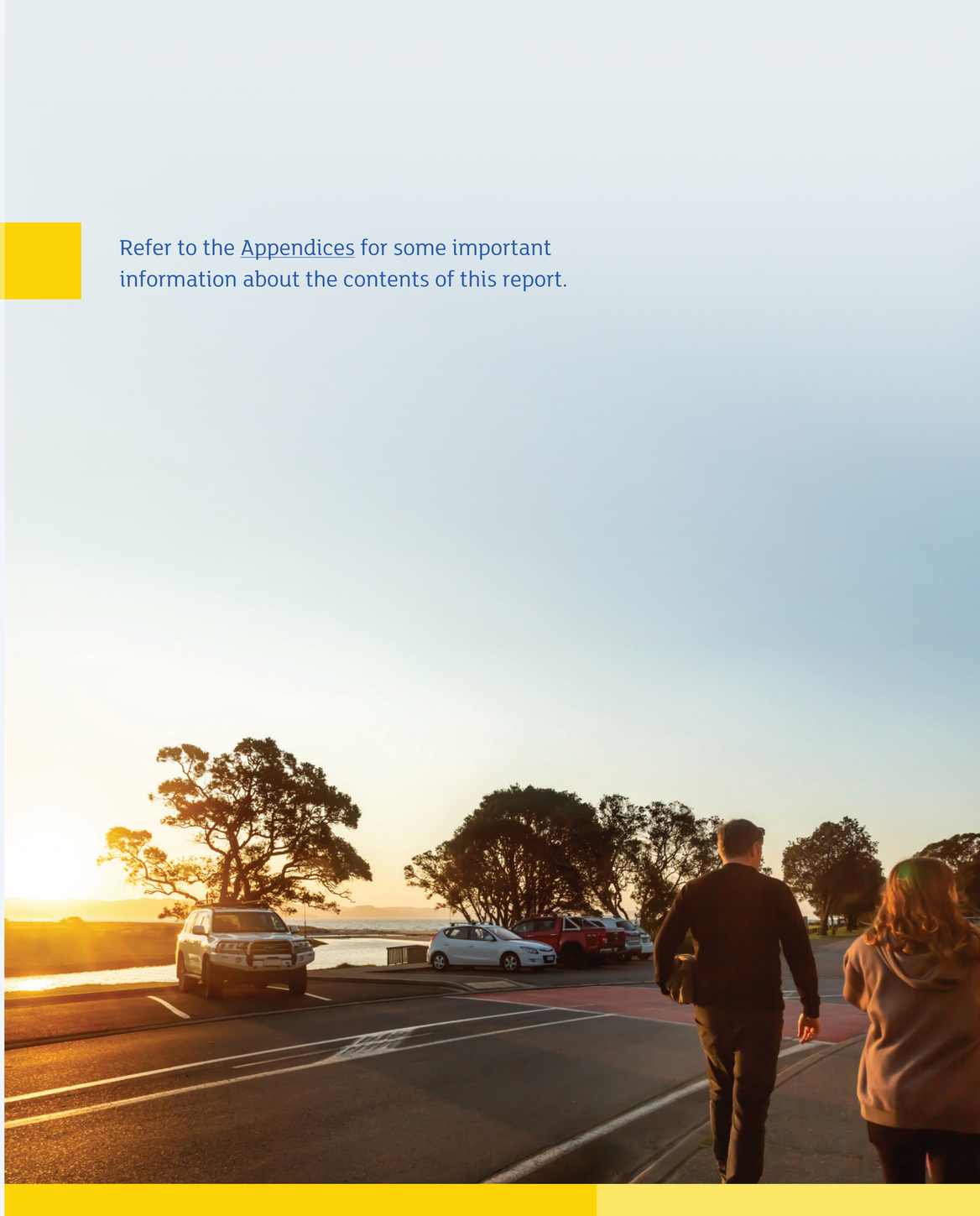
Refer to the Appendices for some important information about the contents of this report.



About this report

Welcome to our 2026 Sustainability Report.

The report covers AA Insurance Limited ("AA Insurance"), the single legal entity through which we operate in New Zealand. We publish a Sustainability Report annually, and unless otherwise stated, the information presented relates to the reporting period 1 July 2025 – 30 June 2026 (FY26).

This year, we have refreshed our approach to reflect what matters most to Kiwi, under our four key sustainability pillars: 'A climate resilient AA Insurance', 'Keeping Kiwi protected', 'Confident customers and communities', and 'A capable and supported workforce'. The report explains how we are putting our refreshed approach into action and what progress we've made as we continue to strengthen our role as a trusted insurer in New Zealand.

This Sustainability Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards, outlining our approach to managing our material sustainability impacts and providing information on the topics that are most relevant to our organisation and stakeholders. As this is our first report prepared in reference to the GRI Standards, there are no restatements of information from previous reporting periods.

About us

AA Insurance is an independently operated New Zealand-based joint venture between Vero Insurance New Zealand Limited ('Vero') (68% ownership) and The New Zealand Automobile Association Limited ('NZAA Limited') (32% ownership).

Vero is ultimately owned by Suncorp Group Limited ('Suncorp'), an Australian Securities Exchange (ASX) listed company. The NZAA Limited is wholly owned by The New Zealand Automobile Association (Incorporated) ('AA'), an incorporated society governed by a National Council, which oversees its affairs and appoints the Board.

Since 1994, we have built trusted expertise in home, contents and car insurance, and in 2018 we introduced small business insurance. We help protect customers against many of the financial impacts that accidents, natural disasters and climate-related events can have on their assets.

Our value chain includes upstream relationships with reinsurers, investment managers, and over 300 contracted suppliers, while downstream, we manage more than 1.15 million active policies. There have been no significant changes to our organisational structure or value chain during the FY26 reporting period.

AA Insurance is a Climate Reporting Entity (CRE) under the Financial Markets Conduct Act 2013 (FMCA). We have prepared a Climate Statement in accordance with the Aotearoa New Zealand Climate Standards (NZ CS), which can be found on our website.

1.15M+
policies

FY25: 1.10M+

1,228
people

FY25: 1,100+

6
sites

FY25: 6

S&P Global Ratings Australia Pty Ltd has given us an Insurer Financial Strength Rating of AA- (Very Strong). You can read more about our financial strength on our website.



