2023 Impact Report
AAA Northern California, Nevada & Utah

Building Momentum. Benefitting Members.



Impact Report 2023

Introduction	**1**	Supporting Diversity, Equity & Inclusion	15
Environmental	**2**	Being a Great Place to Work	19
Monitoring Our Carbon Footprint	3	**Governance**	**22**
Improving Our Operations	4	Operating Responsibly	23
Serving Our Members	5	Managing Risks	23
Social	**8**	Leading with Purpose	24
Doing Good in Communities	9	**Looking Ahead**	**25**



2023—Another Year of Sustainable Progress.

ESG continues to be an important initiative for us. As we reflect on the environmental and societal changes around us, we recognize that we're in this together. The positive strides we can make - our collective impact - will help all of us live better, benefiting our communities, and the world around us.

Through this report, we highlight the progress we continue to make in support of a more sustainable future. Our commitment to diversity, equity, and inclusion (DEI) initiatives in the workplace, community impact programs that help our Members stay safe on the roads, and many other key initiatives reflect who we are —always in service to our Members, and with our AAA Team Members in mind.

This dedication to our Members is a never-ending journey. For more than 120 years we have proudly served our Members, on the road and at home, with roadside assistance, insurance, smart home security, car repair, travel and dozens of other benefits accessible with a AAA Membership. As we go forward, we will continue to bring new products and services to better serve them, so that they can live their lives more confidently, knowing that AAA has their back.

We are a not-for-profit, mutual benefit corporation, which means our charter is to create more value for our Members and the communities we serve. ESG is a key part of that, as it gives us a framework to operate responsibly, ensuring there's a viable future ahead for our more than 6.6 million Members, and the next generation of Members to come.

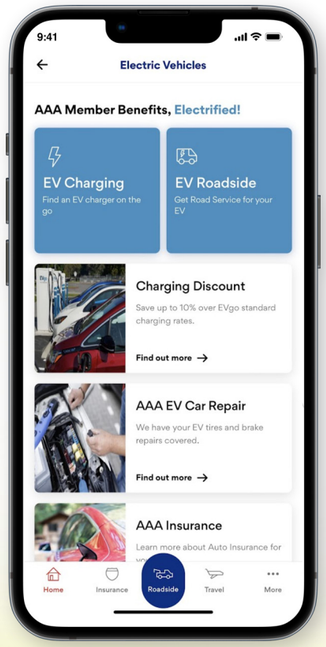
As always, thank you for your trust and confidence in allowing us to serve you.

Wendy Paskin-Jordan
Chair, Board of Directors

Tim Condon
President & CEO

Environmental

We are committed to tracking and improving the impact we have on our world through an annual greenhouse gas inventory.



Understanding our impact

Monitoring Our Carbon Footprint

We are committed to tracking and improving the impact we have on our world through an annual greenhouse gas (GHG) inventory. Since 2021 we've worked with a third-party contractor, Environmental Science Associates (ESA), to complete and refine our assessment, including direct and indirect emissions associated with our operations, providing a full picture of our impact so we can identify opportunities to reduce emissions in the short- and long-term.

This analysis includes:

1. Direct emissions from mobile combustion and stationary combustion.
2. Indirect emissions from purchased electricity and heating.
3. Indirect emissions from mobile combustion by our third-party emergency roadside services (ERS) network.

In 2023, we continued to improve our data tracking and quantifying impacts to be in-line with best practice, with an eye toward future requirements of all companies.



