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LÍNEA DIRECTA ASEGURADORA, S.A., COMPAÑÍA DE SEGUROS Y REASEGUROS

FULL TEXTS OF THE PROPOSED RESOLUTIONS

GENERAL SHAREHOLDERS' MEETING

One. Examination and approval of the individual Financial Statements and the Individual Management Report of Línea Directa Aseguradora, S.A. Compañía de Seguros y Reaseguros as well as the consolidated Financial Statements and the consolidated Management Report of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros and its subsidiaries, all corresponding to the tax year ended 31 December 2022.

Approval of the individual Financial Statements and the individual Management Report of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros as well as approval of the consolidated Financial Statements and the consolidated Management Report of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros and its subsidiaries, all corresponding to the financial year ended 31 December 2022, as drawn up by the Company's Board of Directors at its meeting on 23 February 2023.

Two. Examination and approval of the Consolidated Statement of Non-Financial Information corresponding to the financial year ended 31 December 2022, included in the Consolidated Group Management Report.

Approval of the consolidated Non-Financial Information Statement for the financial year ended 31 December 2022, as prepared by the Board of Directors as part of the consolidated Group Management Report.

Three. Examination and approval of the proposed distribution of earnings and dividends for the financial year ended 31 December 2022.

Approval of the distribution of profits earnings by the Company in the financial year ended 31 December 2022, amounting to 70,681,139 euros, by distributing it as follows:

- Dividend distribution:
 - Interim dividends 52,480,526 euros
 - To the final dividend 1,090,186 euros
- To the voluntary reserve 9,989,495 euros
- To interim equalisation reserve 7,120,932 euros

The Company's Board of Directors, at meetings held on 21 April 2022, 20 September 2022, and 13 December 2022, agreed to pay the shareholders the gross amounts of 0.0200, 0.0205 and 0.007 euros per share, respectively, at each of the aforementioned meetings, representing a total amount of 52,480,526 euros, as interim dividends. These dividends were paid, with Banco Santander,



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S.A. acting as payment agent, on 8 June 2022, 28 September 2022, and 21 December 2022, respectively. It was agreed to ratify as necessary the resolutions of the Board of Directors of 21 April 2022, 20 September 2022, and 13 December 2022.

Consequently, the final dividend to be paid to shareholders is 0.001 euros gross per share, which is a gross total amount of approximately 1.09 million euros. The amount corresponding to treasury shares has been applied pro rata to the remaining shares.

Payment of the final dividend will be made in accordance with IBERCLEAR's operating regulations, with Banco Santander, S.A. acting as payment agent, with the relevant dates for this purpose being as follows:

- Last trading date on which the Company's shares are traded with the right to receive the dividend (*Last Trading-Date*): 4 April 2023
- Date as from which the Company's shares are traded without the right to receive the dividend (*Ex-date*): 5 April 2023
- Date on which the registered holders who can claim their payment from the Company are identified (*Record date*): 6 April 2023
- Payment date: 11 April 2023

The total dividend for the 2022 financial year amounts to 53,570,712 euros, i.e. 0.049 euros gross per share.

Four. Examination and approval of the management of the Board of Directors during the fiscal year ended 31 December 2022.

Approval of the corporate management and the actions carried out by the Company's Board of Directors during the financial year ended 31 December 2022.

Five. Re-election of the Auditors of the Company and the consolidated Group for 2023.

In accordance with the proposal made by the Company's Audit and Compliance Committee, to re-elect as Auditors of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros and its Consolidated Group, for the 2023 financial year, PricewaterhouseCoopers Auditores, S.L., with registered office in Madrid, Paseo de la Castellana no. 259 B and holder of tax identification number B-79031290, registered in the Official Register of Accounts Auditors of Spain with the number S-0242, and registered in the Mercantile Registry of Madrid, volume 9,267, book 8,054, folio 75, section 3, page 87250-1. It is also entrusted with the performance of the other audit services required by the Law specified by the Company for the 2023 financial year.