FY26 highlights

3rd overall in Kantar's Corporate Reputation Index, **the only General Insurer in the top 10**

Voted Reader's Digest **Most Trusted Brand** in General Insurance for the **16th year in a row**

2025 ANZIIF[1] **Excellence in Workplace Diversity, Equity and Inclusion** Award

2025 ANZIIF **General Insurer of the Year** Award

21%
increase in Student Volunteer Army university membership

1,706
Hours donated to communities around New Zealand

57%
reduction in certain emissions sources since FY20 baseline[2]

70
vehicles donated for the United Fire Brigades' Association (UFBA) Road Crash Rescue Challenge

62
Net Promoter Score (NPS)

85%
respondents agreed **"I feel like I belong at AA Insurance"**



Our team celebrates placing 3rd overall in Kantar's 2026 Corporate Reputation Index

[1] Australian and New Zealand Institute of Insurance and Finance
[2] This reduction relates only to emissions categories covered by our 42% reduction target and part of the reduction is due to a methodology change during the year. For further information, refer to page 8

Note from our Chief Executive and Chair



We're pleased to present our 2026 Sustainability Report, which was approved by the AA Insurance Board on 18 November 2026.

Michelle James
Chief Executive (CE)

Alison Barrass
Chair

Sustainability is an important part of our enterprise strategy and is integrated throughout our business. It's about how we can be here to protect Kiwi for many years to come.

At AA Insurance, we're backing more Kiwi & their communities to live life with confidence. Being there for our customers when they need us has been our motivation for more than 30 years, and it still guides the decisions we make today.

Keeping customers at the heart of what we do has become especially important now, as the world is changing faster than any of us would have predicted, even from just a few years ago.

This year alone, we responded to eight weather-related natural hazard events, more than double the 20-year average of three to four per year. Behind each of those numbers are real people: families who have watched water come through the door, business owners who have had to start again, and communities that have had to dig in and rebuild. As an insurer, we are close to the front line of these impacts, helping people recover, but also evolving and learning after every event so we can keep showing up when it counts.

Alongside that, the expectations on us are rising. Our customers rightly expect us to be there when things go wrong, to act with fairness, and to be honest about the trade-offs in front of us, especially around affordability and access to cover. Holding that trust is very important to us. It is earned in every interaction we have with our customers and is central to what we do and what the AA brand stands for.

That's why we are thrilled to have been named Reader's Digest Most Trusted Brand in General Insurance for the 16th year in a row. We were also named ANZIIF General Insurer of the Year, and ranked third overall in Kantar's 2026 Corporate Reputation Index. Independent recognition like this matters, because it reflects the care that our people bring to their work every day and the strength of the partnerships we've built across the country. When we look at these milestones, we see the outcome of many small decisions by our team of over 1,200 people, often under pressure.

The broader regulatory expectations on insurers are shifting too. We continue to meet our obligations as a Climate Reporting Entity under the FMCA, with our 2026 Climate Statement published alongside this report. We're also preparing for emerging modern slavery legislation, which will lift expectations on how we identify and respond to human rights risks across our value chain.

Sustainability is an important part of our enterprise strategy and is integrated throughout our business. It's about how we can be here to protect Kiwi for many years to come. That's the thinking behind the refreshed sustainability approach we're sharing in this report, which is updated to focus on the issues that matter most to our stakeholders.

Our four pillars guide everything that follows in this report:

- a climate resilient AA Insurance
- keeping Kiwi protected
- confident customers and communities
- a capable and supported workforce

To our customers, our people, our partners, our shareholders, and the communities we serve – thank you for trusting us with what matters most to you. The next decade will ask a lot of all of us. We're confident we are building the foundations to meet it well, and to do so in a way that stays true to who we are. Please enjoy reading our 2026 Sustainability Report.



Governance

The AA Insurance Board comprises six directors, with three appointed by our shareholders, Vero and the NZAA Limited, and three serving as independent directors. The Board Chair, Alison Barrass, does not hold a senior executive role within the organisation.

The Board is responsible for overseeing our sustainability-related impacts, including approval of strategy, risk appetite, metrics, targets, and external disclosures. The Board is supported by four Board-level committees: the Board Audit, Risk and Compliance Committee (BARCC), Nominations Committee, Investment Committee and People, Culture and Remuneration (PCR) Committee.

The BARCC reviews risks, monitors responses, ensures operations are within risk appetite, and endorses external disclosures to the Board for approval. Management provides sustainability and climate reporting updates to the BARCC at least five times a year, with matters escalated to the Board as appropriate.

The PCR Committee investigates, considers and makes recommendations relating to remuneration policies and the performance of management, alongside monitoring the effectiveness of our broader people-related policies and practices.

The Investment Committee oversees the management of our investment portfolios, including compliance with the Responsible Investment Policy.

The Nominations Committee assesses and plans Board composition including evaluation of skills, competencies, and independence. A Board skills matrix is completed to assess the individual and collective capabilities of Directors. The matrix includes areas such as risk management, corporate strategy and sustainability.

The CE, supported by the Executive Leadership Team (ELT), is responsible for the day-to-day management of AA Insurance in accordance with the policies, budget, and strategy approved by the Board. Operational delivery of the sustainability programme is led by the Sustainability Team, which reports to the Chief Financial Officer. The ELT and the Sustainability Team are supported by various management-level committees, including the Risk Committee and Sustainability Committee.

Our commitment to responsible business conduct is set out in a suite of Board-approved policies, including our Code of Conduct, Speak Up Policy, Health, Safety & Wellbeing Policy, Responsible Investment Policy, and Supplier Code of Practice. Responsibility for implementing our policy commitments is delegated through our governance frameworks to management, with oversight provided by the relevant management-level and board-level committees.

Our approach to sustainability

Our long-term strategy is focused on growth and maintaining our trusted brand, underpinned by our vision to back more Kiwi and their communities to live life with confidence.

Our approach to sustainability helps us achieve our vision by supporting the long-term resilience of our business, our people, and the communities we serve.

During FY26, we updated our sustainability approach to focus on areas where we can have the most impact.

Our updated approach is informed by our recent materiality assessment, which identified the sustainability topics of greatest importance to our business and our stakeholders. You can read about the materiality assessment on page 23.



A climate resilient AA Insurance

How we are responding to climate risks and opportunities and managing our own emissions footprint.

Keeping Kiwi protected

How we are responding to the issues of insurance affordability and accessibility.

AA Insurance

Confident customers and communities

How we're showing up for our customers and communities, including helping them prepare for and recover from events.

A capable and supported workforce

How we support our people to feel safe and able to perform at their best, consistently and sustainably.

