

**REPORT SUBMITTED BY THE BOARD OF DIRECTORS FOR THE PURPOSES
PROVIDED FOR IN ARTICLE 529 DECIES 5 OF THE CAPITAL ENTERPRISES
LAW IN RELATION TO:**

THE FOLLOWING BOARD OF DIRECTORS PROPOSAL:

- THE RE-ELECTION OF MR ALFONSO BOTÍN-SANZ DE SAUTUOLA Y NAVEDA AND MR FERNANDO MASAVEU HERRERO AS PROPRIETARY DIRECTORS,

**AND THE FOLLOWING PROPOSALS BY THE APPOINTMENT,
REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE:**

- THE APPOINTMENT OF MR IÑAKI BERENGUER MEDIAVILLA AND MS MARINA SPECHT BLUM AS INDEPENDENT DIRECTORS, AND
- THE RE-ELECTION OF MR JOHN DE ZULUETA, MS ANA MARÍA PLAZA AND MS RITA ESTÉVEZ AS INDEPENDENT DIRECTORS

**THAT ARE SUBMITTED TO THE 2025 ORDINARY GENERAL MEETING OF
SHAREHOLDERS**

The document **attached** to this Report contains the identity, profile and category to which each of the candidates belongs pursuant to the provisions of **Article 518 e)** of the Capital Enterprises Law.

REPORT OF THE BOARD OF DIRECTORS

1. PURPOSE

This report has been prepared pursuant to the provisions of Article 529 decies 5 of the Capital Enterprises Law and serves to justify the proposed **appointment and re-election of directors** at Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros (the "**Company**") submitted for approval at the 2025 Ordinary General Shareholders' Meeting, under item 6 of the agenda, assessing, to this end, the skills, experience and merits of the persons whose appointment is proposed.

These proposals are made:

- In the case of the re-election of proprietary directors, with a prior favourable report from the Appointment, Remuneration and Corporate Governance Committee (hereinafter, the "**CNRGC**"), pursuant to Article 529 decies 6 of the Capital Enterprises Law.
- In the case of the appointment and re-election of independent directors, at the proposal of the Appointment, Remuneration and Corporate Governance Committee, pursuant to Article 529 decies 4 of the Capital Enterprises Law.

The Board of Directors has taken the suitability of the professional profiles of the directors into consideration in relation to the skills matrix of the Board of Directors, as well as the performance of the directors in the previous four years in the case of their proposed re-election and their adjustment to the principles, values and corporate policies and internal regulations of Línea Directa Aseguradora.

In addition, as provided for by Law and the regulations applicable to insurance and reinsurance companies, it has been found that all persons whose appointment or re-election is proposed meet the requirements of good repute, fitness, suitability, solvency, competence, experience, qualification, training, availability and commitment to their function, and that they are not affected, directly or indirectly, by any incompatibility, prohibition or conflict of interests.

In **compliance with the provisions of article 518 e)** of the Capital Companies Act, the document with the identity, curriculum vitae and category to which each of the candidates belongs is incorporated as **an Annex** to this Report.

2. JUSTIFICATION OF THE PROPOSALS

1st.- Re-election of Mr. Alfonso Botín-Sanz de Sautuola y Naveda as external proprietary director.

The Board of Directors has taken the report of the Appointment, Remuneration and Corporate Governance Committee (hereinafter, the "**CNRGC**") into consideration and shares the view that the professional career of Mr Alfonso Botín-Sanz de Sautuola y Naveda, both in the finance sector and at Direct Line Insurance itself, indisputably demonstrate the value of his presence on the Company's Board of Directors.

With extensive previous experience in the consulting, financial and banking sectors, Mr. Botín has been a director of Línea Directa Aseguradora since 1998 and has been Chairman of the Board since 2005. In 2021, he became non-executive Chairman of the Company.

The responses made by the members of the Board to each of the annual assessment processes in relation to the performance of the Board and its main positions confirm that he has performed his role as Chairman of the Company in an excellent manner.