The Company's Board of Directors is expressly authorised, with power of delegation to the CEO, to enter into the corresponding service lease agreement with PricewaterhouseCoopers Auditores, S.L. for the corresponding term and under the conditions and clauses as may be required.

Six. Inclusion of a modulating indicator for the CEO's annual variable remuneration according to the P&L of Línea Directa Group.

Approve, in the terms set out below, the inclusion of a modulating indicator for the CEO's annual variable remuneration that modulates the degree of fulfilment of the objectives to which said remuneration is linked, in order to enhance the alignment of the CEO's remuneration with the strategic priorities of Línea Directa Aseguradora, S.A. Compañía de Seguros y Reaseguros and its shareholders as regards Línea Directa Group's P&L.

As set forth in the Remuneration Policy of Línea Directa Aseguradora, S.A. Compañía de Seguros y Reaseguros, the CEO's variable remuneration will be paid out based on financial and business objectives, with a weighting of 70%, and non-financial objectives, with a weighting of 30%. Each of the objectives will have a minimum threshold of achievement, below which the right to receive the variable remuneration will not apply. In addition, each of these objectives may be surpassed by up to 140%.

Further, the Board of Directors may include, at the substantiated proposal from the CNRGC, an indicator that modulates the degree of fulfilment of the financial and non-financial objectives established annually (the "**modulator**"), multiplying the degree of fulfilment of these objectives by between 0.5 and 1.5 depending on a fulfilment scale to be approved by the Board of Directors at the proposal of the CNRGC.

In relation to the 2023 annual variable remuneration, at the proposal of the CNRGC, the Board of Directors has proposed that the modulator be the Group's consolidated Profit Before Tax ("**PBT**"), which will modulate the achievement of the financial and non-financial objectives between 0.5% for an achievement of 67.4% of the Group's consolidated target PBT in the 2023 annual financial statements; and 1.5% for an overachievement of 132.6% of the target PBT.

Therefore, if the minimum achievement of the PBT target were not reached, the achievement of each of the financial and non-financial objectives would be multiplied by 0.5.

By approving this resolution, which is accompanied by a substantiated report from the CNRGC, the Directors' Remuneration Policy of Línea Directa Aseguradora, S.A. Compañía de Seguros y Reaseguros is considered amended. The remaining content and its validity will remain unchanged.

The Board of Directors is empowered to implement this resolution, and may specify its content, as well as the contracts and other documentation to be used or adapted for this purpose. The Board of Directors is authorised to delegate (with the power of substitution when appropriate) to the CNRGC, and all without prejudice to the powers that exist or may be conferred in relation to this resolution.

Seven. Approval of the delivery of shares to the CEO as part of the annual variable remuneration for 2022 and the remaining effective period of the Directors' Remuneration Policy.



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I. Delivery of shares to the CEO as part of the 2022 annual variable remuneration

Approve, in the terms set out below and in accordance with the provisions of Article 219 of the Corporate Enterprises Act, the maximum number of shares of Línea Directa Aseguradora, Compañía de Seguros y Reaseguros, S.A. (hereinafter, "**Línea Directa Aseguradora**" or the "**Company**") to be delivered to the CEO as part of the 2022 variable remuneration.

The details of the 2022 annual variable remuneration are described in the Directors' Remuneration Report that is submitted to an advisory vote at the General Shareholders' Meeting, and is available on the corporate website for consultation from the moment this General Meeting is called.

In accordance with the provisions of the Directors' Remuneration Policy, 40% of the variable remuneration for 2022 will be paid over 3 years (2024, 2025 and 2026), with 50% paid in cash and 50% in shares.

The number of shares of Línea Directa Aseguradora to be delivered to the CEO, both deferred and non-deferred, will be calculated on a price of 0.978 euros/share; this is the average quoted price of the Línea Directa Aseguradora share at the close of business for the trading sessions between 1 January and 31 January 2023, both inclusive.

Deliveries of Company shares shall be tax-net as follows:

- The maximum number of Línea Directa Aseguradora shares to be delivered to the CEO for the 2022 non-deferred variable remuneration is 22,238 shares of Línea Directa Aseguradora.