Materiality assessment

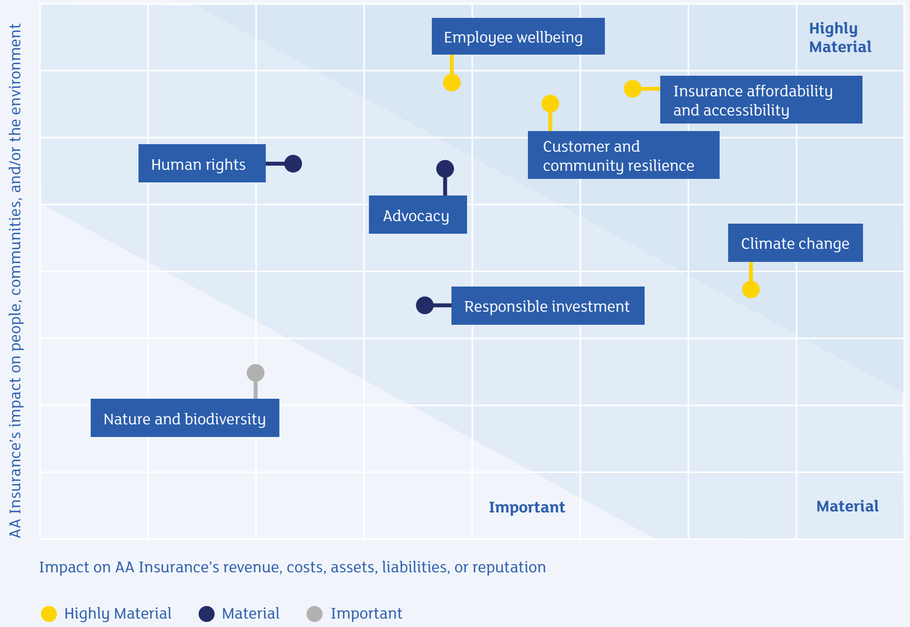
We conduct a formal materiality assessment every two years to understand the sustainability topics that matter most to our business and our stakeholders. These insights help shape our sustainability approach and guide how we prioritise action and investment.

In FY26, we took a double materiality approach, meaning we considered both impact materiality (how our activities impact customers, communities, and the environment), and financial materiality (how sustainability topics affect our financial performance, operations, and long-term resilience). This approach helps us understand where we can have the greatest impact, while also identifying risks and opportunities for the business. Our assessment was delivered with support from Oxygen Consulting NZ Limited (Oxygen Consulting) with reference to the GRI Standards. The materiality assessment process is described in detail on page 23.

Stakeholders had a range of priorities for the issues that matter most to our business, with the aggregated results displayed in Figure 1. Four topics were identified as highly material across either impact or financial perspectives, representing areas where stakeholder expectations and business risks are greatest.

While all topics identified in our materiality assessment are important, we have set the threshold for detailed reporting and prioritisation at those assessed as highly material. We continue to manage the other topics through our established and evolving policies and processes.

Figure 1: Materiality matrix



How we use these insights

Our material topics directly shape our sustainability approach, ensuring we focus on what matters most as informed by our key stakeholders. This includes helping inform our strategic decision-making and how sustainability is considered in business planning.

Climate change
is the most financially material topic, having a significant impact on cost inputs and long-term sustainability of our business.

→ **A climate resilient AA Insurance**

Insurance affordability and accessibility
is rated the top priority overall, with stakeholders identifying the growing pressure on premiums and the importance of ensuring customers can continue to access and maintain cover.

→ **Keeping Kiwi protected**

Customer and community resilience
highlights our role in helping communities prepare for, respond to, and recover from natural hazard events.

→ **Confident customers and communities**

Employee wellbeing
is recognised as a core driver of workplace culture and positive customer outcomes.

→ **A capable and supported workforce**



A climate resilient AA Insurance

How we are responding to climate risks and opportunities and managing our own emissions footprint.

Keeping Kiwi protected

Confident customers and communities

A capable and supported workforce

Weather-related claims on the rise

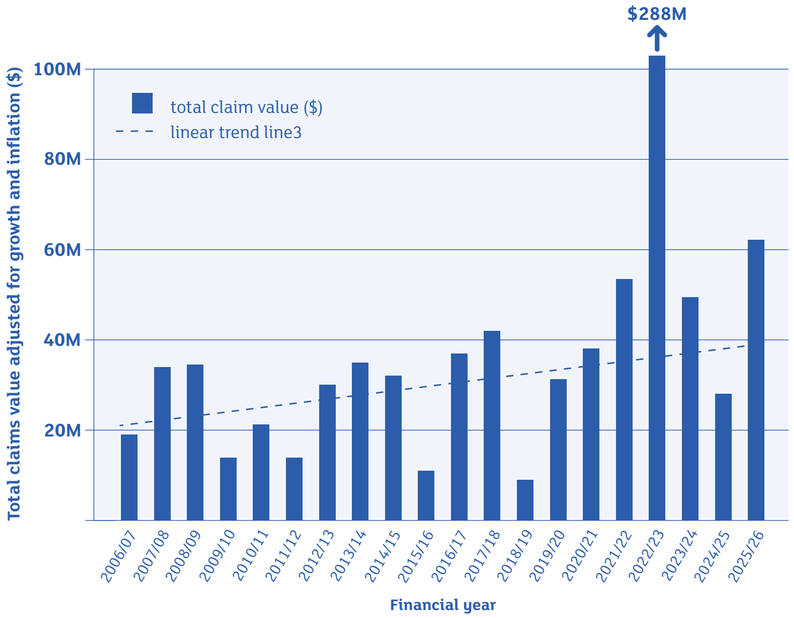
As an insurer, our role is to support customers when they need us most, particularly at claims time.

Over the past 20 years, we have observed weather events in New Zealand becoming more frequent and severe, resulting in an increase in customer claims. Analysis of natural hazard claims (excluding earthquake) shows a clear upward trend over time, even after adjusting for inflation and policy growth.

In FY26, we experienced eight weather-related natural hazard events, which we define as events with expected customer claims exceeding $1.5 million. This is more than double the 20-year average of approximately three to four events per year.

Year-to-year variability is expected, with some years being relatively benign and some seeing higher-than-average numbers of weather events. Being prepared for this volatility is a normal part of being an insurer. However, as longer-term trends begin to shift, we need to ensure our approach evolves so we can continue to support our customers over the long term.

Total inflation and growth adjusted natural hazard claims (excluding earthquake) per financial year



[3] To improve comparability over time, the linear trend line excludes impacts from the 2023 Auckland Anniversary Weekend floods and Cyclone Gabrielle

Pricing responsibly

Insurance needs to be priced in a way that reflects the risks we insure and enables us to continue supporting customers when things go wrong.

We continue to invest in data and modelling to better understand natural hazard risk as conditions change, while carefully managing our overall exposure so we have the financial resilience to respond when major events occur.

We recognise the impact premium increases can have on customers, which is why we continue to look at how changes can be managed and clearly explained.



Protection against significant events

Reinsurance, effectively insurance for insurers, plays a key role in helping us be resilient to large-scale events.

Through reinsurance arrangements, we transfer a portion of our risk to reinsurers once losses from an event exceed a defined threshold, supporting our capacity to pay customer claims when large events occur.

