



línea directa

## **REPORT OF THE APPOINTMENTS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE ON ITS OPERATION IN THE 2025 FINANCIAL YEAR**

Through this report, the Appointments, Remuneration and Corporate Governance Committee of Línea Directa Aseguradora provides a summary of the composition, operation and main actions of the Committee during the 2025 financial year, in accordance with the following

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## 1. Regulation

The internal regulations of the Appointments, Remuneration and Corporate Governance Committee of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros (hereinafter, "**Línea Directa Aseguradora**" or the "**Company**") are set out in the Bylaws (Article 30) and in the Regulations of the Board of Directors (Article 34), in addition to the provisions of the Law.

The Articles of Association and the Regulations of the Board of Directors are registered in the Mercantile Registry of Madrid and are publicly accessible on the CNMV website and through the Company's website [www.lineadirectaaseguradora.com](http://www.lineadirectaaseguradora.com)

## 2. Composition

Article 34 of the Regulations of the Board of Directors of the Company establishes that the Appointments, Remuneration and Corporate Governance Committee shall be composed of a minimum of three and a maximum of five non-executive directors appointed by the Board of Directors, ensuring that they have the knowledge, skills and experience necessary to perform their function. The same article establishes that the majority of the members of the Commission must be independent directors.

With regard to its chairmanship, in accordance with the Regulations, the Board of Directors shall appoint the Chairman of the Committee from among the independent directors who are members of the Committee.

As of December 31, 2025, the composition of the Company's Appointments, Remuneration and Corporate Governance Committee is as follows:

<b>Member</b>	<b>Position</b>	<b>Legal Category</b>
Ms. Ana María Plaza Arregui	Chair	External Independent
Mr. Alfonso Botín-Sanz de Sautuola y Naveda	Member	External Proprietary
Mrs. Marina Specht Blum	Member	External Independent
Mr John de Zulueta Greenebaum*	Member	External Independent

**Non-director Secretary of the Committee:** Mr. Pablo González-Schwitters Grimaldo

\*As of the date of preparation of this report, there are three members of the Appointments, Remuneration and Corporate Governance Committee, due to the death of Mr. John de Zulueta Greenebaum in January 2026, pending the adoption of the necessary agreements to fill, if applicable, said vacancy.

In accordance with the Council Regulation, all members of the Commission are external (non-executive), most of whom are independent.



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The professional profiles of the members of the Appointments, Remuneration and Corporate Governance Committee are available at the following link on the corporate website: <https://www.lineadirectaaseguradora.com/gobierno-corporativo/consejo-administración/perfil-profesional>, as well as in the Annual Corporate Governance Report.

His appointment as a member of the Appointments, Remuneration and Corporate Governance Committee at the Company, as well as the position as its chairman, came into effect on 10 April 2025.

### **3. Competencies**

Article 34.3 of the Regulations of the Board of Directors attributes the following functions to the Appointments, Remuneration and Corporate Governance Committee:

- i. To propose the appointment, ratification, re-election and dismissal of independent directors and to report in relation to the remaining directors.
- ii. Submit proposals to the Board of Directors on the appointment of independent directors by co-optation or the resolution of the General Shareholders' Meeting, as well as proposals for the re-election or separation of these directors by the General Shareholders' Meeting.
- iii. Report on proposals for the appointment of the Company's other directors by co-optation or the resolution of the General Shareholders' Meeting, as well as those for the re-election or separation of these directors by the General Shareholders' Meeting.
- iv. Ensuring that when vacancies occur, selection procedures are free from implicit biases that may act as an obstacle to the selection of candidates belonging to the less represented gender on the Board of Directors, ensuring that women are included among the potential candidates to be members of that body.
- v. To propose the appointment, re-election and dismissal of the Chairmen and members of the Committees of the Board of Directors.
- vi. Assess the balance of skills, capacity, knowledge, diversity and experience needed on the Board of Directors. To this end, it will define the functions and skills necessary for the candidates to fill each vacancy and will assess the time and dedication required for them to effectively perform their duties, verifying that the non-executive directors have sufficient time available for the proper performance of their duties.
- vii. To evaluate periodically and at least once a year, the suitability of the various members of the Board of Directors and of the Board of Directors as a whole and to report to the Board of Directors accordingly.
- viii. To establish a target for representation of the under-represented gender on the Board of Directors and draw up guidelines on how to reach that target.
- ix. To analyse on an annual basis the existence and updating of succession plans for the Chairman, the Vice-Chairman, where applicable and the Chief Executive Officer and, where appropriate, to submit the result of this analysis to the Board of Directors so that said succession takes place in an orderly and planned manner.
- x. In accordance with the provisions of the General Shareholders' Meeting Regulations, report, where appropriate and through its Chairman, to the