The Línea Directa Aseguradora shares will be delivered for the non-deferred part of the variable remuneration accrued in 2022 within 15 trading days following their approval at the General Meeting.

- The maximum number of Línea Directa Aseguradora shares to be delivered to the CEO for the deferred variable remuneration of 2022 will be as follows:
 - 4,944 Línea Directa Aseguradora shares, corresponding to 13.34% of the variable remuneration in shares deferred by the 2022 variable incentive, will be delivered to the CEO within 15 trading days following the 2024 General Meeting.
 - 4,941 Línea Directa Aseguradora shares, corresponding to 13.33% of the variable remuneration in shares deferred by the 2022 variable incentive, will be delivered to the CEO within 15 trading days following the 2025 General Meeting.
 - 4,941 Línea Directa Aseguradora shares, corresponding to 13.33% of the variable remuneration in shares deferred by the 2022 variable incentive, will be delivered to the CEO within 15 trading days following the 2026 General Meeting.



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Each year, the Appointments, Remuneration and Corporate Governance Committee will analyse whether there have been relevant circumstances, risks or negative impacts on the Company's P&L or equity that, originating in 2022, justify a total or partial review of the shares that must finally be delivered in each term, in accordance with the adjustment clauses provided for in the Directors' Remuneration Policy.

II. Maximum number of shares to be delivered to the CEO as part of the annual variable remuneration during the period of validity of the Directors' Remuneration Policy

In accordance with the Directors' Remuneration Policy of Línea Directa Aseguradora, the CEO's annual variable remuneration will be paid 50% in cash and 50% in shares, depending on the fulfilment of previously defined goals, linked to the degree of achievement of the Company's strategic objectives. In any case, the 50% of the Annual Variable Remuneration paid in shares will be paid if it is approved by the Línea Directa General Shareholders' Meeting, under the terms laid down in Article 219 of the Spanish Corporate Enterprises Act.

In the above terms, authorisation is expressly requested from the General Meeting for the delivery to the CEO, as annual variable remuneration in shares during the remaining three years of validity of the Remuneration Policy (2023, 2024 and 2025), of up to a maximum of 405,000 Línea Directa Aseguradora shares, representing 0.037% of the share capital at the date of this resolution (allocating a maximum of 135,000 shares for each year of the Policy's term).

The shares to be delivered as annual variable remuneration will be calculated with the following as a reference: average closing price of the Línea Directa Aseguradora share between January 1 and 31 of the year following the year to which the annual variable remuneration corresponds (both inclusive).

For the whole of resolution Seven, the Board of Directors is delegated the power to modify and adjust the number of shares to be delivered as part of the variable remuneration or to alter the settlement rules and the payment schedule when, prior to the date of its effective delivery, special situations, events or circumstances have derived from internal or external factors, including but not limited to regulatory requirements or requirements or recommendations from regulatory or supervisory bodies or corporate operations affecting the Company, including capital increases, splitting or counter-splitting of shares, structural modifications or operations with equivalent effect, takeover bids, etc.; and, in the opinion of the Board of Directors, it is reasonable to implement such modification, adjustment or alteration in order to maintain the value of the consideration and/or ensure the fairness of the remuneration system. These modifications, adjustments or alterations will be included in the annual report on directors' remuneration.

The Board of Directors is delegated the power to complete this resolution in everything that is necessary for its execution and in particular the establishment of any exceptional cases, independent of the provisions of the previous paragraph, in which the end of the CEO's executive duties or as a member of



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the Board entails the loss of the right to receive any pending deliveries on the scheduled dates.

Eight. Approval of a long-term variable remuneration plan payable in shares of the Company and in cash, designed for the CEO, the members of the Management Team and other key or relevant persons of the Company.

Approve, in accordance with Article 219 of the Corporate Enterprises Act and Article 31 of the Bylaws, the Long-Term Variable Remuneration Plan 2023-2025 (hereinafter, the "**Plan**") for the members of the Management Team, including the CEO, and certain key or relevant persons of Línea Directa Aseguradora, S.A. ("**Línea Directa Aseguradora**" or the "**Company**").