LEED-Platinum Level green building certification at AAA headquarters

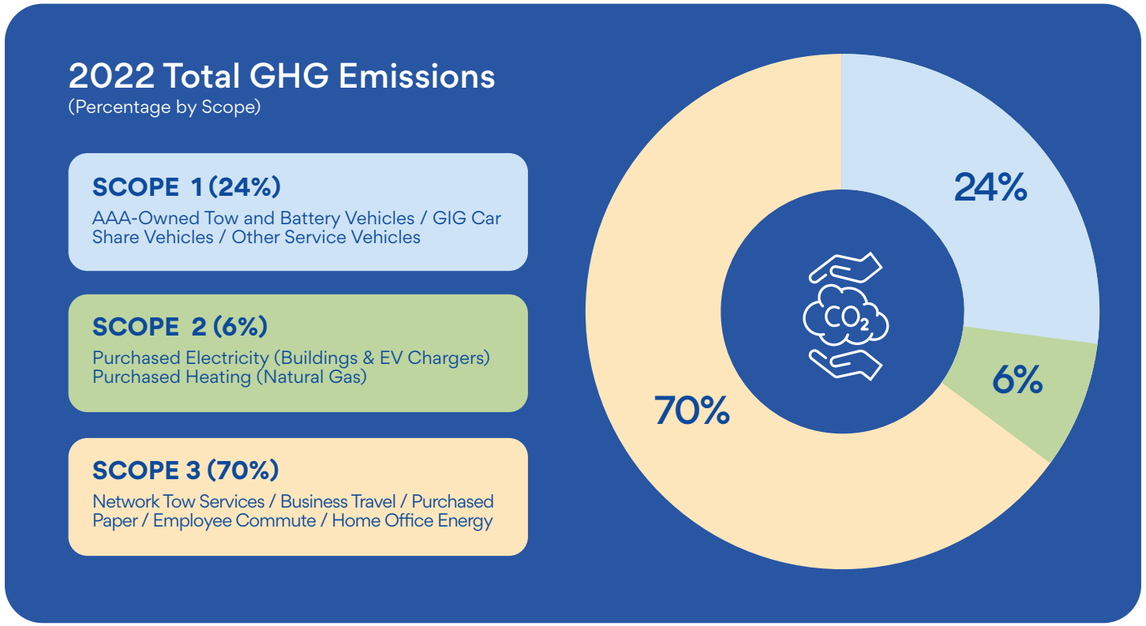


Electric Vehicles adoption is strong in our service area.



We are piloting electric vehicle services to meet the needs of our Members

On the road to meaningful, measurable change.



Improving Our Operations

We continue to reduce and avoid waste by adopting diversion strategies that include recycling and composting options in our facilities, and we continue to partner locally to find alternative waste options where they are not yet widely available. We also monitor our paper use across operational and Member-facing sources, after cutting some of our most significant sources of paper in previous years.

Our administrative offices continue to operate as hybrid work locations, reducing the impact of Team Member commute emissions overall since our baseline year. When Team Members do commute, our benefits package encourages public transportation with incentives, and—in some locations—EV charging is available. Our headquarters in Walnut Creek, CA and administrative office in Phoenix, AZ earned LEED Platinum certification, and several of our retail locations earned other LEED certifications.

Serving Our Members

We aspire to evolve our services to support our Members' transition to electric vehicles, as EVs gain momentum. Our service area includes six of the top 20 metros for zero-emission vehicle new car sales enabling us to enhance our understanding of EV-driving Members, and make strategic improvements to our EV offerings. AAA will be ready to support the EV transition journey of our Members, providing advocacy, education, and services both on and off the road.

EV Education and Advocacy

Nationally, AAA's advocacy efforts include the research of independently tested electric vehicle range claims made by automakers. In 2023, we continued to promote new EV resources and services to our Members, including adding information into our mobile app, adding new content and services on our website, and sharing information via social channels. We continue to be there as Members research and understand the benefits of driving electric, find an EV that meets their needs, and understand how AAA can support their journey to EV ownership.





In 2023 we expanded the use of EVs, including EV vans for light service for our Members, and mobile charging technology

Emerging Member Services

We continue to advance our efforts to deploy new services that help us serve Members with a lighter carbon impact, and support our Members' transition to electric vehicles.

Building off of our successful tests of adding fully electric vehicles to our road service fleet, in 2023 we expanded the use of EVs, including EV vans for light service for our Members, and mobile charging technology that allows us to serve our EV-driving Members at the roadside. We also started investing in additional road service vehicles and retrofitting that will allow us to test and learn more about the viability of these new technologies in our operations, as we await advancements in heavy-duty EV manufacturing.

In addition to serving our Members on the roadside, we also provide specialized training and education programs for our certified auto repair technicians. In 2023, we invested in new EV diagnostic equipment at multiple AAA Auto Repair Centers, and expanded specialized training to provide a full suite of services to EV driving Members. Members driving electric vehicles can rest easy knowing that AAA Auto Repair Centers will have experts to service their vehicle, and we continue to expand this capability into new markets.