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- General Shareholders' Meeting, on the Committees' activities during the financial year, as well as on questions which shareholders may have raised, prior to it being held, on matters that fall within the Committee's remit.
- xi. To inform the Board of Directors of the aptitude and honourability of the executives who report directly to the Chief Executive Officer or the Board and of the persons responsible for key functions, prior to their appointment by the Board.
  - xii. To report on the appointment and removal of directors or directors of subsidiaries or investees acting on behalf of or proposed by the Company.
  - xiii. To propose to the Board of Directors, depending on the specific conditions of the new directors, a mentoring programme that provides sufficient knowledge of the Company, its operation and its corporate governance rules, as well as the possible establishment of knowledge updating programmes aimed at the directors in office when circumstances so advise.
  - xiv. To inform the Board of Directors about the candidates for the appointment of the Trustees of the LINEA DIRECTA FOUNDATION whose appointment corresponds to the Company.
  - xv. To propose to the Board, for its approval, the directors' remuneration policy and their individual remuneration, as well as the corresponding annual report on directors' remuneration, which the Board shall put to the vote of the General Shareholders' Meeting, on an advisory basis.
  - xvi. To propose to the Board the individual remuneration of the executive directors and, where appropriate, of the external directors, for the performance of functions other than those of a mere director and other conditions of their contracts.
  - xvii. To propose the remuneration policy of senior management, including general managers or those who carry out their senior management functions under the direct authority of the board, executive committees or managing directors, as well as individual remuneration and the other basic conditions of their contracts.
  - xviii. The remuneration of members who, not belonging to senior management, carry out professional activities that may have a significant impact on the assumption of risks by the Company.
  - xix. To supervise the degree of application of the remuneration policy in general during the year and to ensure its observance.
  - xx. To report on the approval and substantial modification of the general remuneration system for the Company's executives and the basic conditions of their contracts. It is also part of its functions to oversee the remuneration system of the executives in charge of the internal audit function, and the risk management and internal control, regulatory compliance verification and actuarial functions.
  - xxi. To review the remuneration programmes on a regular basis, evaluating their adaptiveness and performance and ensuring that directors' remuneration conforms to standards of moderation and corresponds to the Company's earnings.
  - xxii. To ensure the transparency of remuneration and the inclusion in the annual report and in any annual reports containing information on the remuneration of directors and senior executives, for this purpose, to submit to the Board any information that may be appropriate.