The Plan's characteristics are aligned with the Directors' Remuneration Policy approved, in accordance with article 529 novodecies of the Corporate Enterprises Act, by the General Shareholders' Meeting of 24 March 2022 (the "**Remuneration Policy**").

The Plan's basic terms and conditions are as follows:

Description and purpose of the Plan:

The purpose of the Plan is to motivate and retain certain persons considered key or relevant to the achievement of the Company's medium and long-term strategic objectives; and it will allow its beneficiaries to receive, after a certain period of time and provided that certain requirements and Company strategic objectives are met, a remuneration that will be paid, in equal parts, in a certain number of ordinary Línea Directa Aseguradora shares and a certain amount in cash.

To this end, the Plan is implemented by granting each beneficiary a target incentive (the "**Target Incentive**") to calculate, depending on the degree of achievement of the objectives to which the Plan is linked (hereinafter, the "**Degree of Achievement of the Objectives**"), the number of shares to be delivered and the amount of the incentive to be settled in cash, (the "**Incentive**").

Plan Beneficiaries: The CEO, the members of the Management Team and certain key or relevant persons of the Company (the "**Beneficiaries**") who are expressly invited by the Company's Board of Directors, at the proposal of the Appointments, Remuneration and Corporate Governance Committee (the "**CNRGC**"), and who expressly agree to participate in it, shall be considered beneficiaries of the Plan.

The invitation to participate in the Plan will be sent as a letter from the Company (the "**Invitation Letter**").

The estimated number of Plan Beneficiaries amounts to 40 people, without prejudice to the possible new additions of Beneficiaries to the Plan that the Board of Directors may agree during the term of the Plan.



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Duration and settlement: The Plan shall formally begin on the date of its approval by the 2023 General Shareholders' Meeting ("**Start Date**").

The measurement period for the Plan's objectives ("**Measurement Period**") will run from 1 January 2023 ("**Measurement Period Start Date**") to 31 December 2025 ("**Measurement Period End Date**").

After the end of the Measurement Period, the Incentive that, if any, each of the Beneficiaries will be entitled to receive depending on the Degree of Achievement of the Objectives during the sixty days following the preparation of the 2025 annual accounts ("**Settlement Date**") will be determined.

The delivery of the Company's shares, as well as the payment of the cash amount that, where appropriate, derives from the Plan will be carried out in accordance with the requirements and deferral procedures provided for in the Remuneration Policy, when applicable, as per the following schedule:

- 60% of the amount of the Incentive will be settled, in halves, in cash and in shares, on the Settlement Date.
- The remaining 40% of the Incentive will be settled, in halves, in cash and shares, on a deferred basis, by thirds, for a period of three years, on the following dates:
 - o one-third of the Deferred Incentive will be settled on the first anniversary of the Settlement Date ("**First Deferred Settlement Date**").
 - o one-third of the Deferred Incentive will be settled on the second anniversary of the Settlement Date ("**Second Deferred Settlement Date**").
 - o one-third of the Deferred Incentive will be settled on the third anniversary of the Settlement Date ("**Third Deferred Settlement Date**").

Calculating the Incentive: The amount of the Incentive for each Beneficiary under the Plan will be determined according to the following formula:

$$I = \text{Target Incentive} \times \text{DAI}$$

Where:

- I = Incentive to be settled, in equal parts, by the payment of a certain amount in cash and the delivery of a certain number of Company shares.
- Target Incentive ("**TI**")= Target incentive notified to the Beneficiary in the Invitation Letter.
- DAI = Degree of Achievement of the Incentive, in percentage terms, depending on the degree of fulfilment, during the Measurement Period, of the objectives to which the Plan is linked.



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Maximum number of shares: The maximum number of shares to be delivered under the Plan is 6,069,803 ordinary Company shares, representing 0.56% of the share capital, of which a maximum of 355,083 shares are delivered to the CEO.

Among other means, the Company may choose the following for the Plan, subject to compliance with the applicable legal requirements: (i) the shares of Línea Directa Aseguradora, S.A. in treasury stock that it has acquired or acquires in the future; or (ii) the newly issued shares of Línea Directa Aseguradora, S.A.