We participate in Suncorp's catastrophe reinsurance programme and review our reinsurance structure annually. In FY26, we increased our reinsurance retention, the point at which reinsurance cover is triggered, balancing our level of protection while responding to a multi-year trend of rising reinsurance costs.

We continue to actively assess our reinsurance arrangements, working closely with our reinsurance broker to optimise coverage. This approach supports the resilience of our business to the impacts of climate change and helps us remain well-positioned to be there for our customers now and into the future.

Managing our emissions

Beyond adapting to the impacts of climate change, we continue to support mitigation efforts through managing our own greenhouse gas (GHG) emissions footprint.

We have a short-term target to reduce certain emissions sources by 42% between our FY20 base year and FY30. The target covers scope 1 (fuel), scope 2 (electricity) and some scope 3 sources (paper, transmission and distribution losses, waste and air travel).

Emissions covered by the target have decreased by 57% since FY20. Over the last six years, key reduction initiatives have included the electrification of our vehicle fleet and the transition to renewable energy to power our offices and customer service centres.

In previous years, progress against the target was measured and reported using location-based scope 2 emissions. During FY26, the Board approved a change to measure and report progress using market-based scope 2 emissions. This approach better reflects the original intent of the target and reflects our investment into renewable energy.

We do not have any other formal GHG targets, but continue to promote sustainable commuting through offering public transport discounts and encouraging carpooling.

We also continue to expand the scope 3 categories of emissions that we measure and disclose. For further information on our emissions, see the 'Metrics and Targets' section of our Climate Statement.

For more information about our response to climate change, read our **Climate Statement.**

57%

reduction target progress

We remain on track to meet our 42% emission reduction target by FY30, based on a FY20 base year. You can read about our emissions in our **Climate Statement**.





Keeping Kiwi protected

How we are responding to the issues of insurance affordability and accessibility.

A climate resilient AA Insurance

Confident customers and communities

A capable and supported workforce

The cost of insurance is influenced by a range of factors, including the expected cost of claims from an insured risk. While some factors are beyond our direct control, we remain focused on managing the aspects we can influence, while continuing to provide customers with a range of options to help protect what matters most.



Supporting customers experiencing financial hardship

We know that financial hardship can happen to anyone, and when it does, our role is to make sure customers feel supported and know what options are available to them.

All employees complete Customers Experiencing Vulnerability (CEV) training, which has an annual assessment to pass and is designed to give every employee the skills to recognise CEV and ensure customers receive consistent care. We have also developed a dedicated financial hardship coaching pack and quick reference guide for our customer-facing teams, and scenario-based videos to support how customers are referred to external support services.

During the year, we continued to build on the foundations laid in our FY25 financial hardship trial with Money Sweetspot, which supported 332 customers and provided over $50,000 in premium relief.

This included developing a specialist team model within our Customer Care team, with plans for trained specialists to triage and support customers experiencing financial hardship. This model is expected to be delivered in FY27. This will continue to leverage our partnership with Money Sweetspot and offer bespoke support options for customers, including new resources and training for our frontline teams.

Our focus in the coming year is to embed our financial hardship specialist team, strengthen reporting to better measure customer outcomes, and continue to develop processes and tools for all our employees.

Trusted products and services

We want to make sure that our products are designed to meet the needs of Kiwi, offering a range of cover options and optional benefits to suit different circumstances and a range of budgets.

This includes products such as our Third Party car insurance or Limited Contents insurance for customers seeking lower-cost cover options.

We strengthened our partnership with the AA, launching a refreshed AA Membership offer for AA Insurance customers, as part of a broader focus on building connected experiences where insurance and AA Membership work together to deliver more value for customers.

Independent recognition tells us we're heading in the right direction. During the year, we were named Reader's Digest Most Trusted Brand in General Insurance for a 16th consecutive year, won back-to-back Canstar Outstanding Value Awards for car insurance, and earned double gold in the Reader's Digest Quality Service Awards for both car and home & contents. In Kantar's 2026 Corporate Reputation Index, we placed third among New Zealand's top 50 consumer-facing corporates by revenue[1].



[1] Based on the Deloitte Top 200.

SolveIt Challenge

Through our partnership with Eden Park, we took part in the University of Auckland's 2025 'SolveIt Challenge'.

The challenge brought together students from across the university to work on complex, real-world problems presented by participating organisations. For us, the challenge was closely connected to climate resilience: how can Auckland become more resilient and better prepared for the next flood?

The student teams used a design thinking process to explore practical ways to reduce flood risk and improve community preparedness. Their ideas included a mix of infrastructure and community solutions, from pavement designs that help absorb water, through to warning systems that could support improved awareness and quicker action during a flood event. Flood specialists from Auckland Council were also involved as mentors, helping guide the students towards ideas that were grounded in practical experience.



Advocacy through our memberships and partnerships

Our primary industry membership is with the ICNZ, which is our main platform for advocacy on issues material to the insurance sector, such as climate adaptation and regulatory policy.

We are also members of the Sustainable Business Council (SBC), a membership organisation connecting over 125 businesses from all sectors, advocating for a sustainable New Zealand.

In addition, the AA maintains a long-established advocacy function, representing the interests of over 1.1 million Members, and all Kiwi on issues such as road safety, transport infrastructure, affordability of motoring and sustainable mobility. Many of our customers are also AA Members, and the AA's advocacy on safer roads, resilient infrastructure and fair costs for road users aligns closely with our own focus on climate adaptation, affordability and keeping Kiwi protected.

We also work in partnership with our majority shareholder, Vero, to leverage the scale of a larger group and advocate for more resilient New Zealand communities. This includes through engagements with local Councils and central Government on insurance-related matters.



Confident customers and communities

How we're showing up for our customers and communities, including helping them prepare for and recover from events.

A climate resilient AA Insurance

Keeping Kiwi protected

A capable and supported workforce

Helping customers prepare for natural hazards

As severe weather events become a more regular part of life in New Zealand, how well we prepare directly affects how quickly our customers recover.

In FY26, we sharpened our focus on readiness, using better data and clearer communication to support customers before, during, and after weather events.

A key part of this is investing in better tools and information. During the year, we tested and reviewed the role of satellite flood data in our event response toolkit, in collaboration with Vero. The 6-month trial provided useful learnings and will help shape how we use weather forecasting data to support real-time claims response.

At the same time, we have strengthened our connection with Suncorp, including access to their in-house meteorologist, insights from Australia's disaster management programme, and continued collaboration on our joint Trans-Tasman plan.

We've placed a greater focus on building more deliberate customer communication plans for weather events, including through social channels, shifting to a clearer structure that gives customers practical information at the right time.

