



25 YEARS

**25 years
of success.**

Línea Directa Aseguradora, S.A.

2020 Corporate Report

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Welcome to our 2020 Report.

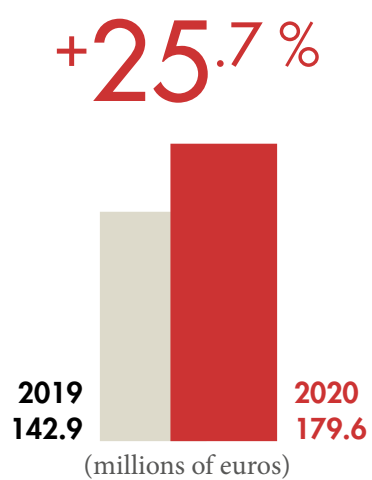
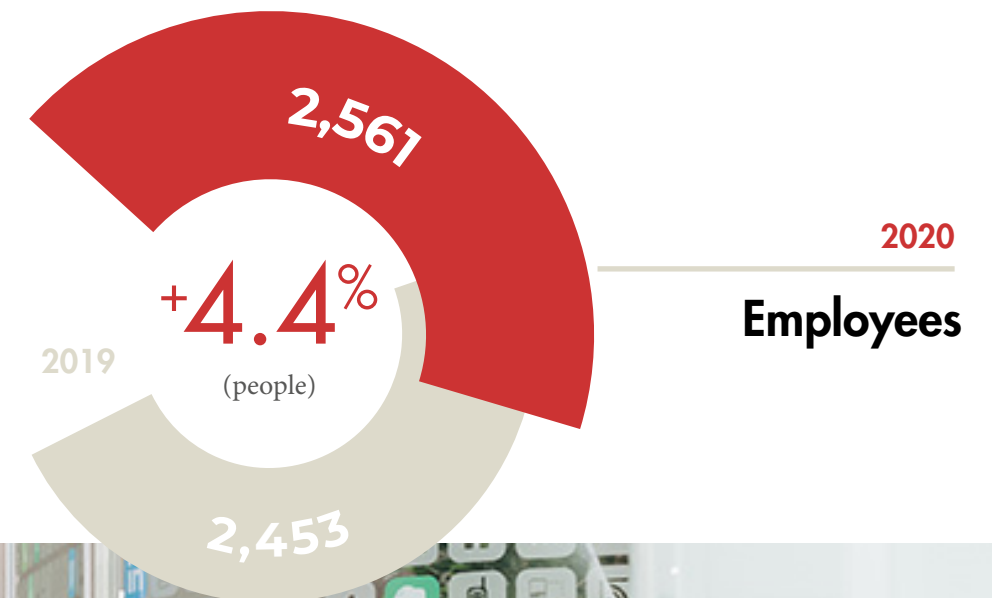
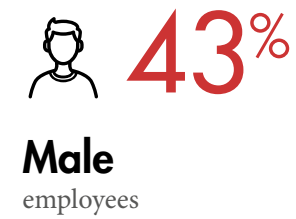
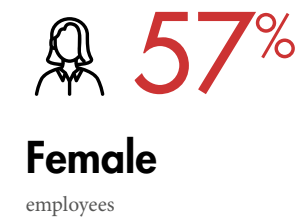
This report has been prepared in accordance with the GRI Standards, and is reported under the “Core” option.

This Corporate Report of Línea Directa Aseguradora, S.A. contains a report on the economic, social and environmental activity of the Group during the financial year 2020, which includes information on Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros, its subsidiaries and trademarks, following the same criteria established in the consolidation of the financial information and with Spain as the scope of action. During 2020, Línea Directa Aseguradora S.A. has not made any significant changes to the organisation or its supply chain.

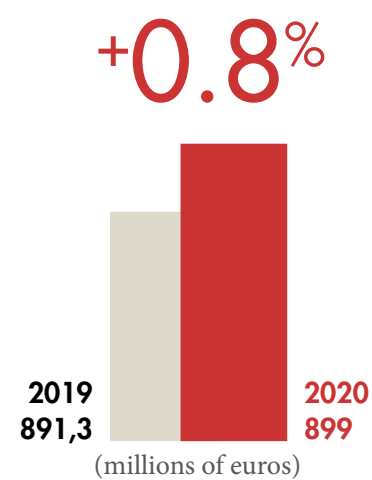
This report has been prepared in accordance with the GRI Standards, and is reported under the “Core” option. Thus, it has been drawn up based on different quality principles, including the principles of balance, comparability, precision, periodicity, clarity and reliability. Further, by preparing, publishing and distributing its Corporate Report on an annual basis, Línea Directa makes it possible to compare it with previous years, so that the different Stakeholders can objectively assess the changes in the main performance indicators. For more information on the materiality and relevance of this Report, see pages 69 - 80.



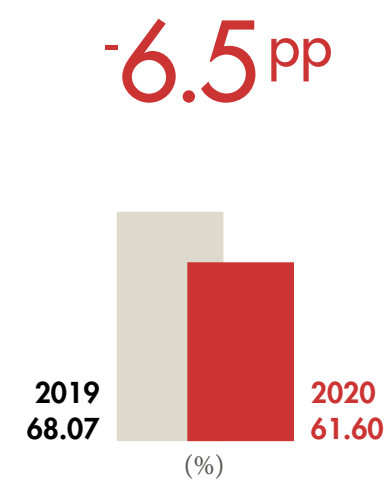
Key data for 2020.



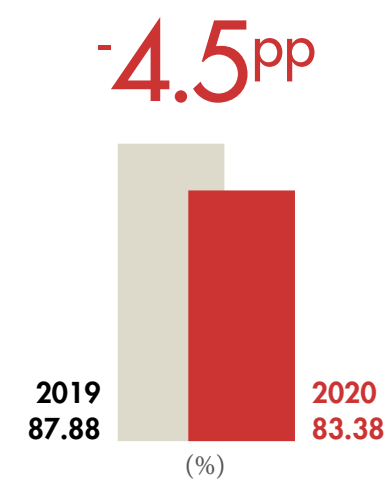
Profit before Tax



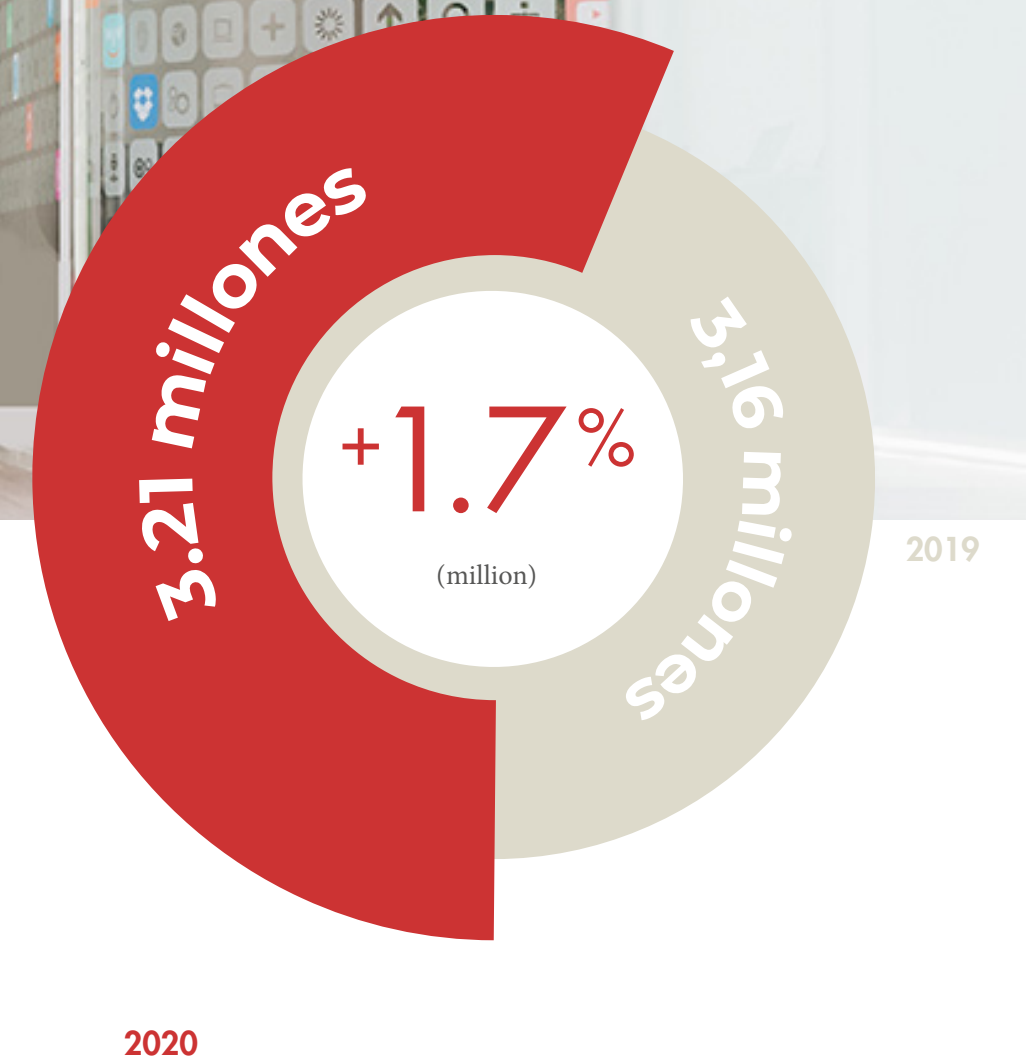
Premiums written



Net claims incurred



Combined ratio





Letter from the Chairman.

