



línea directa

REPORT BY THE AUDIT AND COMPLIANCE COMMITTEE ON RELATED PARTY TRANSACTIONS FOR 2021

On 20 July 2021, the Board of Directors of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros ("Línea Directa" or the "Company") approved a Related Party Transactions Policy to detail the rules to be followed in those transactions that the Company, or any of the companies integrated in the Línea Directa Aseguradora Group, perform with related parties (the "Policy").

In accordance with the provisions of the Law and the Policy, Related Party Transactions are all those carried out by the Company or its subsidiaries with the following related parties:

- directors,
- shareholders holding 10% or more of the voting rights,
- shareholders represented on the company's board of directors, or
- any other individuals or legal entities which are considered to be related parties under international accounting standards adopted in accordance with Regulation (EC) 1606/2002 of the European Parliament and Council of 19 July 2002 on the application of international accounting standards.

Likewise, in accordance with the provisions of the Law and the Policy, **the Company's Board of Directors may delegate** the approval of the following Related Party Transactions to the CEO or executive committees of the Company:

- i) transactions between companies forming part of the same group which are carried out under the scope of day-to-day management and under market conditions;
- ii) transactions which are agreed:
 - under contracts with standardised terms and conditions which apply to a large number of customers,
 - are performed at prices or rates generally established by the party acting as supplier of the goods or service concerned, and
 - the amount of which does not exceed 0.5% of the company's net turnover.

The approval of these related party transactions in a delegated manner shall not require a prior report from the Audit and Compliance Committee, although the fairness and transparency of such transactions approved in a delegated manner shall be verified at least once a year.

At its meeting held on 15 February 2022, the Audit and Compliance Committee of Línea Directa Aseguradora S.A., in accordance with the provisions of the Law and the Policy, issued this



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As a preliminary clarification, it should be noted that Bankinter, S.A. is a significant shareholder, holding more than 10% of the voting rights of Línea Directa Aseguradora. Following the admission to listing of Línea Directa Aseguradora, the Bankinter Group and all the companies comprising that group are considered Significant Shareholders. Prior to that date, Línea Directa was part of the Bankinter Group, which held a 99.99% stake.

In 2021, the Audit and Compliance Committee reported the following related party transactions:

1. Contracts with the significant shareholder Bankinter and companies of the Bankinter group, prior to the IPO, analysed for ratification.

In the context of the Company's IPO, the Audit and Compliance Committee analysed the contracts previously concluded between the Company and Bankinter (the parent company at the time of their conclusion) and the companies that make up the Bankinter Group.

Once analysed, and considering that all transactions were carried out under market conditions and with respect to the principle of equal treatment, at its meeting held on 26 April 2021, the Audit and Compliance Committee agreed, by majority, with the abstention of the directors concerned, to favourably report to the Board of Directors to ratify:

- Bancassurance contract with Bankinter, S.A for Motor.
- OBS home insurance mediation contract with Bankinter S.A.
- OBS Travel assistance contract Bankinter, S.A. cards
- OBS Travel assistance contract Bankinter, S.A. sucursal en Portugal cards
- Motor OBS Bankinter Consumer Finance E.F.C., S.A. contract
- Contract for the transfer of data to Bankinter Consumer Finance E.F.C., S.A.
- Suma Card Contract. Bankinter Consumer Finance, E.F.C, S.A.

2. New contracts concluded in 2021 involving the significant shareholder Bankinter, S.A., and companies of the Bankinter group.

2.1 Evo Bank

Contract with Evo Banco (Bankinter Group), according to which, and under the figure of Linked Insurance Banking Operator, it will carry out, in Spanish territory and through its Distribution Network and/or through External Collaborators, the activities of presentation, proposal or realisation of works prior to the conclusion of insurance contracts, the conclusion of such contracts, as well as assistance in



the management and execution of such insurance contracts, with respect to the Home insurance products of Línea Directa Aseguradora S.A.

2.2 Delegation to Bankinter, S.A. for the purchase of treasury stock.

This is a delegation to be carried out to Bankinter, S.A. within the framework of the Repurchase Programme of own shares destined to the directors' remuneration plan.

2.3 Acquisition of shares in Bankinter Logística, S.A.

The transaction consists of LDActivos, S.L., 100% owned by Línea Directa Aseguradora S.A., acquiring shares in Bankinter Logística, S.A., which is dedicated to real estate development for logistical purposes.

2.4 Amending novation of the Collaboration Agreement on the "SUMA" programme with Bankinter Consumer Finance EFC, S.A.

The initial collaboration agreement was signed in 2007, and after successive novations, was ratified by the Company's Board of Directors on 26 April 2021. An amending novation is proposed due to a change in financial conditions.

Once the conditions of the contracts indicated in the previous points had been analysed, the Audit and Compliance Committee, by majority - with the abstentions of the Directors affected -, agreed to propose its approval to the Board of Directors. In no case has this amount exceeded the threshold that requires its publication in the CNMV.

Notwithstanding the foregoing, the consolidated financial statements for the year ended 31 December 2021 detail all the transactions with related parties corresponding to balances and transactions carried out as remuneration with the members of the Board of Directors, with the members of the Senior Management of the Group and those carried out with the subsidiaries of Línea Directa Aseguradora, as well as those carried out with the significant shareholder Bankinter, S.A. and all the companies of the Bankinter Group.

This report on related party transactions for 2021 will be published on the Company's website together with the Company's individual and consolidated financial statements.