Beyond our own business, we continue to work alongside industry partners. Through our partnership with the Natural Hazards Commission Toka Tū Ake (NHC), we collaborate on initiatives aimed at supporting effective responses to natural hazard events and enhancing the customer claims experience. During the year, we also participated in a major natural hazard event simulation exercise alongside NHC and other insurers, working through a significant Wellington seismic scenario to inform ongoing readiness activities.

In FY26, we have placed a greater focus on building more deliberate customer communication plans that give customers practical information during weather events.

Responding to weather events

After a major weather event, customers need clear decisions quickly so they can understand their next steps and begin to move forward. In FY26, we looked at how we can shorten that window, through smarter processes and getting our team on the ground.

We continue to invest in our claims teams, so they are ready to respond when events occur. Our Customer Response Team (CRT) remains an important part of this toolkit, bringing together specialists from across the business to support customers and communities after storms, floods, earthquakes, and other significant events.

The team of eight is empowered to provide in-person support to customers who may not be able to reach us through usual channels following a disaster. They are equipped with a purpose-built mobile trailer, satellite communications, and portable IT systems, working closely with the Student Volunteer Army to coordinate on the ground responses. We continue to leverage our AA partnership following weather events, and their 38 local AA Centres form part of our on the ground response.

Our claims value chain includes contracted assessors and repairers, such as Morgan Project Services (MPS). During the year, we worked with MPS to trial alternative options to reduce the length of the assessment phase and move to repair and cash settlement more quickly. The trial provided valuable insights into claims assessment and decision-making processes. These learnings are being considered as part of our ongoing efforts to review and enhance our claims approach, with a focus on continuous improvement and supporting customers through the claims process.

Our claims strategy is clear: leverage technology and data to improve preparedness and response, while never losing sight of the human touch that customers need during stressful and uncertain times.



The Student Volunteer Army

Our partnership with the Student Volunteer Army (SVA) is about strengthening community resilience before, during, and after disaster events.

Now in its third year, our partnership brings together our commitment to helping communities and SVA's network of over 25,000 active students around New Zealand. This year, our focus was to build a strong foundation that sets SVA and its clubs up for long-term success. This included leveraging our expertise as an insurer to provide training resources that help prepare SVA students to deploy safely and effectively when major events strike.

In February 2026, we joined SVA students at universities around New Zealand for their annual club expos. We provided new co-branded event kits to elevate visibility, and 10 AA Insurance volunteers attended 7 university club events to help boost participation and increase club signups.

The collaboration was a success; there was a 21% increase in membership across the country when compared to 2025, with university club members now exceeding 2,800 people – one of the largest cohorts in SVA history.



High school programme

683,817
volunteering hours logged

33% increase compared to FY25

25,361
active students

In May 2026, 92 University of Canterbury students travelled to Kaikōura for the club's annual volunteer camp, with 2026 being the largest camp in club history. Over two days, the volunteers delivered five community projects alongside Kaikōura District Council, one of which was helping local residents in Hāpuku recover from a devastating fire that tore through 33 homes in late 2025. While disaster events may only last days, their impacts are often felt for months, sometimes years. SVA's model helps address this longer-term recovery by connecting volunteers with communities that have been affected by natural hazards.

For us, club events like this are a practical example of our 'confident customers and communities' pillar in action. Community resilience is built through everyday acts of service, and SVA's network of trained, motivated volunteers are there to roll their sleeves up when communities need them.



University programme

2,840
university club members

63
community events led by clubs

United Fire Brigades' Association

We are proud to partner with the UFBA, supporting the volunteer firefighters who help keep New Zealand communities safe.

The UFBA represents around 12,000 volunteer firefighters and plays an important role in supporting capability and connection across brigades. For us, the partnership aims to help communities better understand risk, and strengthen the connections that help people prepare for, and recover from accidents and disasters.

In 2026, we supported the Firefighter Challenge series, including the National Firefighter Challenge on Wellington's waterfront. The event brought together more than 160 firefighters to compete on a course designed around the real tasks firefighters encounter as part of emergency response work.

2026 marked the third consecutive year of sponsoring the Road Crash Rescue Challenge. Based in Feilding, the challenge allows firefighters to practice their first responder skills in realistic road crash scenarios, including using tools like the Jaws of Life®. In total, 104 firefighters represented 18 brigades from across the country. In partnership with Turners, we donated more than 70 end-of-life vehicles, giving the vehicles another use before being dismantled or recycled. We also donated three vehicles to volunteer brigades in Muriwai and Christchurch to strengthen their own vehicle incident responses.

When a fire happens, the impact on our customers can be emotional, and take time to recover from. In FY26, we supported customers through 675 fire claims, each one reminding us of the important role firefighters play in protecting both urban and rural communities.





> "As an insurer, we see what communities are dealing with after fires, floods and major incidents. Events like this help show the preparation and coordination that takes place before help arrives, and why readiness matters for how well communities recover afterwards."

Simon Hobbs,
AA Insurance
Chief Operating Officer

Big Little

The Big Little sponsorship supports primary school sport programmes, helping remove barriers to participation and empowering students to build confidence through sport.

The programme creates wider community value by helping schools provide more inclusive opportunities for young people to participate and connect.

This year, we increased the total funding from $40,000 to $100,000 in response to the record nominations in 2025, with over 700 primary schools in New Zealand receiving votes.

Ten schools each received a $10,000 sports grant to help their students reach their sporting dreams, with schools looking to spend the grants on new sports equipment, uniforms, and upgrading existing assets such as swimming pools. Since the programme began in 2018, a total of $238,000 has been awarded.



Volunteering

Our volunteering programme gives our people time and support to contribute to causes that matter to them and their communities.

All permanent and fixed-term team members are eligible for one paid volunteer day each financial year. In FY26, our people have recorded 1,706 hours of volunteering time across New Zealand. This includes support for community organisations, local schools, fundraising, conservation, and with our social impact partners the UFBA and SVA.

Our People Partnering, Wellbeing and Advisory team join Fair Food, who help prepare and share nutritious fresh food that would otherwise have gone to waste.







Our Finance teams help with conservation work at Motuihe Island in Auckland's Hauraki Gulf.

Stephanie Hakiwai was one of the volunteers who joined the Lincoln University SVA club at their annual club expo, to help grow participation for the year:

"I loved using my volunteer day to talk to so many different students about SVA and how AA Insurance is supporting such a great organisation like this. Seeing the positive reactions from students towards SVA gave me so much hope and comfort knowing that so many younger people are keen to get involved and do some selfless activities for their communities!"





A capable and supported workforce

How we support our people to feel safe and able to perform at their best, consistently and sustainably.

A climate resilient AA Insurance

Keeping Kiwi protected

Confident customers and communities

Our people are at the centre of what we do. How we support them, through strong leadership and a culture where they feel like they belong, directly shapes the experience our customers receive. We are committed to making sure our team feels supported and able to consistently perform at their best.