“The insurance sector has cemented its position as a counter-cyclical business that is much more resilient than other industries to adverse economic environments”.

This Corporate Report, which is published once again this year in an online format as a sign of Línea Directa Aseguradora’s commitment to sustainability and digitalisation, summarises the economic, social and environmental activity of the company during the previous year, reported according to the Global Reporting Initiative (GRI) methodology.

2020 has been devastating to society as a whole, both in human and economic terms. Thousands of lives were lost due to the terrible COVID-19 pandemic, and we have also been confronted with a historic economic recession that has placed many Spanish companies and families in an extraordinarily difficult situation, accentuated by the standstill in consumption and the ensuing impact on several key productive sectors of our economy. At the end of 2020, Spain’s Gross Domestic Product (GDP) had fallen by a staggering 11% compared to 2019. Unemployment also rose by over 620,000 during the year, despite not taking into account the number of workers under Temporary Redundancy Plans, resulting in a drop in the employment rate of 3.1% compared to the previous year.

Despite this situation, the insurance sector has cemented its position as a counter-cyclical business that is much more resilient than other industries to adverse economic environments. The Non-Life Line grew by 1.9% in 2020, despite the fact that the Motor line, one of its main assets, suffered a decline in the volume of premiums written of 1.99% due to the slump in the sale of new vehicles. Not surprisingly, passenger car registrations barely reached 850,000 vehicles in 2020 (-32%), the lowest sales figure since 2013. The Home Line has slowed down in 2019, but still continues to record very solid results, with premiums up 2.7% over the past year. Health insurance has maintained its good performance, with a 5% increase in the volume of premiums, consolidating its position as one of the insurance lines with best outlook and performance during these difficult months.

In this extremely adverse environment, Línea Directa has also achieved satisfactory results. Premiums written reached almost 899 million euros (+0.8%), with a much higher rate of growth than the sector as a whole, since in Motor it was only down by a mere 0.8% compared to the -1.99% recorded by the Line as a whole for the industry. The Home business continues to expand, with an 8.3% increase in revenues in 2020, over three times higher than the market. Vivaz, the Group’s health insurance brand that rewards customers for healthy lifestyle habits, is also doing very well based on its flexible and digital model.

“Línea Directa’s IPO, which will take place during 2021, is a great opportunity for the company to have greater autonomy and flexibility.”

Since its launch in September 2017, Vivaz has reached a portfolio of 89,000 customers and a 29% increase in policyholders by 2020. This momentum has enabled the company to surpass 3.2 million total customers completely organically, without resorting to acquisitions or mergers, which is a truly remarkable achievement.

Línea Directa has achieved Profit before Tax (PBT) of 179.6 million euros, an increase of almost 26% over the previous year, a record in the company’s history. However, it has been a very trying year characterised by the slump in consumption and the uncertainty generated by the COVID-19 pandemic, which has had an uneven impact on the Motor and Home insurance lines. In Motor, exposure and thus frequency of claims were reduced due to the lockdown measures. In Home, however, there was a significant rise in home accidents as people were spending more time at home, and this was compounded by harsh weather conditions. The Group’s Net Claims Incurred figure fell by 6.5 percentage points from 2019 to 61.6%, a very positive result. Combined Ratio improved by 4.5 points (83.4%), one of the lowest in the sector, consolidating Línea Directa as a unique success story in terms of income, solvency and profitability, with a ROE of 35%, one of the highest among European insurers.

Although we have not been able to celebrate it as we would have liked, 2020 has also been an important milestone: the 25th anniversary of the creation of Línea Directa Aseguradora. The company was founded in 1995 as a 50/50 joint venture between Bankinter and Royal Bank of Scotland (RBS), and since 2009 Bankinter has been its sole shareholder. Over the years, it has become known for its efficiency, profitability and good corporate governance. Initially the idea was to distribute car insurance by telephone, without agents or branches. In a short space of time, it took off in a big way - despite the initial doubts and suspicions.

Two and a half decades later and after having transformed the insurance sector forever, Línea Directa is preparing to become a listed company. Its initial public offering is an excellent opportunity for the company to become more autonomous and flexible, affording it much more versatility when designing its capital structure and a dividend policy better suited to its needs.

Línea Directa is today an extraordinary reality. Not just because it is one of the most profitable insurance companies in the market and has an enviable growth outlook - given that for the time being it only operates in three lines of business - but also because of its practices in the field of sustainability and good

“Línea Directa achieved a Profit Before Tax (PBT) of 179.6 million euros, 26% higher than in the previous year.”

corporate governance, which have helped it to be continuously listed in the main reputation monitors in our country, such as MERCO Talent, MERCO Responsibility and Corporate Governance and MERCO Companies, as well as obtaining the Top Employer certificate. Furthermore, the Línea Directa Foundation has become one of the most active, influential and reputable organisations in the field of Road Safety, which is one of our main vectors in terms of sustainability.

Now, 25 years after it was founded, I would like to remember and thank all the people who have helped to make the company’s success possible, especially all its customers, its employees and the extraordinary team of people who, day by day and policy by policy, have turned the company into an outstanding model of success for us all.

Alfonso Botín-Sanz de Sautuola
Chairman of Línea Directa Aseguradora

Three leaders, a successful project.

2020 marked 25
years since Línea
Directa was created.

To mark its 25th anniversary, Línea Directa Aseguradora decided to produce a video in which the three people who have held the highest positions of responsibility in the company would look back and share their thoughts and emotions: These three people are Gonzalo de la Hoz, who served as CEO from 1995 to 2008; María Dolores Dancausa, who was one of the three people who launched the project and was General Secretary from 1995 to 2008 and CEO from 2008 to 2010, and Miguel Ángel Merino, CEO for more than a decade.

The video looks at relevant topics such as the beginnings of the company, the keys to its success, its contribution to the sector and the importance of personal involvement in the project. It is on the company's Youtube channel.

The beginnings

Gonzalo de la Hoz, Línea Directa's first CEO, remembers the beginnings, which were far from easy: "The creation and development of the company was a very slow process that took more than 5 years. It all began in December 1989, when Jaime Botín and his brother, Emilio, made an investment in the Royal Bank of Scotland, a small Scottish bank based in Edinburgh. We started by re-letting a room in the basement of the Bankinter building on Paseo de la Castellana. Three people, the CFO, the CTO and the future General Secretary of the company, met there to design the structure of the organisation. At that time, I was basically just a novice and so were many of the people who were with me".

For María Dolores Dancausa, Current CEO of Bankinter, the assignment to create Línea Directa "came as a great surprise, since I was working in Bankinter's Legal Department, where I was the head of the Bank's Procedural

"The creation and development of the company was a very
slow process that took more than 5 years."

Gonzalo de la Hoz
CEO de Línea Directa (1995-2008)

As part of the company's 25th anniversary celebration, Línea Directa spoke to the three people who have been at the helm of the company. .



Gonzalo de la Hoz
CEO of Línea Directa (1995-2008)



María Dolores Dancausa
CEO de Línea Directa (2008-2010)



Miguel Ángel Merino
CEO (2010-present)

Area, and I was not planning to do anything different. Plus, I didn't know much about insurance, beyond what I had studied during my degree and purely by virtue of having a car.

"Things were very exciting at the beginning. After starting in the Castellana building, we moved into a small office that Bankinter had in Tres Cantos. There were just seven of us at that point, but we all had a lot of energy and determination to get the project off the ground. Lots of people in the industry said it would all come to nothing, and said the idea of trying to sell insurance over the phone and without a branch network, something that was very new and different, would not work.

Miguel Ángel Merino joined the project under different circumstances: "A headhunter contacted me and explained that they were creating a new project for which they needed a Claims Director". For the current CEO, the most striking thing was the organisation's ability to question everything: "When I joined, there were only about 40 of us in the whole company. Very few of us were from the insurance sector, so people challenged concepts that for me were dogma. At first I thought this was a problem, but, little by little, it became a virtue."

Three leaders, a successful project.

The three executives agreed that Línea Directa’s appearance in the sector sparked a major revolution.

The insurance sector in 1995

Twenty-five years ago, the industry was not at all like it is today. Miguel Ángel Merino describes what the industry was like at that time: “the agents basically controlled the service. Motor was a loss-making line, but it was a good way to get customers to take out other policies that did have a margin”. For María Dolores Dancausa, the sector “had not changed in many years; it was rigid and traditional, the hours were 9 to 14 hours, the premiums were high and the service was very poor. Basically, at that time the companies chose customers, not the other way around”.

Innovation and people, keys to success

When asked why the company was so successful, Gonzalo de la Hoz believes that, to a large extent, it was due to “the way it relates to and builds customer loyalty, its concept of service and the groundbreaking approach to risk management”. In María Dolores Dancausa’s opinion, the key was “believing in the project, being very determined and, above all, making the people who work in the company understand how important their contribution is”. The former CEO of Línea Directa’s advice to employees is to “be very excited about your work. We have to be optimistic and not set limits for ourselves, but always adopting a simple approach”. Miguel Ángel Merino believes that the keys to the company’s success are its “commercial capacity, a very powerful benefits management system and a commitment to innovation and efficiency”. He encourages employees to “not be shrink from challenges and making an effort, because we need talented, committed people with a different and bold mindset”. “The key was “believing in the project, being very determined and, above all, making the people who work in the company understand how important their contribution is”.

“The key was “believing in the project, being very determined and, above all, making the people who work in the company understand how important their contribution is”.

María Dolores Dancausa
CEO of Línea Directa (2008-2010)

“Bankinter has been like a good parent: diligent and watching over us, allowing us to develop our own personality”.

