

News release

16 March 2021

CEO succession and appointment of Deputy Chairman

The AA today announces the following leadership update.

After seven years at the AA, with four of those years as CEO, Simon Breakwell has indicated to the Board that he wishes to transition into a non-executive role. Accordingly, Simon will become Deputy Chairman of the AA.

Jakob Pfaudler will succeed Simon as CEO of the AA.

Jakob is a proven leader with a strong track record of driving business transformation and growth, as well as relevant expertise in digital and consumer finance. Jakob has run large scale people businesses and has a passion for driving outstanding customer service through employee engagement.

He previously served for more than fifteen years in senior roles at Lloyds Banking Group, including as COO of the Retail Banking Division and latterly as Group Director of Community Banking. Jakob was also a member of the Group's Executive Committee. He has also served as Non-Executive Director of Scottish Widows plc and Motability Operations plc.

As a regulated business, these changes will take effect when FCA approval has been received and a period of handover has been completed.

Rick Haythornthwaite, Chairman of the AA, commented: *"Simon has been a consummate CEO and role model, and we are grateful to him for his significant contribution. We respect his decision to move into a non-executive role as we close one chapter as a publicly listed company and open another. We are delighted that we will continue to benefit from his insights in his new position as Deputy Chairman, and I look forward to working closely with him in that capacity."*

"In Jakob Pfaudler, I believe we have secured a successor to Simon with exceptional credentials. Jakob's experience is highly relevant to our ambitions for the business, and I share his vision of unlocking the potential that will come from combining a well invested IT infrastructure with our exceptional team of people, to become a genuine partner to the AA's loyal customers. Jakob is passionate about how businesses can use technology to re-invent how we relate to customers and rediscover their social purpose. I look forward to working with him to breathe new life into the brand".

Simon Breakwell commented: *"It has been an honour to lead this iconic business and to work alongside the thousands of outstanding colleagues who make the AA what it is. I am proud to have played my part in stabilising operations and service levels, delivering consistent financial and cash performance; resolving the balance sheet issues and most critically, by greatly improving engagement across the Company. The investment from our new shareholders has put the business on a sound financial footing and we now have the operational freedom to pursue the growth opportunities that lie ahead. With these foundations in place, I believe that now is the right time to move into a non-*

executive role and look forward to working closely with Jakob, Rick and the rest of the leadership team to support the company's continued growth and success."

Jakob Pfaudler commented: *"I am honoured and proud to be appointed CEO of the AA, which is an iconic business I have admired for many years. Few brands are more trusted and respected by their customers than the AA, and I share the new owners' excitement about the many opportunities for growth that lie ahead. I feel privileged to be able to take over from Simon to build on the technology agenda, to modernise the business and make sure the AA's exceptional people bring an ever better service to our millions of customers. I can't wait to get started and become part of the wonderful team that the AA is so well-known for, and ensure that the company's future is just as bright as its fantastic history."*

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Enquiries

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Notes to Editors:

About the AA:

The AA is the UK's leading provider of roadside assistance, with approximately 2,700 patrols attending an average of around 9,400 breakdowns daily. The Roadside business includes many other services, which enrich membership, including Driving Services through the AA's Driving School and BSM platforms, and DriveTech, the market leader in driver education. AA Smart Care provides peace of mind when booking a MOT, maintenance, service and repair by only using AA inspected and approved garages. The AA's insurance broker focuses primarily on motor and home policies, operating a diverse panel of underwriters including the AA's in-house underwriter. The Insurance division also includes the AA's Financial Services partnership with the Bank of Ireland on a range of financial services products including, savings and loans.