Female: **771**

Male: **446**

Nonbinary: **3**

Gender diverse: **5**

Not specified: **3**

We employ a total of **1,228** people

Leadership and values update

In FY26, we strengthened leadership capability across the organisation through a structured programme of work led by our People & Capability team.

Our senior leaders are taking part in the Adaptive Leadership Programme, which focuses on building the capability needed to lead our business into the future. This includes executing strategy, leading through AI and emerging technology, and quarterly capability sessions built around key topics. Our team leaders are being supported through the Adaptive Leader Foundations Programme, a two-day workshop designed to help them manage their own resilience and support the wellbeing and performance of their teams. This complements our new Leadership Everyday modules, and an online Leader's Hub with additional resources and tools.

100% of our permanent and fixed-term employees receive regular performance and career development reviews. Our performance cycle includes two formal Performance Development Reviews (PDRs), an interim review and an annual review each financial year. Employee performance is assessed against Business Performance Indicators, role-specific competencies, and alignment with our Genuine values. It's a process designed to make sure the way we develop our people is connected to the outcomes we deliver for customers.

We have also spent the past year revisiting those values. Our Genuine values have been in place for over 20 years, grounding our team in a set of principles that are applied to all facets of working at AA Insurance. Through consultation with the business involving over 400 people across 24 workshops and a series of feedback loops, we set out to understand what has made us successful, what is shaping us today, and what we expect to face in the future. Early themes centred on working as a team, putting customers at the core, taking ownership and accountability, and embracing change. Our new values were finalised based on these themes, and then launched in July 2026, with a series of activities supporting their release.

Embedded support mechanisms

Looking after the wellbeing of our people means bringing together the right policies, tools and commitments to create a genuinely supportive workplace.

This year, we updated the governance of our Health, Safety & Wellbeing policy to strengthen accountability and ensure our approach remains fit for purpose as our business evolves.

Beyond our internal framework, we've taken important steps to embed a culture of respect and safety. This includes updating our DVFREE Tick accreditation, recognising our ongoing commitment to fostering a safe, supportive, and inclusive workplace for employees affected by domestic violence.

Equitable pay remains an important commitment. We have published our gender pay gap on the Pay Gap Insights Hub since 2023, and we continue to monitor and address the gap through our annual remuneration review process. As of 30 June 2026, our organisation-wide gender pay gap was 10.7% (in favour of males), and a portion of the annual remuneration review budget has been set aside to support progress. Our like-for-like gender pay gap is 0.23%, reflecting a very small difference in pay between genders for the same role.

We provide several mechanisms for individuals to seek advice and raise concerns about responsible business conduct. Our team can raise concerns through their manager, the ELT, or through our confidential Speak Up Policy, which is supported by an independent external Speak Up Service administered by Deloitte.

At a glance – our people

145
New employees

9.4%
Voluntary turnover

6.2 years
Average tenure

Employee Action Groups

Our Employee Action Groups (EAGs) are employee-led communities built around a shared identity, giving our people a platform to advocate for change and bring inclusion to life.

EAGs are embedded in how we operate. Backed by Executive sponsorship, formal charters, and a dedicated budget, they drive tangible outcomes for the communities we serve.

rAAInbow

Our rAAInbow EAG is committed to providing a safe and inclusive environment for all members of the LGBTTQIAP+ community and their whānau. After becoming the first general insurer to sign the Pride Pledge in 2024, we've now used the independent Pride Pledge audit to guide our approach and prioritise practical change in FY26.

This includes our second Rainbow Inclusion Stocktake, a self-evaluation tool aligned with Pride Pledge's global best practice framework. We attended Auckland's Big Gay Out for the second year running, and our annual Sweat with Pride challenge, now in its fourth year, raised more than $17,000 in 2026 to support Rainbow charities. AA Insurance ranked second among New Zealand workplaces for Sweat with Pride.

Beyond our internal culture, we're embedding inclusion into how we attract talent too. Our recruitment team interviews prospective employees with an understanding of their preferences and needs, helping ensure people feel safe from day one. This approach has been particularly meaningful for Rainbow candidates and is best reflected in positive scores in our annual engagement survey among members of our team that identify as part of the Rainbow community.

Neurodiversity

Our Neurodiversity EAG showcased the authentic experiences of neurodivergent individuals and carers during Neurodiversity Celebration Week 2026. In collaboration with our Talent Acquisition team, the EAG created a practical framework aiming to better support neurodivergent candidates through the recruitment process. They have partnered with an external neurodivergent strategic consultant to further develop and support psychologically safe and inclusive practices.

Wāhine

In FY26, the Wāhine EAG delivered a new Menopause Policy and supporting toolkits for team members and leaders, designed to create an inclusive workplace where people can thrive at every stage of life. They also led a two-week programme of events for International Women's Day, including a panel discussion with internal and external speakers and networking sessions. The EAG raised almost $9,000 for Breast Cancer Foundation NZ and Women's Refuge, and coordinated donations of gifts, food and volunteer time to support Women's Refuge-affiliated charities for their Christmas Appeal.

Arawa Hōkūle'a

In FY26, the Arawa Hōkūle'a EAG continued to promote cultural fluency and inclusion, and contributed to normalising te reo Māori across the organisation. This included supporting the translation of our Genuine values into te reo Māori, helping ensure the values and their meanings were authentically represented. Matariki remained a cornerstone event for the EAG, with educational resources and the annual 'Aotearoa on a Plate' celebration bringing people together for learning and reflection.



Our rAAInbow EAG leading the Sweat with Pride fundraiser in June 2026

RAAINBOW Employee Action Group

WĀHINE Employee Action Group

NEURODIVERSITY Employee Action Group

ARAWA HŌKŪLE'A Employee Action Group

EAG in action: ‘Drive it Forward’ programme

‘Drive it Forward’ is a joint initiative between our Motor and Sustainability Teams, where each year, we procure, refurbish, and donate a vehicle to community organisations.

Vehicles are selected from Turners’ end-of-life vehicle yard and refurbished by our sponsored motor apprentices. This turns our technical expertise and strong partnerships into practical support for organisations by reducing or removing transportation barriers.

In 2026, we collaborated with our Arawa Hōkūle’a (Māori and Pasifika) EAG to support InZone Education Foundation, an Auckland-based charity helping Māori and Pasifika youth access top Auckland schools while living in culturally grounded kāinga (housing) environments. InZone Education Foundation provides accommodation, mentorship and academic support to students so they can be “in zone” for top schools including Auckland Grammar School and Epsom Girls Grammar School.

The initiative was delivered alongside our very own Māori and Pasifika sponsored apprentices connected to the Te Waharoa programme, creating learning opportunities through work that is directly connected to community purpose.