Miguel Ángel Merino
CEO (2010-present)

Initial public offering

Miguel Ángel Merino, “Bankinter has been like a good parent: diligent and watching over us, allowing us to develop our own personality”. The IPO “was inevitable, really, as Línea Directa was mature enough, and had enough size and prestige to do it. Also, it is our 25th anniversary”. María Dolores Dancausa has no doubt that the operation will be “a total success” and that in the future she sees Línea Directa “doing things differently and participating in more Lines, as it is poised to become one of the leading companies in all sectors”. Gonzalo de la Hoz says that, for him, seeing Línea Directa as a listed company “is a dream come true; you couldn’t wish for more than that”.



Dialogue

with Miguel Ángel Merino.

Miguel Ángel Merino, CEO of Línea Directa Aseguradora, analyses the results obtained during the past year and discusses the main challenges for 2021, including the Group's IPO.

The year 2020 marked the 25th anniversary of the creation of Línea Directa Aseguradora, an event in which you were involved practically from the outset. Looking back, what is your assessment, and what do you think the emergence of Línea Directa has meant for the Spanish insurance sector?

Línea Directa marked a before and after in the history of the Spanish insurance sector for several reasons. First, because through its proposal, without intermediation or branch networks, it could pass on part of the operational savings to the final price of the insurance without reducing the quality and scope of coverage. The success was immediate, even greater than expected: In 4 years it reached break even and in 5 years, the volume of premiums exceeded 100 million euros. The industry sat up and took notice, and was forced to change its overall view of the business in order to compete with our products and services.

Importantly, Línea Directa also permanently transformed the concept of service - which had been quite basic until we appeared on the scene. We promoted a value model based on innovation and technology and a wide range of comprehensive services - which went far beyond simple car repairs. Línea Directa played a key role in changing the status quo in the industry. Before we entered the market, it was the companies that chose the customers, whereas now it is the customers who choose the companies.

Last year also marked the tenth anniversary since you were made part of the company's senior management. Looking back, how would you describe this period from your personal vantage point?

It has been an extraordinary and unrepeatable experience, both personally and professionally. Over this decade the company has undergone very significant growth in terms of revenue, portfolio and profitability, we have entered the health sector and we are preparing to turn Línea Directa into a listed company. We have also created our own Foundation, launched a strategic Digitalisation Plan and approved four Sustainability Plans which have greatly enhanced the way our reputation is viewed by the community.

When I started working in the company, I could not imagine that within its first 25 years, it would end up having a revenue of 12.20 billion euros and create almost 6,000 direct jobs. Línea Directa is an extraordinary success story built day by day and policy by policy, which has revolutionised the insurance industry.



Miguel Ángel Merino
CEO (2010-present)



**What are your general impressions, looking back on the year 2020?
How has the company performed overall both financially and at a corporate level?**

2020 has been a truly strange, complicated and very challenging year. Because of the healthcare crisis and the ensuing macroeconomic conditions (the worst in years), we were forced to change our approach and the way we do things. Nevertheless, Línex wrote premiums of almost 899 million euros in 2020 (+0.8%), despite the fact that the Motor insurance line experienced a slight decrease due to the slump in the sale of new vehicles. The slump in the industry as a whole, however, was much more pronounced (-1.99%), mainly because our business model is very efficient and dynamic.

There was further sharp growth in Línex's Home Insurance line, despite the increase in the frequency of claims due to people being locked down at home and meteorological phenomena. In 2020, its revenue grew by 8.3%, over threefold that of the other companies, while Vivaz, the Group's health insurance brand, continued to expand and mature, reaching 89,000 policyholders in just three years, and bringing the company past the 3.2 million customer mark completely organically.

The company achieved a Profit Before Tax of almost €180 million, 26% higher than in 2019, driven by the decline in the Motor claims incurred ratio and the Combined Ratio, which reached 61.6% and 83.4%, respectively. Once again, these results bear out the strength of our successful business model in terms of efficiency and profitability. Indeed, at the end of 2020, the company has an ROE of 35%, one of the highest among European insurers.

“Línex Aseguradora’s initial public offering is probably the most important milestone in our recent history.”

+80%
of customers use digital channels to communicate with the company.

The company is very excited about the upcoming IPO, challenging though it may be. How are you coping with this challenge internally and how do you see Línex as a listed company?

Línex Aseguradora's initial public offering is probably the most important milestone in our recent history. Becoming a listed company is a real challenge: on the one hand, it will allow us to increase our autonomy and decision-making capacity and, on the other hand, we will be able to showcase the company's full potential in the market. Being listed also means no longer being protected by such a stable, profitable and exemplary shareholder as Bankinter, so we will have to do our best on our two feet.

In this day and age, digitalisation is essential for any business. How is Línex approaching it?

We see digitalisation as a natural process based on a firm commitment to technology, disruptive services and innovation. Transition to automation-based operating models, Big Data and Artificial Intelligence, has been a relatively easy step for us, as it is part of our corporate culture.

Our vision of digital is based on enhancing the usefulness for the customer, so that is why our plan has the following motto: “More Digital, More Useful”, which encapsulates our determination to bring value added to any management process through flexibility and by doing away with unnecessary formalities. That's why more than 80% of the company's customers communicate with us through digital channels, making us a leader in online insurance.

“The IV Sustainability Plan of the Línea Directa Aseguradora Group includes the company’s commitment to the SDGs and the 2030 Agenda”.

In 2020, the Group’s 4th Sustainability Plan was also applied (until 2022). What is new about it and what are its main features?

The Plan includes the company’s commitment to the SDGs and the 2030 Agenda, two projects proposed by the United Nations. Specifically, we have engaged with a broad range of objectives, including health and well-being, gender equality, decent work and economic growth.

Thorough consultancy research was carried out to prepare this Plan, including in-depth analyses of the sector, the main ESG management standards and the most relevant sustainability indices. The objective is to consolidate our position as a leader in terms of reputation. According to MERCO, we are the 4th most powerful insurance company despite operating in only three lines of business.

Lastly, how do you see Línea Directa in the future? What will the company be like in another 25 years?

I believe that Línea Directa is set to become one of the largest Spanish insurance companies in all areas; a multi-line, multi-product company based on providing value to shareholders, customers and the community at large. We must reactivate growth in the Motor line, become one of the top 10 Home insurance companies, consolidate the growth seen in our Health line and reinforce our digital leadership.



“Línea Directa is set to become a multi-line, multi-product company based on providing value to shareholders, customers and the community at large.”

About us.

The Purpose of Línea Directa. Innovate, protect and bring together.

Innovate: innovation is part of Línea Directa's DNA, which means we always face new challenges with a disruptive and daring capacity.

Protect: Over and above its primary role as an insurer, Línea Directa extends this relationship of protection to all its stakeholders. Línea Directa has defined its purpose as a company: Innovate, protect and bring together. This expresses its *raison d'être* and represents how it aims to make an impact in the community. It is also reflected in its strategy and culture to promote sustainable financial performance.

Bring together: closer relationships are formed because of the direct nature of its business model, while it also makes insurance accessible to different groups. It also has the technology and digitalisation necessary to achieve this.

Vision.

To be at the forefront of innovation in the insurance sector and to promote values associated with road safety, home safety, health, the environment and sustainability.

Mission.

To provide our direct response expertise and make it available to our customers, employees, shareholders, suppliers and, therefore, society as a whole, generating wealth, safety and a more responsible and sustainable environment for people. To be the go-to insurer because of our respect for all of our stakeholder groups, particularly our customers, employees and suppliers.

Values.



Respect for people



Spirit of self-improvement.



Enthusiasm.



Results-driven.



Clarity.

Principles of action.



People



Innovation.



Quality.

About us.

3.21
million customers

2.51 million

in the Motor line

623,000

in the Home line

89,000

in the Health line

Línea Directa Aseguradora is the leader in the direct sale of insurance in Spain. Its business model, without intermediaries or branch networks, transfers part of the savings in distribution costs to the final price of the insurance, which allows it to offer the best coverage at a very competitive price. After 25 years of history, it has a customer portfolio of more than 3.2 million policies in three different Lines: Motor, Home and Health.

Línea Directa Aseguradora was created in 1995 as a joint venture between Bankinter and Royal Bank of Scotland Insurance. In 2009, the Spanish bank bought 50% of the capital it did not control in the insurer from RBS, thus becoming its sole shareholder. In 2020, the Bank’s General Shareholders ‘Meeting approved the Bankinter Board of Directors’ proposal to convert Línea Directa into a listed company.

Línea Directa currently has 3.2 million customers, of which almost two million use digital channels in their communications with the company. At the end of 2020, it ranked 5th in the ranking of premium income in the Motor Line, 12th in the Home Line and 28th in the Health Line, consolidating its position as the 12th largest Non-Life company in terms of premium income.