His in-depth technical and business knowledge of the Spanish insurance sector, of the culture and progression of Línea Directa Aseguradora over the years and his outstanding performance in his capacity as non-executive Chairman, to which he dedicates the necessary preparation and time, attending all sessions over the past 4 years, are particularly noteworthy aspects that ensure that his contributions are essential at the meetings of the Board and its Committees.

Likewise, its outstanding presence in the Company's shareholding through CARTIVAL, S.A. demonstrates its strong commitment to Línea Directa Aseguradora and its confidence in the good present and future performance of the Company, also offering stability and security that is highly valued by investors, shareholders and the rest of the Company's stakeholders.

In view of the above, the proposed resolution that the Board submits to the General Shareholders' Meeting on 10 April 2025 is as follows:

"Re-elect, at the proposal of the Board of Directors, Mr Alfonso Botín-Sanz de Sautuola y Naveda as a member of the Board of Directors of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros, with the status of external proprietary director, for the statutory period of four years."

2. Re-election of Mr. Fernando Masaveu Herrero as external proprietary director.

The Board has valued the CNRGC's report on the re-election of Mr. Fernando Masaveu and considers that his consolidated economic experience as a manager and owner of companies and entities from very diverse sectors constitutes a fundamental value in the composition of the Company's Board.

He is the Chairman of the Group headed by Corporación Masaveu, S.A., through which he holds a significant stake of more than 5% in Línea Directa Aseguradora. And within this Group, he holds, among other positions, that of Chairman, member of the Board and administrator of various national and international companies.

His availability and dedication to his duties as a director at Línea Directa Aseguradora, with a 100% attendance rate at Board meetings and his valuable contributions to the

deliberations at the meetings, complete the guarantee of his strong commitment to the Company and his great value as a member of its Board.

In view of the above, the proposed resolution that the Board submits to the General Shareholders' Meeting on 10 April 2025 is as follows:

To re-elect, at the proposal of the Board of Directors, Mr. Fernando Masaveu Herrero as a member of the Board of Directors of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros, with the status of external proprietary director, for the statutory period of four years.

3rd.- Re-election of Mr. John de Zulueta Greenebaum as an independent external director.

The Board of Directors considers that Mr. De Zulueta's in-depth knowledge and extensive experience, as well as his extensive career in the business and financial field, including, among others, the insurance sector, confirms the suitability of his profile to the competencies required by the Línea Directa Aseguradora Board. Details of his professional experience can be found in the Annex to this document.

The Board also appreciates his excellent performance as Chairman of the Company's Risk Control and Governance Committee (CNRGC) over the past four years, emphasising his dedication and rigour when it comes to the optimal functioning of the body, as well as his excellent contributions to the Board of Directors' deliberations.

His availability and dedication to his functions as a director at Línea Directa Aseguradora is indisputable, with a ratio of 100% attendance at the meetings of the Board and its Committees.

With this in mind, the Board of Directors has reported favourably on the Risk Control and Governance Committee's (CNRGC) proposal to re-elect Mr John de Zulueta as a director at the Company, with the status of independent external director, for the statutory period of four years.

4th.- Re-election of Ms. Ana María Plaza Arregui as independent external director.

The Board of Directors highly appreciates Ms. Plaza's in-depth and rigorous knowledge of auditing, risk management and supervision of financial and non-financial information, which she has demonstrated as a member and chair of audit and risk committees of various companies throughout her career.

She also has extensive knowledge of issues related to compliance, corporate governance, the regulatory framework in different sectors and sustainability.

Details of her professional experience can be found in the Appendix to this document.

Her excellent performance as Chair of the Company's Audit and Compliance Committee over the past four years has been a prominent issue in all the Board's annual evaluation processes, ensuring strict compliance with the powers attributed to the Committee and the proper internal functioning of the body, with an attendance ratio of 100%.

Therefore, the Board of Directors reports favourably on the CNRGC's proposal on the re-election of Ms. Ana Plaza as a director of the Company, with the status of independent external director, for the statutory period of four years.

5. Re-election of Ms Rita Estévez Luaña as independent external director

The Board of Directors has noted the professional experience of Ms Rita Estévez, who boasts an extensive career as a senior executive and member of the governing bodies of listed and unlisted companies in a wide variety of sectors.