Jared Nordstrom, CEO
InZone Education Foundation

“This is about creating opportunity. For our rangatahi, something as practical as access to a vehicle can make a real difference by helping them get to school, access opportunities, learn to drive and stay connected to their goals.”



Jared Nordstrom (CEO, InZone Education Foundation, left) and Michelle James (CE, right)

Health, Safety & Wellbeing

We’ve invested in a comprehensive improvement programme to enhance the maturity of our safe systems of work, and the way health and safety is embedded in day-to-day operations.

We internally assessed our performance at 68%, then made improvements before seeking independent verification. An external consultant reviewed our evidence and awarded a Safe365 score of 81%.

Our three most critical Health, Safety & Wellbeing (HSW) risks are actively managed through an updated risk register and regular site visits following a ‘Plan, Do, Check, Act’ cycle. Our people have access to occupational health services including workstation assessments, trained Mental Health First Aiders, and our Employee Assistance Programme (EAP).

We reset our Health & Safety (H&S) Committee’s charter and uplifted engagement with H&S Representatives, while our ELT and Board completed annual HSW walkarounds to engage directly with employees on everyday safety and wellbeing.

Our ‘Staying Safe At Work’ learning journey is embedded in our Learning Management System and volunteer opportunities to train as First Aiders, Fire Wardens, and Mental Health First Aiders are available to our team.

Our most significant supply chain HSW impacts are managed through our Supplier Code of Practice, with over 230 suppliers signed up. All of our employees in New Zealand are covered by our HSW framework, including those working from home.





Appendices

Appendix 1: Materiality assessment process

Our FY26 materiality assessment was conducted with support from Oxygen Consulting. The process involved four steps:

1

Topic Identification

We started with a broad list of environmental, social, and governance topics based on global standards and industry peers, then refined this to a focused shortlist relevant to our business. This shortlist was reviewed and ratified by our Sustainability Committee.

2

Stakeholder engagement

We engaged a wide range of stakeholders to understand their perspectives. This comprised more than 30 internal and external stakeholders, including senior leaders, subject matter experts, and key partners. We complemented this with independent customer research of 1,000 Kiwi, in collaboration with our Insights team and research partners, Kantar.

3

Assessment and prioritisation

Stakeholders rated topics based on their significance. Results were weighted and combined to reflect both internal and external stakeholder views.

4

Calibration and validation

We analysed the results to identify our most material topics and sought further discussion from the Sustainability Committee, to ensure they are relevant for decision-making and reporting.

Appendix 2: Material topic list

The list of topics that were assessed as part of this materiality assessment:

Topic	Impact definition	Financial definition
Climate change[4]	AA Insurance's impact on climate change through its GHG emissions.	Impacts of climate change on AA Insurance from severe weather events and the net zero transition.
Nature and biodiversity	AA Insurance's impact on pollution, waste, natural resources and biodiversity.	Impacts of changes to nature and biodiversity on AA Insurance.
Employee wellbeing	AA Insurance's impact on employee wellbeing through workplace culture and systems that support belonging and engagement.	Impacts of employee wellbeing on AA Insurance such as operational performance and employee satisfaction.
Human rights	The impacts AA Insurance's activities, decisions and relationships (including supply chain partnerships) have on human rights outcomes for people.	The impact that human rights-related risks and expectations have on AA Insurance's financial performance and long-term value.
Customer and community resilience	AA Insurance's impact on customer and community resilience to natural hazards through education and supporting long-term preparedness and recovery.	The impact on AA Insurance when customers and communities are resilient to and well prepared for natural disasters.
Insurance affordability and accessibility	AA Insurance's impact on insurance affordability and accessibility through its underwriting and pricing decisions.	The impact that responsible pricing and underwriting risk has on the reputation and long-term sustainability of AA Insurance.
Advocacy	AA Insurance's role in contributing to the public policy environment by engaging constructively on insurance-related issues at national and local levels.	The impact on AA Insurance arising from advocacy-related outcomes, including changes to policy, regulatory settings, or public expectations.
Responsible investment	AA Insurance's impact on sustainability outcomes through its investment and capital allocation decisions.	The impact of investment decisions on AA Insurance's financial performance, risk profile and reputation.

[4] We acknowledge these definitions may differ from those under the NZ CS. For the avoidance of doubt, our separate 2026 Climate Statement is prepared based on the definitions under the NZ CS.

Appendix 3: GRI content index

Statement of use: AA Insurance Limited has reported the information cited in this GRI content index for the period 1 July 2025 – 30 June 2026 with reference to the GRI Standards.

GRI 1 used: GRI 1: Foundation 2021

GRI Standard	Disclosure Title	Location (FY26 SR)	Notes
GRI 2: General Disclosures 2021			
2-1	Organisational details	About us, page 1	–
2-2	Entities included in the organisation's sustainability reporting	About this report, page 1	–
2-3	Reporting period, frequency and contact point	About this report, page 1	Reporting period: 1 July 2025 - 30 June 2026. Annual reporting frequency
2-4	Restatements of information	About this report, page 1	No restatements, this is the first report prepared with reference to GRI
2-5	External assurance	GRI content index: page 25	This Sustainability Report has not been externally assured. However, emission figures sourced from our Climate Statement have been externally assured; we have obtained reasonable assurance over scope 1 and 2 emissions, and limited assurance over scope 3 emissions
2-6	Activities, value chain and other business relationships	About us, page 1	–
2-7	Employees	About us, page 1	Permanent employees: 1,204 Temporary employees: 24 Full time employees: 1,103 Part time employees: 125 All employees are based in New Zealand
2-8	Workers who are not employees	–	As at 30 June 2026, we had 297 workers who are not employees. This includes contractors, agency workers and other similar workers
2-9	Governance structure and composition	Governance, page 4	–
2-10	Nomination and selection of the highest governance body	Governance, page 4	–
2-11	Chair of the highest governance body	Governance, page 4	–
2-12	Role of the highest governance body in overseeing the management of impacts	Governance, page 4	–
2-13	Delegation of responsibility for managing impacts	Governance, page 4	–
2-14	Role of the highest governance body in sustainability reporting	Governance, page 4	–
2-15	Conflicts of interest	–	Not disclosed: confidentiality constraints
2-16	Communication of critical concerns	–	Not disclosed: confidentiality constraints
2-17	Collective knowledge of the highest governance body	–	Not disclosed: confidentiality constraints
2-18	Evaluation of the performance of the highest governance body	–	Not disclosed: confidentiality constraints
2-19	Remuneration policies	–	Not disclosed: confidentiality constraints
2-20	Process to determine remuneration	–	Not disclosed: confidentiality constraints
2-21	Annual total compensation ratio	–	Not disclosed: confidentiality constraints
2-22	Statement on sustainable development strategy	Note from our Chief Executive and Chair, page 3	–
2-23	Policy commitments	Governance, page 4	–
2-24	Embedding policy commitments	–	–
2-25	Processes to remediate negative impacts	–	Not disclosed: not selected under 'with reference' approach
2-26	Mechanisms for seeking advice and raising concerns	Embedded support mechanisms, page 19	–
2-27	Compliance with laws and regulations	Important information, page 26	–
2-28	Membership associations	Keeping Kiwi protected, page 10	–
2-29	Approach to stakeholder engagement	Appendix 1: Materiality assessment process, page 23	–
2-30	Collective bargaining agreements	–	Not disclosed: not selected under 'with reference' approach
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Appendix 1: Materiality assessment process page 23	–
3-2	List of material topics	Materiality assessment, page 6 Appendix 1: Materiality assessment process, page 23	–
3-3	Management of material topics	Throughout report, pages 7-21	Managed under four pillars: A climate resilient AA Insurance, Keeping Kiwi protected, Confident customers and communities, A capable and supported workforce