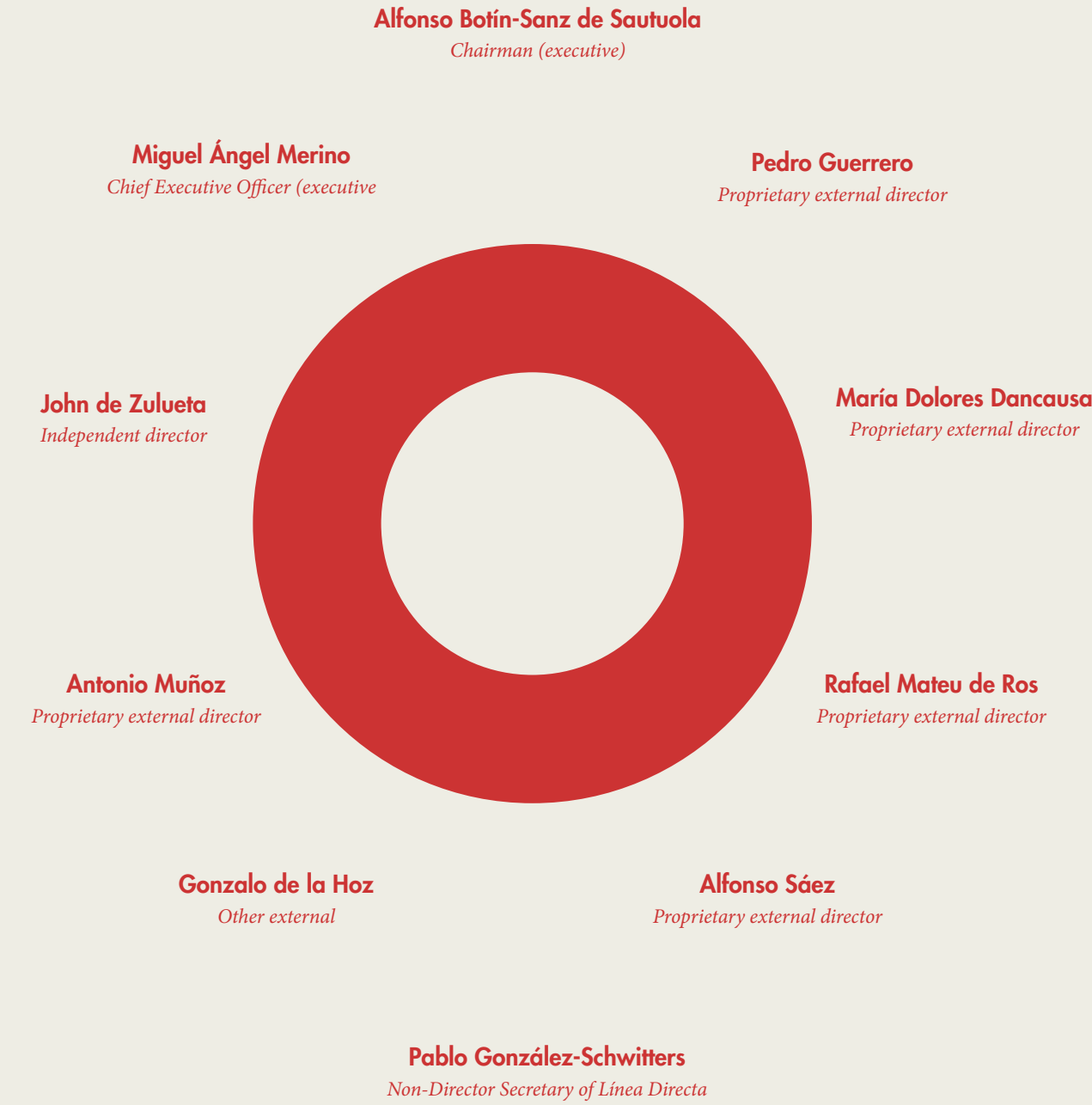
Línea Directa Aseguradora offers a broad range of products and services with unique guarantees, which it has developed with a focus on customisation, quality and innovation. In fact, because of these qualities, it has been recognised as one of the Spanish companies with the best reputation in the corporate sector, ranking 49th in MERCO Empresas and 4th in its sector. It is also a member of UNESPA and actively collaborates with ICEA (Investigación Cooperativa entre Entidades Aseguradoras).

Corporate organisation

of the Línea Directa Aseguradora Group

LÍNEA DIRECTA ASEGURADORA, S.A.	Owner of 100% of the capital of its subsidiaries.
LÍNEA DIRECTA ASISTENCIA, S.L.U.	Roadside assistance and appraisal company.
CENTRO AVANZADO DE REPARACIONES (CAR), S.L.U	Group-owned garages in Madrid and Barcelona.
CLUB MÁS MOTO, S.L.U.	Exclusive club for Línea Directa motorcycle customers.
ÁMBAR MEDLINE, S.L.U.	Insurance auxiliary activities company.
LDACTIVOS, S.L.U.	Compañía de gestión de activos del grupo asegurador.
LDA REPARACIONES, S.L.U.	Asset management company of the insurance group.

Board of Directors.



Composition of the Board of Directors of Línea Directa Aseguradora, S.A. 31 December 2020.

We are Bankinter.

Bankinter has consolidated its position as one of the most profitable institutions with the best asset quality, with a return on equity (ROE) of 7% and the lowest NPL ratio among listed banks.

We are Bankinter Group

Despite a challenging year marked by the impact of the pandemic, Bankinter Group ended 2020 with strong growth in all margins and across all main business lines.

Net profit was 317.1 million euros, down +42.4% from 2019. This fall is mainly due to the provisions of 242.5 million euros made to anticipate the macroeconomic downturn, and the absence this year of the extraordinary items that the bank booked in 2019 for the purchase of EVO.

Bankinter cemented its leadership position in the sector in terms of profitability and asset quality, with a 7% return on equity (ROE) and an NPL ratio of 2.37%, almost half the sector average. In terms of capital adequacy, Bankinter's CET1 fully-loaded capital ratio is 12.3%, 7.7 million euros above the ECB's minimum requirement.

The higher business activity resulted in customer lending growing by 6.6% over 2019; and retail customer funds were 12.5% higher.

In March 2020, Bankinter's Shareholders' Meeting approved the distribution of the issue premium among its shareholders through the delivery of shares in Línea Directa Aseguradora, once its future IPO has obtained all the relevant authorisations, expected to happen in 2021.



2020 closing figures

96,252.1 millions of euros	1,247 millions of euros	1,709 millions of euros	317.1 millions of euros	7%	12.3%	2.37%
Total assets 15% more than in 2019	Net interest income 6.8% more than in 2019	Gross profit 39% more than in 2019	Net profit 42.4% less than in 2019	RoE	Capital ratio CET1 fully loaded	NPL ratio

25th anniversary.

2,600

millions of euros

paid in taxes over the past 25 years..

5,200

jobs created

over the company's 25 years.

7,600

million in benefits

to insured parties over the last 25 years.

Línea Directa has endeavoured to modernise and revitalise the insurance market.

A team of seven working in the basement of Bankinter's headquarters in Madrid started Línea Directa from scratch. Today, 25 years later, this project is the fifth largest automobile insurer in Spain and one of the 13 largest in the Non-Life sector, with a total revenue of 899 million euros, 3.2 million customers and more than 2,500 employees. It is also one of the country's most recognisable insurance brands and will soon be the third listed Spanish insurance company.

Línea Directa Aseguradora sold its first policy on 18 June 1995, directly by telephone, without agents or a branch network and relying on technology. This 100% disintermediated business model, unheard of until then in the national market, marked a turning point in the way insurance was done in Spain.

Jaime Botín, together with the creator of Direct Line in the United Kingdom, Peter Wood, imported this business idea and its technological platform to Spain. The company started out as a 50/50 joint venture between Bankinter and Royal Bank of Scotland and in 2009, after the Scottish bank was nationalised, Bankinter became the sole shareholder after paying more than 420 million euros to its British partner.

Línea Directa has always outgrown and been more profitable than the market through the use of its disintermediated model and its popularity with its customer base. The company reached break even in the fourth year and in 2000 it registered 100 million euros in premiums. In 2004, it reached its first million policyholders, simply growing policy by policy and without any corporate transactions. In 2008, it began operating in the home line and in 2017 it launched the Vivaz health insurance brand. A year later, it reached three million customers.

Línea Directa has endeavoured to modernise and revitalise the insurance market. The company is more efficient because of its direct sales to customers and all its operations are centralised at its central headquarters. This benefits customers directly in the form of highly competitive policies with the best coverage, as well as a multi-line and multi-brand offer and a customer experience based on a wide range of digital services. Through marketing, Línea Directa also makes insurance smarter and more transparent.

The innovative spirit of the group is reflected in pioneering products and services, making Línea Directa the model to follow for digital transformation in the sector. Línea Directa was the first company to successfully sell insurance by telephone in 1995 and over the Internet in 1999. The company made comprehensive insurance with excess available to all and has launched pioneering policies such as Vivaz, which rewards customers' healthy habits, and comprehensive insurance with car included ("Llámallo X"). The group has also developed innovative, useful and efficient solutions such as spare parts management and control, Integrated Medical Treatment and Night Assistance for Young People.

Coinciding with the company's 25th anniversary, Bankinter approved Línea Directa's IPO in 2020, which will be a new milestone in the insurer's history.



Actions to Mark 25th Anniversary

In 2020, Línea Directa Aseguradora staged a number of events to mark the group's anniversary. The company published the report "25 years of impact of Línea Directa Aseguradora", which reviews the history of the group, its disruptive role in the Spanish insurance market and its economic and social impact: over these 25 years, the insurer has created more than 5,200 jobs, has paid more than 2,600 million euros in taxes and more than 7,600 million in benefits to policyholders. To celebrate this anniversary with its customers, Línea Directa Aseguradora also organised a prize draw on social media for a Nissan Juke 2019 Acenta car with taxes and comprehensive insurance with excess included during the first year. The company published a corporate video in which the three CEOs who have led Línea Directa since its foundation in 1995, Gonzalo de la Hoz, María Dolores Dancausa and Miguel Ángel Merino, describe how the company was created and its significance, in first person and from a very personal and human point of view.

Initial Public Offering.

A unique value proposition.