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- xxiii. To report on the incentive plans for managers or employees linked to the evolution of the Company's share price or other variable indices, as well as on the remuneration systems of the entity's management team based on group insurance systems or deferred remuneration systems, where applicable.
- xxiv. Ensure that any conflicts of interest do not prejudice the independence of the external advice provided to the Commission.
- xxv. To report on the company's main projects and regulations in the field of corporate governance, prior to their approval by the Board of Directors.
- xxvi. To propose to the Board of Directors the approval of the Company's annual corporate governance report in the sections within its competence.
- xxvii. To oversee the Company's corporate governance with the aim of supervising compliance with the rules adopted by the Company and to guarantee the balance of power, the proper functioning of the Company's governing and management bodies, the independence of directors and the adaptation of the system to new rules and recommendations and to national and international best practices, ensuring that the corporate culture is aligned with the Company's mission and values.
- xxviii. To supervise and ensure that the conditions that ensure the effective independence of independent directors are maintained in substantive aspects such as the attitude, capacity for discussion and effective participation of independent directors.
- xxix. To ensure that the climate of the Board of Directors and the relations between directors are conducive to debate and the free intervention of all members of the Board and that matters are debated and resolved at Board meetings, giving them the weight and depth they require.
- xxx. Ensure that the annual agenda of meetings of the Board of Directors and the Committees includes the matters of greatest interest to the company.
- xxxi. To propose to the Board of Directors any practices that it considers to contribute to the development of the Company's Corporate Governance and to advise the Chairman of the Board of Directors on this matter.
- xxxii. To gather information on the process undertaken by the Audit and Compliance Committee of identifying, assessing and overseeing sustainability risks, with the option of holding joint meetings between both committees, if so requested by the Chairman or by a majority of the members of the Appointments, Remuneration and Corporate Governance Committee. Joint meetings shall be chaired by the oldest from among the Chairs.
- xxxiii. To determine the guidelines, criteria and reference standards that govern the preparation of the annual sustainability report, informing the Board accordingly.
- xxxiv. Review, validate and report to the Board of Directors on the annual sustainability report, prior to its formulation, considering in turn the information received from the Audit and Compliance Committee on the preparation process and the integrity of the information.
- xxxv. Review and validate the sections of any corporate report, whether mandatory or voluntary, that has an impact on the field of sustainability.
- xxxvi. Monitoring the Company's sustainability strategy, practices and objectives, assessing their degree of compliance and reviewing their sustainability policies, ensuring that they are aimed at creating value.



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- xxxvii. Oversee the Company's environmental and social practices to ensure that they are suitably aligned with the policies and strategy approved by the Board.
- xxxviii. To inform the Board of Directors about the adherence to Associations and Initiatives, national or international, that imply the assumption of commitments to action or good practices by the Company.
- xxxix. To review any matter within its competence that is submitted to it by the Board of Directors, the Chairman or the Chief Executive Officer.
- xl. The other functions attributed to it by these Regulations or by the Board of Directors.

#### **4. Operation: Meetings and main actions in 2025**

In accordance with the provisions of Article 34.6 of the Regulations of the Board, the Appointments, Remuneration and Corporate Governance Committee shall meet whenever the Board of Directors or its Chairman requests the issuance of a report or the adoption of proposals and, in any case, whenever it is appropriate as part of the proper performance of its functions. In any case, it will meet once a year to prepare the information on the remuneration of the directors that the Board of Directors must approve and include in its annual public documentation.

In the 2025 financial year, the Appointments, Remuneration and Corporate Governance **Committee has met on 6 occasions**, with an **attendance ratio of 100% in 5 of the sessions**.

The individualised attendance data are as follows:

<b>Director</b>	<b>Meeting Attendance</b>
Ms. Ana María Plaza Arregui	6/6
Mr. Alfonso Botín-Sanz de Sautuola y Naveda	6/6
Mrs. Marina Specht Blum	5/6
Mr John de Zulueta Greenebaum	6/6

The most significant actions carried out by the Appointments, Remuneration and Corporate Governance Committee during the year ended 2025 were the following:

##### **(i) Remuneration of directors**

The Committee has reviewed and reported favourably for approval by the Board the 2024 Annual Report on Directors' Remuneration, which, in turn, was subsequently submitted to an advisory vote at the General Shareholders' Meeting. Likewise, in the current financial year, the Report on Directors' Remuneration for the year ended 2025 has been reviewed and is submitted to a consultative vote at the next General Meeting.

The Committee also reported on the proposed changes to the Directors' Remuneration Policy 2025-2028, which was approved by the last General Meeting.



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### **(ii) Appointment of directors**

In 2025, the Committee concluded the selection process for candidates for independent directors, in accordance with the provisions of the Company's Director Selection Policy and made the corresponding proposals, which were approved by the General Shareholders' Meeting held on April 10, 2025.

Likewise, at its meeting on 17 February 2026, it issued a favourable report on the re-election of the Executive Director, Ms. Patricia Ayuela de Rueda, which is submitted for approval for the 2026 General Shareholders' Meeting.