Appendix 3: GRI content index (continued)

GRI Standard	Disclosure Title	Location (FY26 SR)	Notes
GRI 102: Climate Change 2025			
102-1	Transition plan for climate change mitigation	Cross-reference: FY26 Climate Statement, page 9	–
102-2	Climate change adaptation plan	Cross-reference: FY26 Climate Statement, page 9	We do not have a standalone climate change adaptation plan, however climate mitigation and adaptation are both included in the transition planning aspects of our strategy
102-3	Just transition	–	Not disclosed: information unavailable/incomplete - no methodology yet in place to measure just transition impacts for FY26
102-4	GHG emissions reduction targets and progress	Cross-reference: FY26 Climate Statement, page 15	–
102-5	Scope 1 GHG emissions	Cross-reference: FY26 Climate Statement, page 14	–
102-6	Scope 2 GHG emissions	Cross-reference: FY26 Climate Statement, page 14	–
102-7	Scope 3 GHG emissions	Cross-reference: FY26 Climate Statement, page 14	We have continued to expand scope 3 measurement, with new emissions sources measured and disclosed in FY26
102-8	GHG emissions intensity	Cross-reference: FY26 Climate Statement, page 14	–
102-9	GHG removals in the value chain	–	We have not undertaken GHG removal activities
102-10	Carbon credits	–	We have not purchased or cancelled any carbon credits
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	Leadership and values update, page 19	–
401-2	Benefits provided to full-time employees	–	Our employees receive subsidised public transport as part of Auckland Transport's Fareshare programme and Waikato Regional Council's Bee Card corporate concession scheme
401-3	Parental leave	–	Not disclosed: not selected under 'with reference' approach
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Health, Safety & Wellbeing, page 21	–
403-2	Hazard identification, risk assessment, and incident investigation	Health, Safety & Wellbeing, page 19	–
403-3	Occupational health services	Health, Safety & Wellbeing, page 20	–
403-4	Worker participation, consultation, and communication on OHS	Health, Safety & Wellbeing, page 20	–
403-5	Worker training on OHS	Health, Safety & Wellbeing, page 20	–
403-6	Promotion of worker health	Health, Safety & Wellbeing, page 20	–
403-7	Prevention and mitigation of OHS impacts directly linked by business relationships	Health, Safety & Wellbeing, page 20	–
403-8	Workers covered by an OHS management system	Health, Safety & Wellbeing, page 20	–
403-9	Work-related injuries	–	Not disclosed: not selected under 'with reference' approach
403-10	Work-related ill health	–	Not disclosed: not selected under 'with reference' approach
GRI 404: Training and Education 2016 - Material topic: Employee wellbeing			
404-1	Average hours of training per year per employee	–	Not disclosed: information unavailable/incomplete - no methodology yet in place to measure training hours per employee, however, this is expected in future reporting periods
404-2	Programs for upgrading employee skills and transition assistance programs	Leadership and values update, page 19	–
404-3	Percentage of employees receiving regular performance and career development reviews	Leadership and values update, page 19	–
GRI 405: Diversity and Equal Opportunity 2016 - Material topic: Employee wellbeing			
405-1	Diversity of governance bodies and employees	A capable and supported workforce, page 18 (employees)	Gender diversity is provided, however, we have not disclosed other diversity statistics in this report
405-2	Ratio of basic salary and remuneration of women to men	Embedded support mechanisms, page 18	We report our gender pay gap on the Pay Gap Insights Hub, and have done so since 2023
GRI 413: Local Communities 2016 - Material topic: Customer and community resilience			
413-1	Operations with local community engagement, impact assessments, and development programs	Confident customers and communities, pages 14-17, page 21	Includes SVA, UFBA, Big Little, Drive it Forward
413-2	Operations with significant actual and potential negative impacts on local communities	–	Not disclosed: not selected under 'with reference' approach.

The content in this Sustainability Report has not been externally assured. Other GRI Topic Standards were considered but were not selected for disclosure because the topics did not meet our materiality threshold for detailed reporting. AA Insurance has engaged Oxygen Consulting to provide advisory support in aligning this report with reference to the GRI Standards, and evaluating the relevant disclosures and exclusions contained in this index.



Appendix 4: Important information

AA Insurance is required to act in accordance with all applicable New Zealand laws and regulations, including the Insurance (Prudential Supervision) Act 2010, and the FMCA. AA Insurance holds a full insurance licence issued by the Reserve Bank of New Zealand and is a member of the Insurance & Financial Services Ombudsman Scheme (IFSO) dispute resolution scheme.

This report contains forward-looking statements in relation to AA Insurance's sustainability approach and business operations. Forward-looking statements may be identified with words such as 'commit', 'continue', 'expect', 'may', 'plan', 'potential', 'target', 'will' and other similar terms and phrases. AA Insurance has sought to provide accurate information in respect of the year ended 30 June 2026 as at the date of publication but would caution against reliance being placed on representations that are necessarily subject to significant risks, uncertainties or assumptions. Any forward-looking statements should not be considered a guarantee of future outcomes but rather reflect our understanding as of the date of this report's publication. AA Insurance expects that some forward-looking statements made in this document may be amended and updated in future documents as the quality and completeness of its data and methodologies continue to evolve and improve. AA Insurance maintains that reliance should not be placed on any forward-looking statements. The forward-looking information and opinions in this report do not offer an invitation or solicitation or recommendation to buy financial products in relation to AA Insurance. AA Insurance gives no representation, guarantee, warranty or assurance about future business performance, or that the outcomes expressed or implied in any forward-looking statements made in this document will occur. AA Insurance does not accept any liability whatsoever for any loss arising directly or indirectly from any use of the information contained in this report.



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