Mobility Options

For people seeking a car-light lifestyle, our GIG Car Share service offers safe, convenient, affordable mobility. We operate hybrid Gig cars in select cities, with 150,000 Members sharing— instead of privately owning— vehicles in those communities. In 2023, we're proud that Members took more than 600,000 trips in these shared hybrid vehicles, leading to fewer cars on the road, and lighter emissions in our communities.

We are in constant pursuit of expanding the value of services we offer to our Members. As our Members' needs and vehicle choices change, steady investment in new technologies, such as EV fleets and servicing, will allow us to deliver on our promise today and in the future.

GIG CAR SHARE

Over
150,000 Members share our GIG Car Share vehicles across the communities we serve.



Social

We are committed to programs that help build safer, more confident communities, and create a meaningful and measurable positive impact on the world.



2,000+
Number of schools annually supported by our Club

Living our mission



As a Member organization, we are driven to help our Members live life confidently. The ongoing services and benefits we provide to our Members are paramount to delivering on our mission, and we cannot do that without a strong focus on doing good in the communities we serve.

This values-based approach is reflected in our social commitments to:

- Do good in communities
- Support diversity, equity and inclusion
- Be a great place to work

The pages that follow outline some of the key programs we have initiated and maintained in 2023 to keep our social commitments. We intend to continue and grow our efforts over the years to come.





Doing Good in Communities

Service is a key value at AAA, and doing good in local communities where we serve Members is a key part of our culture. We are committed to programs that help build safer, more confident communities, and create a meaningful and measurable positive impact on the world.

Road Safety: Keeping our most vulnerable road users safe

At AAA, traffic safety has been a key focus of our purpose for our more than 120 year history. Our highest commitments are to protect vulnerable road users, and we've focused on two signature programs to drive measurable results in the communities we serve.

Slow Down, Move Over

We recognize the safety challenges our Emergency Road Service (ERS) drivers face daily to help our Members get back on the road.

We are invested in reminding drivers of the importance of slowing down and moving over when passing an emergency vehicle stopped on the roadside. In 2023, we supported this campaign by releasing information and public service announcements to Members, and displaying billboards in key markets to improve awareness of this safety message. We also celebrated our ERS drivers by having Team Members write appreciation cards during the annual Move Over Day in October, building internal awareness for the work these colleagues do every day.

Child Passenger Safety

Car crashes are a leading cause of death and injury for children, and often this happens because they are incorrectly secured in vehicles. To help keep our youngest travelers safe, we are committed to educating parents and caregivers about common errors, and providing direct service in the community to give them the confidence they're safely securing their child in their vehicle.

We regularly share free information and online tools that allow caregivers to assess if they're using the right seat for their child, and understand the common errors that happen so they can avoid missteps. We take this commitment to education further through direct service -- where dozens of our Team Members have become nationally certified child passenger safety technicians, providing free inspection services to the public that delivers direct education to caregivers. We also support local nonprofits in every market we serve, providing $200,000 in grants so they can also offer free car seat safety education and car seats to families in need.

We are also committed to ongoing research to improve safety outcomes at all phases of car seat use - from design, to installation, to daily use. Our multi-year collaboration with the National Safety Council (NSC) to standardize the National Digital Car Seat Check Form (NDCF) has resulted in several car seat manufacturers improving their designs to help families travel more safely.



Student Leadership: Empower the next generation of community leaders

Support for our communities is embedded in how we operate, and we recognize that nurturing the next generation of leaders is one way we can sustain our commitments for generations. For more than 100 years, we've invested in initiatives that inspire and empower young people to be leaders in their communities by giving them the tools and confidence to make a difference.

AAA School Safety

For more than 100 years, AAA has provided students the opportunity to be peer safety leaders in their local communities. We support more than 2,000 schools with equipment, educational materials and grants to help these young leaders become community advocates.

Over time, we've adapted the tradition of the curbside program to expand opportunities to learn and lead within the classroom through curriculum and activities that build student confidence, and empower them to be vocal leaders to improve their school community. In 2023, these efforts engaged more than 130,000 students, and millions have participated since the program's inception.

We are proud that in 2023, Jyevonne Saffold from Arizona was named the National Patrol Advisor of the Year for her outstanding leadership.