On 19 March 2020, the Ordinary General Meeting of Bankinter approved the IPO of Línea Directa Aseguradora, in which it owns 100% of the share capital. To do so, the bank will distribute the share premium of 1,184 million euros in kind among its shareholders, giving them a number of shares in the insurer equal to the number of shares they hold in the bank.

Once the transaction - which will be executed as a listing and is subject to regulatory approvals and deadlines - is completed, the shareholders of Bankinter will also become shareholders of Línea Directa. They will become owners of 82.6% of an independent, listed insurer, while Bankinter will maintain a minority stake of 17.4%.

Línea Directa Aseguradora's listing is a remarkable achievement, but it is also a natural step given the maturity and profitability that the company has reached. Today, the insurer has a huge margin for growth and diversification, with a turnover of about €900 million a year, adding 3.2 million customers, and its return on capital (ROE) is 35%.

With this spin-off, Bankinter aims to separate the insurance business from the banking business, which will enable both companies, on the one hand, to draw up their respective strategies more independently and, on the other, to operate with a capital structure and a dividend policy in line with their needs and regulatory environments.

The IPO of Línea Directa Aseguradora is an opportunity, as it will enable the company to have greater autonomy and access new avenues for growth. The more than 2,500 employees of the group will benefit from being part of a project in continuous expansion that offers new professional challenges, and policyholders will be able to take advantage of the greater independence and prestige and the reinforcement of Línea Directa's commercial position.

Bankinter's shareholders will also be shareholders of a company with great appeal to investors: Its above-average profitability for the sector and its attractive dividend policy make Línea Directa a unique investment proposal in the Spanish insurance sector, even more so in the current and prolonged scenario of low interest rates. Bankinter has received 1,058 million euros in dividends from its subsidiary since it became the sole shareholder in 2009, which represents a payout of 90%, making it a great financial investment that clearly generates value for the bank's owners.

Línea Directa Aseguradora, S.A.

2020 Corporate Report

Sustainability Plan.

Compliance 2020.



Maturity matrix according to the Madrid Excelente seal of approval
2020

CONCEPTS	BEGINNING	ACTION IN PROGRESS	MATURITY
RESULTS-DRIVEN.			
CUSTOMER FOCUS.			
LEADERSHIP AND CONSISTENCY.			
MANAGEMENT BY PROCESSES AND FACTS.			
DEVELOPMENT AND INVOLVEMENT OF PEOPLE.			
CONTINUOUS LEARNING, INNOVATION AND IMPROVEMENT PROCESS.			
DEVELOPING ALLIANCES.			
SOCIAL RESPONSIBILITY OF THE ORGANISATION.			

Sustainability Plan. Compliance 2020.

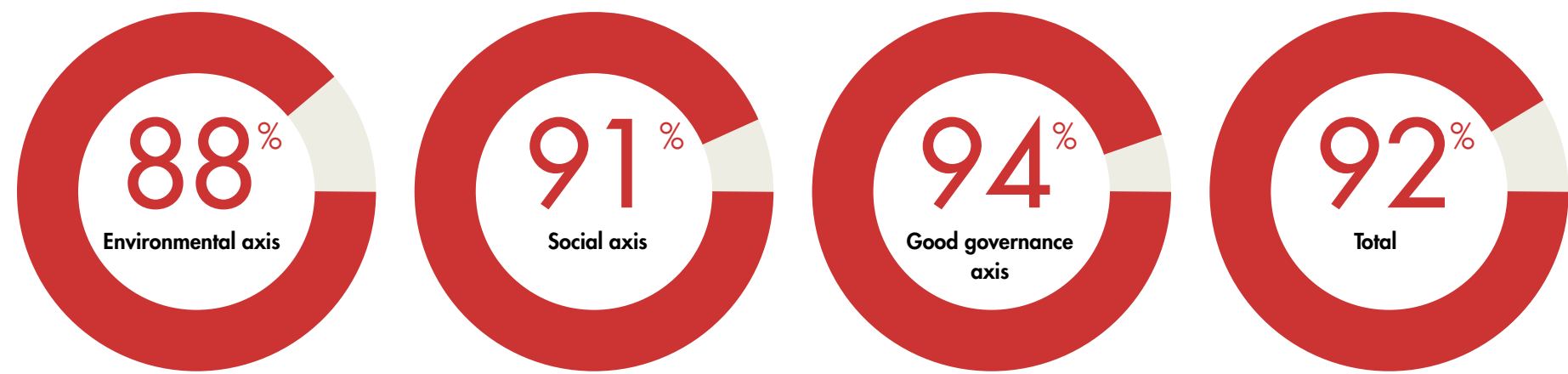
Excerpt from the action plan

2020

AXIS	LINE OF ACTION / STAKEHOLDER		ACTION	COMPLIANCE
ENVIRONMENTAL AXIS				
BUSINESS	Responsible supply chain	1.1.Feasibility analysis of new responsible products in Motor.	Agreement for the incorporation of hybrid vehicles in “Llámallo X”.	●
		1.2.On-site repair services and sustainable tow trucks.	Analysis of the degree of sustainability in partners network.	●
ORGANISATION	Climate change	2.1.Línea Directa: carbon-neutral company by 2030.	Implementation of photovoltaic energy.	●
		2.2.Reduced consumption: energy, water and paper.	ISO 14001 and 50001 certification.	●
			Measures to reduce energy, water and paper consumption.	●
		2.3.Eco-efficiency and Green Energy Plan.	Electricity 100% renewable by 2020 (TCI, TC2, TC4).	●
		2.4.Sustainable environmental management.	Línea Directa Asistencia Environmental Management System.	●
		2.5.Fight against climate change.	Scope 3 Carbon Footprint calculation: supply chain.	●
COMPANY	Environmental impact	3.2.Environmental impact: Social Emissions Compensation Projects.	Certify scope 1 and 2 (2021).	●
			Presentation and approval of Social Compensation Projects.	●
SOCIAL AXIS				
BUSINESS	Products committed to society	4.1.Feasibility analysis of new products. (Motor and Health).	Analysis of products with social impact.	●
		4.2.Disease Prevention and Healthy Habits Campaigns.	Campaign to prevent different pathologies.	●
		4.3.Promoting use of the “Vivaz Actividad” App.	Promoting active living through the App: 10, 000 steps a day.	●
		4.4.Actions to ensure care for disadvantaged groups.	Monthly payment.	●
			Policies with negative creditworthiness.	●
			Measures to support the self-employed.	●
		4.5.ESG risk management	Risk map and ESG methodology.	●
ORGANISATION	Healthy company	5.1.Promotion and activities of Healthy Habits.	Talks and measures to promote health in employees.	●
		5.2.Flexible remuneration: Employee health insurance.	Offer with special REFLEX conditions for employees.	●
	Responsible company	6.1.Diversity, Inclusion and Gender Equality	Promoting inclusion and diversity activities.	●
		Diversity Management policy.	●	
	Commitment	7.1.Family Commitment.	Assisting in the stages of life.	●
		7.2.Values Award	Promotion of Corporate Values in the workforce.	●
	Talent and culture	8.1.Senior Talent.	Encourage employability and opportunities to Senior profiles.	●
		8.2.Young Talent.	Promoting youth employability.	●
			To publicise key activities to collaborate in employment orientation.	●
		8.3. STEM Talent.	Attraction and support for STEM talent.	●
		8.4.Digital Culture.	Training in content or digital media (>95%).	●
			Telework Charter.	●
	SOCIETY	Positive contribution to society.	9.1.Corporate volunteering.	Promote corporate volunteering.
9.2.Home-related studies.			Dissemination of sociological studies of Spanish households.	●
9.3.Cybersecurity / Digitalisation study.			Dissemination on the risks of digitalisation: data protection, phishing and fakenews.	●
9.4.Health study.			Dissemination of health research.	●
9.5.Solidarity Health Challenge.			Solidarity action for the promotion of activity and contribution to a non-profit organisation.	●
Road safety		10.1.Implementing innovation to improve road safety.	Participation in DGT’s “Autonomous Ready” project.	●
		10.2.Red Points Programme.	Platform for reporting accident risk points in urban and interurban areas.	●
		10.3.Road Safety Journalism Award.	Promote journalistic work on road safety.	●
		10.4.Entrepreneurs and Road Safety Award.	Encourage entrepreneurship in road safety.	●
		10.5.Studies in Road Safety.	Dissemination of road safety research.	●
		10.6.Training and awareness.	Training and awareness-raising actions on road safety.	●
		10.7.Social action.	Solidarity campaign for victims of road accidents.	●

● Achieved ● In progress ● Not achieved ● Cancelled

Sustainability Plan. Compliance 2020.