### **(iii) Appointment of members of the Management Team**

In 2025, the Committee has prepared the reports corresponding to the appointments of the members of the Management Team (Chief Transformation Officer and Director of Technology and Cybersecurity) and has verified that the remuneration proposal for the new appointments is in line with the Company's Remuneration Policy.

It is particularly noteworthy that the presence of women in the management team satisfies the best corporate governance practices.

### **(iv) Remuneration of the Management Committee and the identified staff**

The Appointments, Remuneration and Corporate Governance Committee has monitored the remuneration structure applicable to these groups, assessing compliance with the objectives set for the variable remuneration accrued.

### **(v) In relation to the workforce**

The Committee has been informed about particularly relevant aspects related to the Company's workforce, such as the monitoring of the workforce's general remuneration structure, the results of the employee experience survey or the approval of a plan to purchase Company shares by employees through a flexible remuneration scheme.

### **(vi) Corporate Governance**

During 2025, the Committee reviewed particularly relevant corporate policies, such as the Directors' Remuneration Policy for 2025-2028, the Human Rights Policy, the General Remuneration Policy and the Internal Regulations Management Policy, as well as the company's Governance System, which regulates the different Committees reporting to the Board.

Likewise, in 2025 the Commission has reviewed and updated the matrix of directors' competencies.

At the start of 2026, the Committee reported favourably on the 2025 annual corporate governance and the 2025 directors' remuneration reports to be made available to shareholders at the next General Shareholders' Meeting.

### **(vii) Sustainability**



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The Committee has monitored the Company's sustainability strategy, practices and objectives and has also assessed the degree of compliance with the 2023-2025 Sustainability Plan.

At its December session, it reviewed the proposal for the new Sustainability Plan 2026-2028 and submitted it to the Board of Directors, which agreed to approve it. This Plan is included as an information item on the agenda of the 2026 General Shareholders' Meeting.

Likewise, in February 2025, the Committee reported favourably on the Non-Financial Information Statement (NFIS) and Sustainability Information for 2024, submitting it to the Board for preparation and proposal for approval at the 2025 General Shareholders' Meeting. In February 2026, the Committee performed this action with respect to the 2025 Sustainability Report.

### **(viii) Assessment of the Board and the Committee**

In 2025, the Commission has coordinated the evaluation of the functioning of the Board and its Committees, as well as the performance of the CEO and the Chairman of the Board. The procedure and results are detailed in point 5 of this Report.

### **(ix) Proxy advisors**

The Committee has followed up on the meetings held by the Company with proxy advisors, in order to explain the Company's corporate governance system and to know their recommendations and expectations in this regard.

### **(x) Reporting to the Board**

The Commission has promptly informed the Board of Directors, through its Chairman, of the main matters dealt with and has submitted to it for approval the matters within its competence.

## **5. Conclusions of the annual evaluation**

The Appointments, Remuneration and Corporate Governance Committee's assessment process was carried out during the months of December and January 2025-2026 and was based on the completion, by all its members, of a questionnaire that covered the general areas set out in Recommendation 36 of the Code of Good Governance.

Specifically, the following matters have been analysed:

- i. Composition, size and structure.
- ii. Organisation and documentation of the sessions.
- iii. Meeting dynamics and internal climate.
- iv. Development of the functions of the Council and the Commissions.



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- v. Performance of the CEO, the Chairman of the Committee and the Chairmen of the Committees, as well as the Secretary to the Board.

The result of the evaluation has not led to any significant changes in the internal organisation of the company, without prejudice to the fact that an Action Plan has been approved to introduce certain improvements. This includes the topics covered in the Training Programme.

Regarding the overall assessment of the Commission's performance, it has been very high with a score of 4.76 out of 5. The evaluation of the performance of the president of the Commission has also been rated excellently with a 5 out of 5.

### **6. Preparation and publication of this report**

The Appointments, Remuneration and Corporate Governance Committee formulates this report at its meeting on 17 February 2026 and submits it to the Board of Directors for approval, which agrees to publish it on the corporate website well in advance of the holding of the Ordinary General Meeting, in accordance with recommendation 6 of the Code of Good Governance.