"On November 14, 2023, more than 650,000 people from 1,700 schools across 46 states and three countries participated in the annual walk

Ruby Bridges Walk to School Day

A class of AAA School Safety leaders in California learned about the civil rights icon Ruby Bridges, and her brave walk to school in 1960. With a simple question from one student – "Why isn't there a day for Ruby?" – an idea was sparked. These young leaders founded Ruby Bridges Walk to School Day, with the vision of building a nationwide movement and starting a day of dialogue about creating positive change.

We've partnered with The Ruby Bridges Foundation to help support the vision of these young leaders. Across our communities, we provide free event materials, grants, and educational content to mobilize the movement. On November 14, 2023, more than 650,000 people from 1,700 schools across 46 states and three countries participated in the annual walk. We are proud to encourage students across the country to become leaders at school and in their communities.





Community Support: Unleash our Team Members' spirit of service for good

Service is one of our core values, which permeates our culture. As we make commitments to our local communities, it's only natural that we give our people a role to play in delivering a positive impact.

Driven to Help

Through our My Impact program, Team Members are empowered to make an impact in their communities, supporting the causes that matter most to them. Eligible Team Members are given three paid days off annually to volunteer for nonprofit organizations supporting the community, and we match donations to eligible nonprofit organizations

We also actively celebrate our special commitment to communities by engaging our Team Members in our signature programs to support road safety and student leadership. We offer a variety of leadership opportunities, such as advanced training to be a certified child passenger safety technician, or becoming a community champion supporting our nonprofit and school partners locally.

Awards and Recognition

We're proud to earn recognition for the contributions we make in our communities. In 2023, we were recognized as a Top Corporate Philanthropist by the San Francisco Business Times and the Phoenix Business Journal.

Feeling valued and respected

Supporting Diversity, Equity & Inclusion

We recognize that our differences make us stronger, and we strive to create a workplace where all Team Members feel valued and respected, ultimately creating better service for our Members.

Our DEI Strategy comprises three areas:

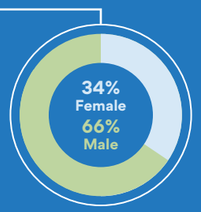
1. Create a workforce that mirrors the Members we serve
2. Enable an inclusive culture where our employees thrive
3. Support equity and inclusion within the communities where we live and work



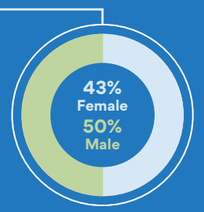
2023 Race/Ethnicity & Gender

by Total Team Member Population (undeclared gender < 2% across all categories)

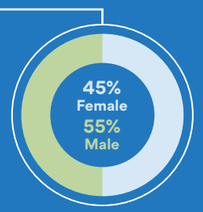
African American/ Black
9% Total



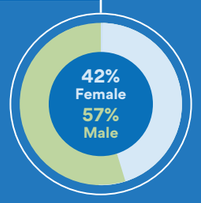
American Indian
1% Total



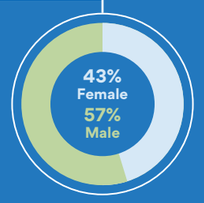
Asian
8% Total



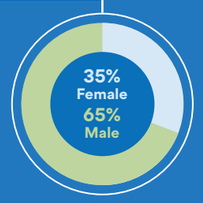
Caucasian/ Non-Hispanic
43% Total



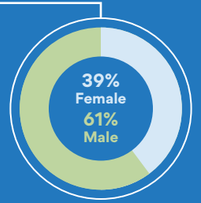
Hispanic/Latino
23% Total



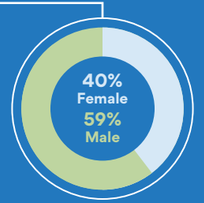
Native Hawaiian/ Other Pacific Islander
2% Total



Two or More
6% Total



Decline to State
8% Total



Actively supporting our Team Members



In 2023, we supported these areas in various ways:

Supported our ERG community, which consisted of 10 groups in 2023. Each ERG is supported by an accountable executive to provide guidance and advocate for its initiatives. Additionally, we invest in our ERGs to support activities and events.

Fostered inclusion and belonging by recognizing heritage months and cultural celebrations enterprise-wide, providing gender identity training, and supporting team members in sharing their pronouns across all systems.