Excerpt from the action plan

2020

AXIS	LINE OF ACTION / STAKEHOLDER	ACTION			
GOOD GOVERNANCE AXIS					
BUSINESS	Innovation and Business Responsibility	11.1.Sovereign Identity.	Active participation in the Dalion Working Group.	●	
		11.2.Best Practices Manual to promote inclusiveness in digital business.	Design system with accessibility criteria.	●	
		11.3.Supply Chain Management: Policy and Risks.	Change in purchasing policy (ESG compliance).	●	
		11.4.Responsible Investment Policy.	Review of the Investment Policy.	●	
		11.5.Sustainable Equity Story.	Elaboración del Equity Story Sostenible de Línea Directa	●	
		11.6.Data protection.	Preparation of Línea Directa’s Sustainable Equity Story Publication of Privacy and Informa- tion Security Policy.	●	
			Adhesion to the UNESPA Guide.	●	
ORGANISATION	Corporate Governance	12.1.Governing bodies: ESG Governance.	nment of the ESG function in the Appointments and Remuneration Board.	●	
			ESG Competency Matrix of the Board.	●	
		12.2.Codes of conduct and anti-corruption.	Review of the Complaint Channel.	●	
			Awareness-raising in Code of Ethics to collectives.	●	
		12.3.Tax matters.	Fiscal Strategy Policy.	●	
		12.4.Dissemination of the company’s Mission and Vision as well as Línea Directa’s Purpose.	Elaboration and dissemination of Línea Directa’s Purpose.	●	
		12.5.Transparency and Reporting.	FRC commitment: Employee satisfaction. (>90%).	●	
			FRC commitment: Employee engagement. (>90%).	●	
		12.6.Línea Directa Culture.	Nº de noticias de acciones en Intranet.	●	
		12.7.Sustainability Policy.	No. of news items about actions in Intranet.	●	
	12.8.Working conditions.	Preparation and approval of the Sustainability Policy.	●		
		To have the information adapted to the regulations in force, prior to the IPO.	●		
			Diversity Plan. Equality Plan and Equality Policy.	●	
	12.9.Equality and diversity.				
		Occupational Health and Safety	13.1 COVID 19 Safe Protocol Certificate.	COVID certificate.	●
	SOCIETY	Partnerships	14.1 Education	Collaboration with educational institutions.	●
			14.2 Contribution to guilds or industry associations	Reporting breakdown of memberships and monetary contributions.	●
Business transparency		15.1 Preparation of Non-Financial Information.	Financial Reporting Manual.	●	
		15.2 Human Capital.	Measurement and Reporting.	●	
		15.3 Talent Attraction and Retention.	Measurement and Reporting.	●	
		15.4 Analysis of contribution to the SDGs.	Preparation of SDG Dissemination Analysis.	●	
		15.5 Línea Directa impact report.	Publication of the report “25 years of impact”.	●	
			Renovación del sello "Top Employer".	●	
		15.6.Reputation.	Renewal of the “Top Employer” seal.	●	
			Maintenance audit and FRC certification. MasHumano Membership Maintenance.	●	
		15.7 Community Development and Social Contribution	Social Contribution Policy.	●	

19

102-12, 102-13, 102-19, 102-20

Sustainability Plan.

Key Figures in 2020.

efr

FRC "Family Responsible Company"
certificate, B+ rating.



"Top Employer Company 2021"



"Madrid Excelente CAR"



"Madrid Excelente Línea Directa"

49

Promotions and
internal mobility.

64

Entrepreneurs
and Road Safety
Award.

Number of projects received.

148

Corporate
volunteering network.

Employees of the network.

64

MERCO
Responsibility
and Corporate
Governance 2019.

Ranking in 2020.

54

MERCO Talent.
Ranking in 2019

49

MERCO Companies.
Ranking in 2020

2,052

Reports presented to the Journalistic
Road Safety Award.

421 thousand

Followers on Social Media.

1.4 millions
of euros

Allocated to Safety actions in solidarity projects, road safety
and the fight against COVID-19.

Management Team.

José Antonio Egido
Head of Services and Benefits

Pablo González-Schwitters
General Secretary

Mar Garre
Head of People, Communication and Sustainability

Miguel Ángel Merino
Chief Executive Officer

José María Maté
Head of the Technical Area

David Pérez-Renovales
General Director for Health

Olga Moreno
Head of the Home Business Line

Julio Agullo
Head of Línea Directa Asistencia

José Luís Díaz
Head of Internal Audit

Patricia Ayuela
Head of the Motor and Digital Transformation Area

Antonio Valor
Head of Marketing

Carlos Rodríguez
Director de Finanzas

Ana Sánchez Galán
Head of the Technology Area

Management Committee

The Management Committee is made up of the members of the Business Committee plus the Directors of the People, Communication and Sustainability Areas, Línea Directa Asistencia, Technology and the Office of the General Secretary.

Business Committee

The Business Committee is made up of the Chief Executive Officer and the Heads of the Marketing, Motor and Digital Transformation, Finance, Health, Services and Benefits, Home and Technical Areas.

Ethical management.

Línea Directa Aseguradora, S.A.
2020 Corporate Report



Pablo González-Schwitters
General Secretary of Línea Directa

“Línea Directa Aseguradora aims to cement its position as an ethical and reputational benchmark in its sector and in society at large.”

Ethical management.

Ethics as a principle.

Ethical management at Línea Directa Aseguradora is a multi-domain process in the organisation that encourages a culture of respect for the rules and the principle of legality enshrined in the company's Code of Ethics. The Regulatory Compliance department undertakes various training and advisory actions for employees, middle management and executives with the aim of making reputation one of the company's core institutional assets.

In 2020, the Regulatory Compliance department has been given more resources, with its own budget allocation within the Office of the General Secretary, which will give it greater autonomy and help it to achieve the targets set at the beginning of the year.

The data upload and parameterisation of the Process Control module of the SAP GRC tool has also been completed, allowing all information related to the organisation's risks and regulatory controls to be available in a single digitised medium, enhancing the visibility of key policies and processes. This module has the necessary functionalities to document, analyse, evaluate, certify and report the status of each risk and control.

In the area of awareness-raising, 120 managers and 15 executives of the Línea Directa Group and the Línea Directa Foundation were trained for two weeks to show them what their tasks and roles assigned in SAP GRC will be. Parameterisation of the new Ethics Channel tool has also been completed, replacing the previous Communication Form, which can be used to report possible inappropriate conduct or conduct which is not aligned with the rules of conduct, breaches of regulations or unlawful acts.

The new tool will be available to employees through the intranet, to customers and third party collaborators on the corporate website of the Línea Directa Group and to users and third party collaborators of the Línea Directa Foundation on the organisation's portal. The Ethics Manager can use this tool to comprehensively oversee the communications lifecycle, for traceability of the different phases and the appropriate reports.

Risk matrix and regulatory compliance management

Durante el pasado ejercicio se ha diseñado una matriz de riesgos y controles en Last year a matrix of risks and controls was designed in all the Group's subsidiaries, including Línea Directa Asistencia, CAR garages, LDA Reparaciones, LDActivos, Ámbar Medline and Motoclub, identified through meetings with the heads of the departments of each of them or, in the case of LDActivos, Ámbar and Motoclub, with the representatives in the management of their key functions in Línea Directa Aseguradora. In addition, a cross-domain organisational model has been defined in the Regulatory Compliance Management System, which, through the Regulatory Compliance Committee, allows for dialogue with the different compliance domains: including labour, risk prevention, cybersecurity, data protection, tax, criminal and legal.

The objective of this body is to increase the effectiveness of the Compliance Plan based on the direct interaction of the compliance domains, driving improvements and identifying new risks or conflicts at an early stage. To adapt to this new model, the Regulatory Compliance Policies and the Compliance Management System have been modified.

The objective of this body is to make the Compliance Plan more efficient through the direct interaction of the compliance domains.

The risk and control matrix is expected to be completed in 2021, with the objective of being operational at the time of the company's IPO.



The risk and control matrix is expected to be completed in 2021 so it can be up and running by the time of the company's IPO, and the risks and controls of CAR, LDA Reparaciones, LDActivos, Motoclub and all the areas of Línea Directa Aseguradora will be assessed. The company will also see to the integration of ESG (Environmental, Social and Governance) risks into corporate risk control models. To do this, environmental, social and corporate governance risks are being assessed and the proposed matrices will be analysed to differentiate the operational part of the regulations, put down the risks already mapped and, if necessary, register new categories. Once the Regulatory Compliance model has been configured, a 3-year control testing plan will be designed starting in 2022.

Code of ethics

Para favorecer la aplicación del Código Ético se ha revisado y actualizado el In order to promote the application of the Code of Ethics, the Línea Directa Aseguradora Group's procedure for managing queries and complaints has been revised and updated - in doing so, creating the current Ethical Channel. This procedure, which complies with the requirements set out in Directive 2019/1937 of 20 October on Whistleblower Protection, establishes safeguards for confidentiality and non-reprisals, including anonymous reporting if the whistleblower wishes. A tool has also been implemented to automate certain parts of the communications management process, to get a complete record of the lifecycle of the complaint with time and role stamping, to enable anonymisation of the process, to increase control over the people accessing the information and to generate annual reports. The new communication channel is available both on the company's intranet and corporate website. .