Reference value to determine the number of shares to be delivered: To determine the number of shares to be delivered under the Plan, the value of the Company's share from 1 to 31 January 2026 will be taken as a reference.

The Plan's goals: The Degree of Achievement of the Incentive that will determine the Incentive to be settled in cash and the number of shares to be delivered under the Plan will depend on the degree of fulfilment of the following strategic objectives (the "**Objectives**") during the Measurement Period, depending on their individual weight:

- The Company's combined ratio, considering the average of the achievement of the Plan's period, which will be weighted by 50% when the Incentive is calculated.
- Growth in Company premiums compared to that of the non-life sector during the Plan's period, which will be weighted by 40% when the Incentive is calculated.
- Degree of compliance with the Company's Level 1 Sustainability Plan (whose achievement will be audited by a prestigious external party), as well as inclusion in the Dow Jones Sustainability Index in 2025. This Objective will be weighted by 10% when the Incentive is calculated.

Requirements to receive the Incentive: These requirements must be met cumulatively by each of the Beneficiaries to consolidate their right to receive the Incentive under the Plan:

- achieve a minimum target of meeting the Plan's Objectives, and
- maintain an active relationship, whether employment or commercial, with the Company from the Start Date to the End Date of the Measurement Period, without prejudice to the special cases of termination and suspension, among others, that may be established by the Board of Directors.

Malus and clawback clauses: The Plan will include the corresponding "malus" clause and "clawback" clauses provided for in the Remuneration Policy.

Retention period of shares: Under the terms of the Remuneration Policy, the shares for delivery to the CEO under the Plan may not be disposed of or transferred until a period of at least three years has elapsed.

This will not apply if, at the time of the transfer, the CEO has a net economic exposure to the variation in the share price for a market value equivalent to at



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least twice the CEO's annual fixed remuneration through the ownership of shares, options or other financial instruments.

This will not apply to shares that the CEO needs to dispose of in order to meet the costs related to their acquisition or, after favourable assessment by the CNRGC, to cover the costs of any unforeseen extraordinary situations.

Managing and administering the Plan: The Board of Directors is empowered in the broadest terms – and may delegate these powers to the CNRGC, the CEO, or any other person to whom the Board of Directors expressly empowers for this purpose – to execute this resolution and to implement, develop, formalise, execute and settle the Plan when and as it deems appropriate, adopting as many agreements and signing as many documents, public or private, as may be necessary or suitable for its full effects, with the power to even correct, rectify, modify or complement this resolution.

And, in general, to adopt as many agreements and carry out as many actions as may be necessary or merely suitable for the successful completion of this resolution and the Plan's implementation, execution and settlement.

Nine. Delegation of powers to interpret, complement, correct, execute and formalise the resolutions adopted by the General Shareholders' Meeting.

Notwithstanding the powers delegated in the foregoing resolutions, to empower the Board of Directors, with the express power to sub-delegate, the Chairman of the Board of Directors, the Chief Executive Officer, and the Secretary of the Board of Directors, to the fullest extent required by law, so that any of them may implement the foregoing resolutions, for which purpose they may: (i) establish, interpret, clarify, complete, develop, modify, correct errors or omissions and adapt the resolutions set out above subject to the verbal or written approval of the Mercantile Registry and any competent authority, official or entity; (ii) prepare and publish the legally required announcements; (iii) implement the above resolutions and issue any public and/or private document deemed necessary or advisable for their implementation; (iv) file any documentation with the Mercantile Registry or other competent registers; and (v) carry out any such acts as may be necessary or advisable for their satisfactory implementation and, in particular, for their registration with the Mercantile Registry or any other competent register.

Ten. Advisory vote on the 2022 Report on the Remuneration of the members of the Board of Directors.

To approve, in an advisory capacity, the annual remuneration report for the 2022 financial year, approved by the board of directors, the full text of which has been made available to the shareholders, together with the rest of the documentation of the General Meeting, from the date of its notice.