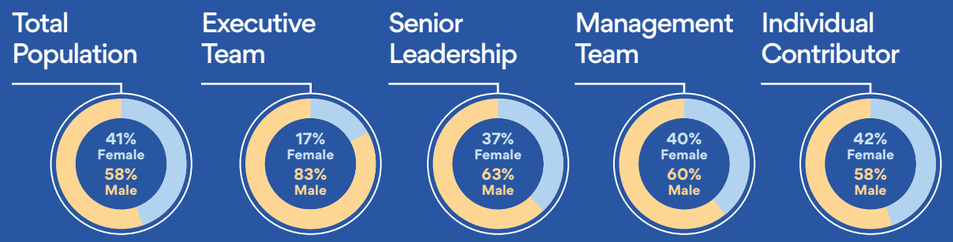
Regularly reported our diversity index to executive leaders to monitor our progress in creating more diverse teams.

Supported our communities, with all ERGs actively involved in giving and volunteering to select causes year-round.

- Our Parents@AAA and Unidos ERGs hosted a back-to-school supply drive that supported Title 1 schools across our footprint.
- Our Pride ERG participated in the 30th annual Pride Parade in Helena, MT.
- Our DAWN ERG supported American Foundation for Suicide Prevention Out of the Darkness walks in Utah and Arizona.
- Our Evolve ERG hosted a book drive for libraries in Arizona, Utah and California.

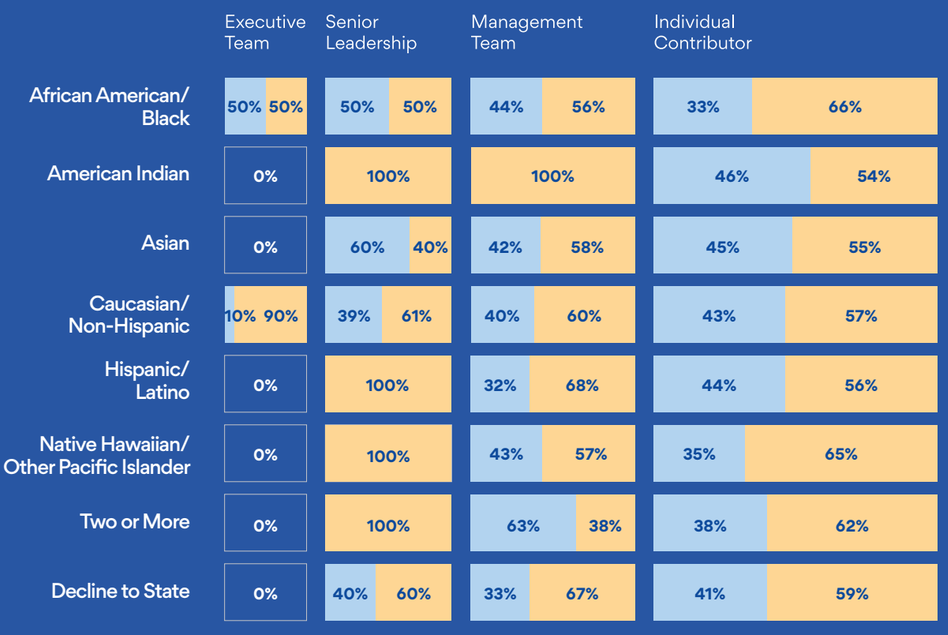
Gender Representation

by Organizational Level (undeclared gender < 2% across all levels) **Female / Male**



Race/Ethnicity & Gender Representation

by Organizational Level (undeclared gender < 2% across all levels) **Female / Male**





Being a Great Place to Work

Our people are at the heart of what makes AAA the membership people can't live without. We aspire to be a great place to work by offering competitive benefits, safe working conditions, and purposeful work.

Team Member Engagement

We track the engagement of our workforce through quarterly surveys of individual contributors, and are proud we have achieved a 90% participation rate, which allows us to have an accurate view of how our Team Members feel. At the end of 2023, we had improved our scores, and exceeded U.S. benchmarks, according to Workforce Science Associates.





Team Member Safety

The safety of our Team Members is paramount, and we know it's critical to sustaining our legendary service to Members. In 2023, we were proud to deploy new safety training and support for Team Members working at the roadside -- helping to protect those who serve our Members.