Coming from an economic and business background, she has acquired significant knowledge in ESG (environmental, social and corporate governance), technology and security fields and is currently a prominent member of audit, innovation and technology committees at other companies.

Details of her professional experience can be found in the Appendix to this document.

Her contributions as a member of the Company's CNRGC over the past 4 years have been highly valued and provided a comprehensive and detailed view of the aspects considered by this Committee, in particular as regards the monitoring of the main corporate governance issues and the supervision and monitoring of the Company's sustainability strategy. Her Board and Committee attendance ratio in 2024 was 100%

With this in mind, the Board of Directors has reported favourably on the Risk Control and Governance Committee's (CNRGC) proposal to re-elect Mr Rita Estévez as a director at the Company, with the status of independent external director, for the statutory period of four years.

6.- Appointment of Mr. Iñaki Berenguer as an independent external director

In light of the Corporate Governance and Nomination Committee's proposal, the Board appreciates Mr Berenguer's proven experience, both in technological investment and in entrepreneurship in the field of new technologies (ICT). These achievements in the field of technology, nationally and internationally, as well as his excellent international training in the field of engineering and technology, provide a differential approach and introduce a particularly interesting angle to address the projects that Línea Directa has underway.

In addition, he has a great knowledge of the insurance sector at an international level. It is worth noting that in 2016, he constituted and launched CoverWallet in the United States, a company that operated in the online insurance sector and was acquired four years after its constitution by AON.

His career also accredits his knowledge in Artificial Intelligence (AI), digital transformation and new disruptive technologies, especially in areas such as Analytics and Big Data. He is currently non-executive Chairman at iPronics Programmable Photonics, active in the field of Artificial Intelligence infrastructure and Managing Partner LifeX Ventures, with a focus on investing in companies involved in the cross-section between AI and science based on sustainability criteria.

Therefore, the Board of Directors reports favourably on the CNRGC's proposal on the appointment of Mr. Iñaki Berenguer as a director of the Company, with the status of independent external director, for the statutory period of four years.

7th.- Appointment of Ms. Marina Specht as an independent external director

In light of the proposal made by the CNRGC, Ms Specht's professional career demonstrates her skills, merits and ability, as well as her fulfilment of the other pre-established requirements, to propose her appointment as an independent external director to the General Shareholders' Meeting.

Particularly noteworthy is her experience in the field of business strategy, digital marketing and insurance activity at the global executive level, as well as sustainability and digital transformation. Also in the insurance sector at an international level, as she has had a long professional career as a Global Client Partner of Zurich and as an advisor from the point of view of digital marketing for companies such as Mapfre.

She is currently Non-Executive Chair of McCann Worldgroup Europe, where she previously held the responsibility of CEO for 4 years. She is also a non-executive member of the Board at CEOE and a trustee of NGOs including Save the Children, where she is a member of the Audit Committee.

Her executive experience as a manager and CEO in various Spanish and foreign companies confirms her ability to analyse financial and non-financial information of listed and unlisted global companies. She also specialises in digital transformation and in commerce and marketing, in the insurance sector at an international level, confirming that she is a good fit as regards the main skills sought by the Board of Directors at Línea Directa.

Therefore, the Board of Directors reports favourably on the CNRGC's proposal on the appointment of Ms. Marina Specht as a director of the Company, with the status of independent external director, for the statutory period of four years.

Finally, the Board would like to thank Ms Elena Otero-Novas for her significant efforts and dedication as a director of the Company over the past four years and wishes her the greatest success in her professional endeavours.

Madrid, February 27, 2025

ANNEX

Identity, professional profile and category to which each of the candidates belongs

(Article 518 e) of the Capital Companies Act)

1. Mr Alfonso Botín-Sanz de Sauturola y Naveda

Legal category: Proprietary external director

CV:

Alfonso Botín-Sanz de Sauturola y Naveda graduated Magna Cum Laude in Economics and Classical Civilizations from Boston University.