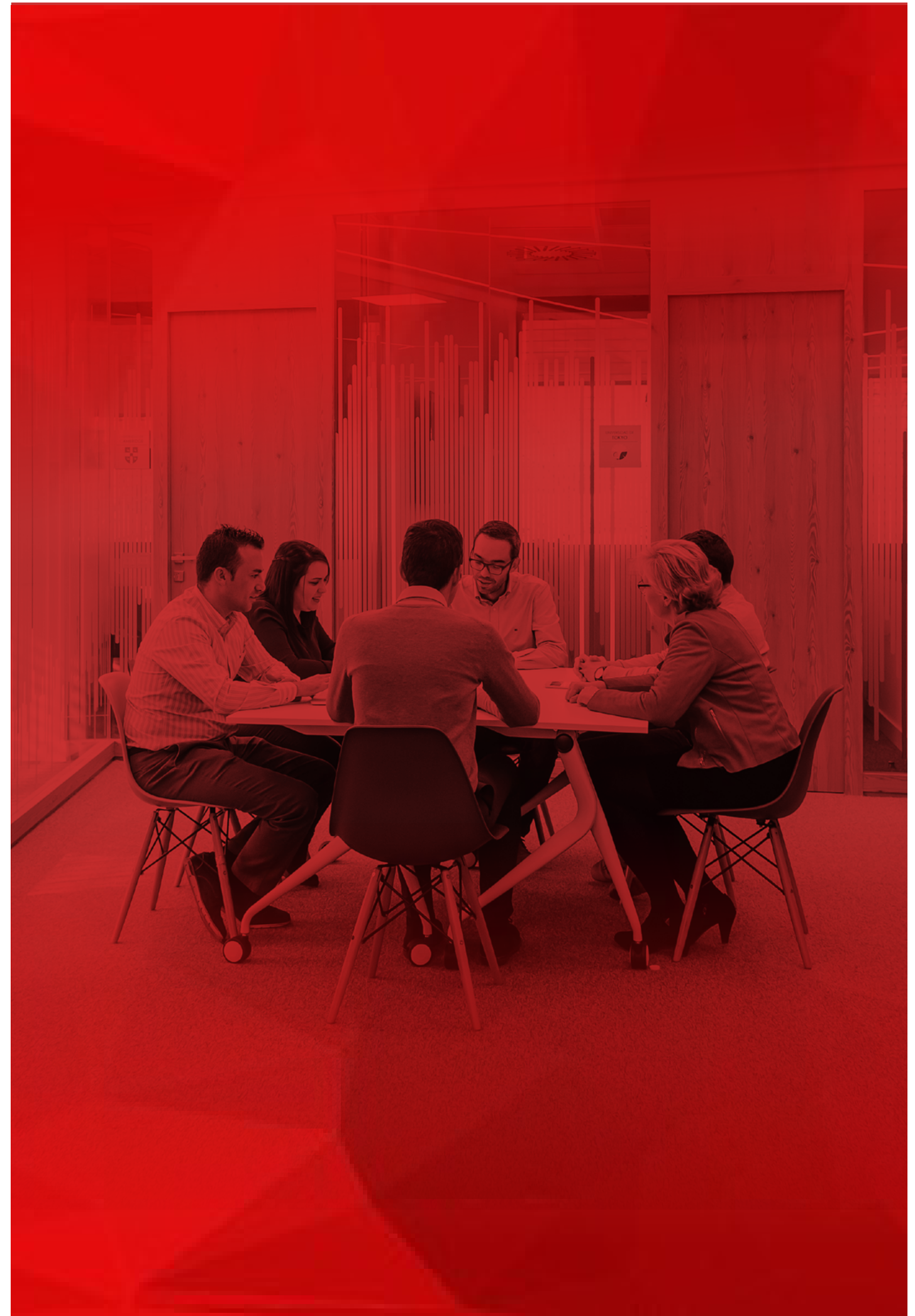
Training continued with on-line training for employees, including the Code of Conduct and a specific section on Criminal Liability in the company.

In 2021, the content of the Code will be reviewed to carry out the necessary modifications by virtue of its new status as a listed company, expected for this year. To this end, a draft has been prepared and will be approved by the Board of Directors together with the rest of the corporate documentation.

Corporate risks.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



Corporate risks.

Protecting and preventing.

At **Línea Directa**, Corporate Risks are identified, controlled and managed transversally across the different areas of the company, applying a specific protocol for action, as well as its own indicators and workflows, always with the aim of offering the most appropriate and efficient response to each incident.

In 2020, Línea Directa's Corporate Risk and Internal Control Department launched an ambitious Self-Assessment Plan aimed at improving the user experience by making it more effective and ensuring that the level of risk in the company remains as up to date as possible. To this end, new sources of information have been established to detect possible process failures or the absence of adequate controls, promoting more proactive management and anticipation of possible incidents.

In the field of data quality, work has been done to incorporate the risk and control list of the department into the corporate map of the Group, taking advantage of synergies and consolidating information. Tests have also been carried out on controls over procedures linked to the strategic objectives set by Management, aimed at aligning internal control with the operational axes. Around 40% of the controls tested during 2020 were related to the key objectives set by management.

An improvement plan was also developed over the year to increase testing efficiency through the implementation of new methodologies based on the automation of sample extraction. The company also rolled out Autotesting, a process aimed at increasing internal control in the company defined last year. The new procedure is based on a monthly survey of middle management on the controls they carry out, including questions such as the objective or purpose of the control, the scope, the person responsible for executing it, the tools used or whether guidelines or procedures are in place.

In 2021, the Corporate Risk Management and Internal Control department will work on the definition and implementation of ESG (Environmental, Social and Corporate Governance) risk management, an area to which analysts and investors attach particular importance.

The Areas have managed 94% of the Action Plans, applying a cross-domain approach in management that has provided great added valueo.



139
Controls tested

Internal audit

In 2020, the process of creation, development and organizational implementation of the Internal Audit Area was successfully completed. The new team's audit plan has been 100 per cent compliant, no significant risks having been identified or reported. 94% of the Action Plans have been satisfactorily implemented by the affected areas.

In 2021, the audit plan will be developed with the objectives of protecting the assets, reputation and sustainability of the organisation, as well as safeguarding shareholders' interests. This will include, among others, reviews of cybersecurity, data quality, governance of technical provisions and outsourcing of certain IT processes and internal control over financial reporting (ICFR).

In the area of Data Quality, work has been done to incorporate the list of risks and controls of the department into the Group's corporate map.

Marketing.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



Antonio Valor
Head of Marketing

“The Marketing Department focuses on a commercial strategy that positions Línea Directa as the company in which millions of people place their trust.”

Marketing.

Línea Directa, the brand that helps you.

In a year where the Covid-19 was the main event, the Línea Directa brand has proved, more than ever, to be faithful to its values such as trust, excellent value for money, digitalisation and sustainability. This year’s advertising has not only put the spotlight on our unbeatable insurance offers, but has also shown the most human side of the organisation by helping users who needed it most.

A different year for advertising, in which Línea Directa helps you

In 2020, the campaigns underwent significant changes in Línea Directa’s branding strategy for its Motor and Home insurance. Within weeks of the premiere of the annual “Insurance Duel” TV campaign with a message that combined a strong promotional offer - “Insure your car for 12 months and pay only 6” - with the presentation of the company’s unbeatable coverage and services compared to those of the competition, the Covid-19 pandemic was declared, the government decreed a nationwide lockdown and the campaign had to be withdrawn as it was no longer deemed relevant.

A few days later, the company presented a campaign called #QuedaUnDíaMenos para empezar de nuevo (“#There’sOneDayLessToStartAgain”), with a positive message and reminding people of the company’s insurance policies (cars, motorbikes and home insurance) to maintain its visibility among customers and potential users..

The company presented a new message: “Línea Directa helps you”, with a campaign with a global message for cars and home, again with Matías Prats.



After months of lockdown, the company presented a new message which matched the situation people were experiencing across Spain in their communities, with a campaign with a global message for cars and homes, “Línea Directa helps you” again presented by Matías Prats. The ads spoke about the difficult times of the previous months and, putting a positive twist on it, they specified the help that the company was offering for this situation: payment facilities for car and home insurance.

In June, and reinforcing the company’s proposal “Línea Directa helps you”, three new executions were launched on television for car insurance in which Matías Prats compared the technological innovations of the same with the insurer’s assistance to its customers and potential users, again highlighting the ease of payment of insurance and with a great offer: “pay your insurance month by month and from only €14 per month”. The message of paying car insurance in instalments was also stressed for home insurance.

The health brand, what we’ve learned

This year of the Coronavirus pandemic has also been different for health insurance advertising. For the Vivaz brand, a television campaign was launched in the last week of August, again featuring Matías Prats.

In the 2 ads, Vivaz customers spoke to Matias about the tough times they have been having during these months. In the campaign called “What we have learned” customers talk about health and stress the importance of having access to the best hospitals and medical specialists, as well as the advantage of being able to have access to online doctor for video consultation with specialists from home 24/7 which Vivaz offers its customers.

Social media, consolidating the digital community

Linea Directa cemented its position in 2020 as the fourth largest social insurance company on social media. The company also stood out for being the most active on Twitter, and on Facebook interactions have improved with a growth of over 100%. The community has grown by 231% on this social network thanks to the merger of followers with the company’s NUEZ Facebook page. Also, NUEZ’s Pinterest and Twitter accounts were closed.

2020 marked the beginning of the company’s presence on Instagram, a social network that is continually growing and where it will gradually become more visible.

Lastly, Línea Directa has continued its commitment to the employer brand on social media by strengthening and improving the “Línea Directa Influencers” programme, a social media forum made up of a group of employees who act as ambassadors for Línea Directa. This group, which began in 2019, has increased in the number of participants and monthly trainings have been held to discuss digital trends in the field of Social Media.

Public leadership

	2020	2019	2018
NUMBER OF NEWS ITEMS	4,510	3,417	3,433
AUDIENCES REACHED (MILLIONS)	1,902	1,156	885
PRESS RELEASES MADE	36	22	26
MERCO COMPANIES	49	46	43
MERCO TALENT	-	54	47
MERCO CORPORATE RESPONSIBILITY AND GOVERNANCE	64	68	54
RECOGNITION	9	6	7
FOLLOWERS IN SOCIAL MEDIA	421,312*	454,958	405,430

*Fell due to the closure of the Nuez communities.

Motor.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



Patricia Ayuela

*Head of the Motor and
Digital Transformation Area*

“The Motor Division is not only the company’s core business, but also an exceptional platform which can be used to develop many of our strategic projects.”

Motor.

The company's driving force.

The Motor Area is the core business of Línea Directa Aseguradora, and includes car, business, motorcycle and international insurance. As such it is at the heart of the company. At the end of 2020, the Area had a portfolio volume of 2.4 million customers, 1.8% more than in 2019.