As part of our commitment to the national Slow Down, Move Over campaign, which builds awareness of the importance for drivers to slow down and move over when passing an emergency vehicle stopped on the roadside, we piloted AirBar technology to help keep our roadside service technicians safe. The AirBar inflates high-visibility flashing lights along the side of the truck when servicing a Member, communicating to oncoming traffic to slow down and move over.
This is just one example of proactive efforts we're taking to solve a difficult road safety issue, with special care and attention for our Team Members on the front lines.

Team Member Wellness and Support

To enhance the Team Member experience, we are proud to offer comprehensive benefits that keep our people healthy and engaged. We offer retirement benefits that rank in the top tier of comparable companies and a supplemental assistance program.

We know that great service starts from within. The past few years have presented numerous challenges for our people. We are proud that 2023 was the second year offering the CARE program, providing one-time financial assistance to Team Members experiencing hardship due to an unexpected crisis or difficult circumstances.



CARE program

We are proud that 2023 was the second year offering the CARE program, providing one-time financial assistance to Team Members experiencing hardship.

Awards and Recognition

We're proud of the legendary service our Team Members deliver to Members every day, and are humbled that many of our leaders have been recognized for making AAA a great place to work in 2023.

Chief People Officer and General Counsel, Kamili Moreland was honored as one of Mogul's Top 100 People Leaders and Chief HR Officers and by Profiles in Diversity Journal's Black Leadership Award

Chief Technology Officer, Bruce Burroughs was a Bay Area CIO ORBIE Awards finalist

Chief Operating Officer, Laura Zeigler was named by the San Francisco Business Times as an Influential Women in Bay Area Business.

Governance

The purpose of our corporate governance is to facilitate effective, prudent management.



Doing the right thing



Operating Responsibly

Good governance processes ensure our business is managed responsibly, intentionally, and transparently. The purpose of our corporate governance is to facilitate effective, prudent management—using an established system of rules, policies, and practices—so that we can deliver long-term success, in service to our Members.

As one of America's most trusted brands, it's important to uphold high ethical standards. Our Team Members and suppliers annually commit to a code of conduct to uphold these standards in order to provide services to our Members and the public, and to be a responsible company. We also provide an Ethics Hotline to Team Members so they can report unethical behavior.

Managing Risks

We use an enterprise risk management framework to identify, assess, and reduce key risks across our organization that could affect our operations and objectives.

Data privacy and security are important priorities because we know our Members trust us to use their information appropriately and ensure reasonable safeguards are in place to protect their information. In 2023, we implemented California Privacy Rights Act (CPRA) standards to ensure the privacy rights of all our stakeholders. A copy of our privacy policy can be found here.

We also hold strong commitments to cybersecurity to protect our Member data. In 2023, we updated our payment card identity (PCI) compliance practices and adopted the Cyber Security Framework by the National Institute for Standards and Technology (NIST) to ensure the highest standard of protection.

Our Board oversees our governance

Leading with Purpose

The primary purpose of our Board of Directors, whose members are elected by our AAA Members, is to help executive management set the Club's strategic goals, aligned with our values, vision and mission.

Board Responsibilities

Our board operates with disciplined governance practices, including regularly reviewing policies, retaining an independent accounting firm to audit enterprise financial statements, and soliciting Member votes on appropriate matters.

The Board of Directors is supported by committees, independent of management, that allow each to dive deeper on relevant issues, such as benchmarking management compensation annually with the goal of providing competitive salaries to comparable companies.

We're proud that our board models the values of our organization and commitment to the communities we serve. We support our board members in helping local nonprofits, and regularly incorporate community activities and professional development into meetings.



Looking ahead



We remain committed to implementing new practices that will help us accomplish our long-term vision, and support our commitments to Members, Team Members, the communities we serve, and our planet. Doing the right thing is one of the foundational principles of AAA, and we continue to uphold that 120-year-old legacy with renewed vigor.

We count on our more than 5,000 Team Members to be there for our Members and continue to prioritize being a great place to work. Along with helping our Members confidently navigate the obstacles of life, we are dedicated to being a force for good in local communities and the world around us.

We believe strong ESG practices are important, and we have a responsibility to prioritize these efforts to carry us confidently into the future.



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