He has extensive experience in the financial, banking and insurance sectors. He worked at Salomon Brothers, Corporate Finance and M&A, until 1995. Since 1995 he has managed several areas of Bankinter, S.A. within the Business Banking Division and was placed in charge of creating the Venture Capital Division. He has been a director of Línea Directa Aseguradora since 1998 and Chairman of the Board since 2005 (non-executive chairman since 2021).

He is currently Executive Vice-Chairman of the Board and Chairman of the Executive Committee of Bankinter S.A.

2. Mr Fernando Masaveu Herrero

Legal category: Proprietary external director

Curriculum:

Mr. Fernando Masaveu has a degree in Law from the University of Navarra.

He has extensive executive and board experience in various sectors of activity, including energy, finance, industry, the cement trade and real estate, among others. He is the Chairman of the Group headed by Corporación Masaveu, S.A. Within this Group, he also holds positions including but not limited to the Chairman of Cementos Tudela Veguín, S.A., Chairman of the Board of Oppidum Capital, S.L. and US firms Masaveu Real Estate US Delaware LLC, Oppidum Renewables USA Inc. and Oppidum Green Energy USA LLC, as well as being a director at Texan Cement Inc., a director at EGEO Internacional and EGEO SGPS and joint administrator at Flicka Forestal, S.L.. He is also the Chairman and/or administrator of several of its investee companies. He is the Chairman of the Board of Directors at Hidrocantábrico JV, S.L. and Aboño Generaciones Eléctricas, S.L.U. as well as being a director at Perses Energy Solutions, S.L. He is a director of Bankinter, S.A. and a member of the Executive Committee and the Remuneration Committee. He is a member of the General Supervisory Board of Energías de Portugal, S.A., a member of its Corporate Governance and Sustainability Committee and a member of its Remuneration Committee; he also sits on the board of EDP España, S.A.

He is Chairman of Fundación María Cristina Masaveu Peterson and of Fundación San Ignacio de Loyola, as well as trustee and member of the Management Committee and Heritage Committee of Fundación Princesa de Asturias. Trustee of the Pro-RAE Foundation. International trustee of the Friends of the Prado Museum Association. Member of the International Council of the Metropolitan Museum of Art in New York. "Army Brand" Ambassador.

3. John de Zulueta Greenebaum

Legal category: Independent external director

CV:

John de Zulueta holds a degree in Contemporary History from Stanford University (California) and an MBA with honours from Columbia University in New York.

His long professional career includes time as a consultant at The Boston Consulting Group in San Francisco, as well as his time as Chairman and CEO of PepsiCo in Barcelona, Chairman of Cadbury Schweppes Spain, Vice-chairman of Schweppes in Southern Europe and CEO of Schweppes S.A. Additionally, he was Chairman of Círculo de Empresarios (Business Circle) from 2018 to 2021.

He was likewise a director of Bankinter S.A. from 2001 to 2015, and is currently vice-chairman and trustee of the Board of Trustees of the Bankinter Foundation and a trustee of Fundación NTT DATA, Fundación Caser, Fundación Amigos de la Biblioteca Nacional de España, Fundación SiFu and Fundación Gadea Ciencia.

H.M. the King of Spain has awarded him the Grand Cross of the Order of Civil Merit.

As for his experience in the insurance sector, for 14 years, he was CEO of the Sanitas Group (Bupa Group) in Spain, a group he chaired from 2005 to 2009, and between 2010 and 2012 he chaired USP Hospitales. He is currently a Founding Partner of Point Lobos, a consulting firm in the healthcare sector.

4. Ana María Plaza Arregui

Legal category: Independent External Director

Curriculum:

Ms. Ana Plaza has a degree in Economics and Business Administration (Business branch) from the University of Cordoba. She has also studied Geography and History at the University of Cordoba and the UNED. She has completed the Program for Management Development at the IESE, Global Leadership and Public Policy for the 21st Century at HARVARD Kennedy School, the Digital Business Senior Management Program at The Valley Digital Business School, and ESADE's Training Programme for Directors and Corporate Governance.

She has been a director at Grupo Renault Spain, Managing Director of IMMUNE Coding Institute, General Director of CEOE (Spanish Confederation of Business Organisations), director of Isolux, Financial Director of Microsoft Ibérica, CFO (Chief Financial Officer) and Director of Investor Relations at Telvent, auditor in Internal Audit and Consolidation at Abengoa and Account Auditor at PWC. She has also been a Member of the Board of Trustees at Loyola University Andalusia, a member of the Board of Directors and President of the Audit, Risk and Compliance Committee at the Spanish Association Against Cancer and a member of the Advisory Board of the Bankinter Innovation Foundation.

Currently, she is a director and member of the Audit Committee of Corporación Financiera Alba, S.A., director and president of the Audit Committee of Globalvía Infraestructuras, S.A. and director and member of the Audit Committee of Grenergy Renovables, S.A. She is also a member of the Advisory Board of Ackermann International and the ESADE Corporate Governance Centre.

5th.- Mrs. Rita Estévez Luaña

Legal category: Independent external director

CV:

Ms. Rita Estévez holds a degree in Economics and Business and a degree in Law from the Comillas Pontifical University ICADE and has completed the Advanced Management Program (AMP) at the IESE Business School and ESADE's Training Programme for Directors and Corporate Governance and its ESG programme for directors.

With almost 30 years of experience as a senior executive in multinational organisations, she has experience in the insurance sector since for more than 6 years she was Managing Director in Spain of GE Financial Insurance. She has also been CEO and President of Experian Tech, for Spain and Portugal, President of the Board of Experian Credit Bureau, President of the Association of Spanish Companies Against Fraud and COO & Head of Technology and Strategy for Europe and Asia of Deutsche Bank PBC.

Rita also has extensive experience on boards of directors. She has been a proprietary director in subsidiaries of Deutsche Bank and, for three years, Independent Director of Telefónica Consumer Finance, chairing the Audit and Risk Committee and serving as a member of the Board of Mutua de Propietarios.

She is currently a director, member of the Technology, Innovation and Information Security Committee and the Audit and Compliance Committee at Mora Banc Grup, S.A. and an independent director in its subsidiary Tressis, as well as an independent director and member of the Audit and Appointments Committee of Zegona Communications. Rita is also an advisor to the Board of Clarel Beauty.

6. Iñaki Berenguer Mediavilla

Legal category: Independent external director

CV:

Telecommunications Engineer, Master and PhD from the University of Cambridge (UK) (2001- 2005). Fulbright Scholar at Columbia (NYC) (2002-2004) and MBA from the Massachusetts Institute of Technology MIT (2007-2009)

In 2016 he incorporated and launched the company CoverWallet in the USA, which operates in the online insurance sector and was acquired 4 years later by the North American insurance giant AON.

In 2013 he founded Klink Inc., in the telecommunications and technology sector, which was acquired 3 years later by Thinkingphones. He previously held senior positions at HP, Intel, Microsoft and McKinsey.

Currently, he is a Managing Partner at the venture capital fund LifeX Ventures and non-executive President of iPronics Programmable Photonics which offers services in AI infrastructure.

He is also an advisory director at the Rafael del Pino Foundation, Chairman of the Iñaki Berenguer Foundation and visiting professor at MIT.

7. Marina Specht Blum

Legal category: Independent external director

CV:

As for her education, she holds a bachelor's degree in Communication and International Journalism (Newcastle University). Executive Programme "Leading Digital Business Transformation" (IMD, Lausanne) (2017). Programme for Future Board Members "Women to Watch" (PWC) (2018). Executive Programme on Sustainability for CEOs and Directors (IE University) (2022). Executive Programme "Applied Generative AI for Digital Transformation" (MIT) (2024). Executive Programme "NEDs and Boards in the Digital Age" (ISDI) (2024),

Regarding his professional experience: She is currently Chairwoman (non-executive) of McCann Worldgroup Europe, non-executive member of the Board at CEOE and Save the Children and a member of the Board of Directors at Adigital. She was CEO at McCann Worldgroup Spain (2020-2024) for 4 years.

Previously, she was Global Client Partner (ZURICH Insurance) and CEO of MRM Spain (2013-2020), Regional Director of MRM EMEA (2006 -2013) and Founder and President of Reporter (1988-2006).