The success of Línea Directa Aseguradora is based on a very dynamic and innovative commercial offer in which its business model, direct and without intermediaries, allows it to offer the best value for money in the market. And, thanks to its simple, efficient processes and industry-leading digital services, it is able to deliver a differential customer experience based on technology, flexibility, and immediacy.

In 2020, Línea Directa's Motor Area experienced portfolio growth of 1.8%, reaching a volume of 2.46 million customers, 43,000 more than the previous year, a remarkable figure considering the adverse setting during the year. In terms of revenue, the Business Line fell by 0.8% during the year, hit by the slump in new vehicle sales in Spain which, in the hardest months of the lockdown, fell by -96.5%. Even so, the company performed better than the industry line as a whole, where the volume of premiums written fell by 1.96%, more than double that of Línea Directa Aseguradora. This meant that the company could increase its market share to 6.8%, one point more than the previous year.



El Área de Autos engloba la principal actividad de negocio de Línea Directa Aseguradora, que incluye los seguros de coches, Empresas, Motos e Internacional.

Quality and Processes.

Quality and Processes, a company asset

The Quality and Processes department of the Motor Area supervises and optimises the different procedures in the field of sales, retention and customer service for car and motorcycle insurance. It also develops and enhances quality, efficiency and agility in the commercial activity in the motor sector, firmly establishing itself as a key asset for the company.

In 2020, the Quality and Processes department of the Motor Area worked on various projects which were very important in terms of reputation and technically speaking for the company, such as the migration of all the insurer's 902 numbers to 91 prefix numbers with the aim of complying with current regulations and for enhanced dialogue and communication with customers. The department also worked in four other areas, all of great importance: designing the operational support for the new product "Llámalo X"; reviewing corporate documentation to adapt it to the Direct Line conversion in a listed company; promoting self-service and enhancing the switch to digital transactional operations.

Another major challenge for the Area was the need to migrate on-site processes to remote execution, as a result of the situation experienced during the lockdown, where the company has continued to conduct its business as normal despite the circumstances.

We have also continued to prioritise the reduction of paper consumption by extending the digital signature to expatriate clients and have supervised strict compliance with the GDPR in all the Area's call centres. Lastly, the Quality and Processes department has worked on improving the technical support of large fleet underwriting and on improving the system for issuing calls in order to achieve greater efficiency and a better percentage of positive contacts.

"Llámalo X", innovate to grow.

"Llámalo X", innovate to grow.

2020 saw the worst figure for new vehicle registrations since 2013, with just over 850,000 new vehicles sold. The halt in activity in the industry, the regulatory uncertainty regarding combustion engines, the restrictions on mobility and the way the pandemic situation has unfolded have caused a slump in the purchase of new vehicles, which has reached 96.5% in the most critical months, such as April.

Faced with this situation, Línea Directa created "Llámalo X" ("Call it X"), which represents a real paradigm shift in the sector, as it is the market's first insurance policy with car included. The product, which was technically supported by ALD Automotive, is sold as a single pack at an unbeatable price: €249 a month, 32% cheaper than buying the same new vehicle by itself.

The new insurance provides fully comprehensive cover with an excess of €180 and replacement car cover and roadside assistance. It comes with one of the most popular SUVs in Spain: a high-performance Nissan Qashqai dCi 115CV E6D, which will be complemented by other makes and models in the future. The product lasts for 3 years, which once elapsed, will give the possibility of renewing the policy, with no initial or final contributions.

Motor.

Companies,
betting on new
forms of mobility.



Línea Directa was a pioneer in offering personalised insurance to fleets of vehicles of companies and self-employed professionals, with a versatile, flexible and very competitive product. In 2020 it focused on aligning itself with new forms of mobility, promoting agreements with major car-sharing and motorbike-sharing platforms.

Línea Directa Aseguradora’s Business Division offers a specialized service to SMEs, the self-employed and large companies, regardless of the nature of their business. Against a profoundly adverse backdrop in which, due to the economic slowdown and the slump in consumption, tens of thousands of companies have disappeared, Línea Directa has focused its strategy on new forms of mobility. In doing so, it has consolidated its position as a leader in the insurance of motorbike-sharing fleets, a segment in which it has more than 12,000 policies and in which it has doubled its portfolio volume with respect to the previous year. Also during the past year, the company has successfully expanded its carsharing business, incorporating a fleet of 500 cars in the city

Women drive better.

Women drivers have a significantly lower accident rate than men - not only in terms of frequency, but also the number of road injuries and fatalities. In 2012 Línea Directa created an insurance policy especially designed for them, with unique coverage and services in the market that respond to their most common demands.

The Penélope Seguros brand offers the first policy specially designed for female drivers. It was created and developed using the opinion of 500 women gathered in various focus groups, who contributed their ideas and concerns in the field of car insurance and repair.

Penélope Seguros offers its customers a range of products and services that are unique in the sector, such as Roadside Assistance for pregnant women. Another example is Purse Theft, which compensates up to 200 euros for the theft of this accessory, an amount that can be increased to 1,200 euros through the product Purse Theft Plus.

Penélope Seguros is also included in the “SUMA en Línea” loyalty programme under which customers can get important discounts on the renewal of their car or motorcycle insurance, as well as other advantages.

Línea Directa has focused its strategy on new forms of mobility, consolidating its position as a leader in the insurance of motosharing fleets.

Línea Directa ha centrado su estrategia en las nuevas formas de movilidad, consolidándose como un referente en el aseguramiento de flotas de motosharing.



**Respira Policy,
the value of
responsibility.**

Spanish society is demanding more sustainable, greener and more environmentally friendly mobility models. In 2016 Línea Directa launched the Respira Policy, the first product in the sector especially aimed at insuring electric vehicles with truly unbeatable conditions.

Línea Directa Aseguradora is firmly committed to sustainability and cleaner mobility. In 2016, the company launched the Respira Policy, an All Risks with Excess of €300 for electric cars at an unbeatable price, to address new concerns and social demands regarding the reduction of pollution when travelling: 199 euros the first year.

The product includes very innovative covers and specially designed for this type of vehicle, such as Roadside Assistance without mileage limitation or the theft of the integrated recharging cable.

Motor.



International, a strategic business.

The International Division of Línea Directa Aseguradora was created more than 20 years ago as a unit specialising in the care of foreign policyholders living in Spain, providing them with personalised attention adapted to their needs.

The Insurance Direct Line International Division is one of the most profitable lines of business, with the highest renewal rate and with the lowest claims incurred ratio in the Group. From the outset, in fact, the company has catered to the needs of foreign policyholders residing in Spain, including service in English and German and the sending of all documentation in their native languages. Currently, the company is working to optimise its communication channels with this group, tackling problems arising from the pandemic, and the challenges and needs due to Brexit.

SUMA EN LÍNEA

“SUMA en Línea” is the loyalty program of Línea Directa Aseguradora, which offers a broad array range of opportunities and advantages for the company’s customers. The number of policyholders registered with “Suma en Línea” reached 420,000 in 2020, an increase of 29% compared to 2019..

The program allows customers to obtain significant discounts on their regular automobile purchases, including refuelling and many more. In 2020, the online supermarket of El Corte Inglés and its marketplace were added to the program’s already consolidated partners (Midas, Norauto, CEPSA and Eurotaller). Under the agreement, for every €60 spent by the customer on this portal, the customer will accumulate €3 redeemable on the renewal of the insurance policy, and also adding 1% of the total amount of the bill. In addition to the Car Business Line, “Suma en Línea” also includes important advantages for Household customers who subscribe to CEPSA’s services, who can benefit from a €10 discount on the renewal of their insurance if they contract electricity and a further €10 discount if they contract gas supply.

“SUMA en Línea” is the loyalty program of Línea Directa Aseguradora, which offers a broad array of opportunities and advantages for the company’s customers.



Digital transformation.

At the end of 2020, more than 420,000 users had downloaded LÍnea Directa Apps.

Línea Directa is committed to Digital Transformation as a means of enhancing service efficiency and customer satisfaction. The organisation works day in day out to make customers' lives more useful by offering flexible, simple and innovative answers. Technology is one of the main priorities of the Digital Transformation Area; it is used to perfect all developments and processes for a better customer experience.

Línea Directa was launched in 1995 as the first insurance company to sell insurance by telephone. In 1999, the company staged a second revolution by becoming the first insurer to distribute policies over the Internet. Using its disruptive and direct model, the company has celebrated its 25th anniversary this year as the first insurer to manage claims on WhatsApp. From telephone and online sales to communication with customers through these instant messaging applications, the company continuously develops innovative technologies that have made it possible, through omni-channels, to communicate with customers through different devices so that the user can decide how, where and when to interact with their insurer.

In 2019, the company began its third revolution by launching a Digital Transformation Plan which had the aims of being more digital and more useful to its customers. With this disruptive mentality, the Digital Transformation Area has developed processes to continue implementing new innovative developments on the company's website and Apps.

Línea Directa's customer, an increasingly digital user

In 2020, Línea Directa continued to develop its web channels and Apps to improve the customer experience in all processes. It has also implemented new functionalities so that users can save time in all insurance-related matters, making all procedures flexible and easy. More than 60% of customers are digital, i.e., they access the Web and App channels to consult information or carry out transactions. At the end of 2020, more than 420,000 users had downloaded Línea Directa's Apps, which means that customers are increasingly loyal to this communication channel, whose functionality and usability has been improved throughout the year.

In the transactions area, Línea Directa's customers ask to use digital services more and more. The company closed the year with 26% of motor parts registrations made through digital channels and 21% in the case of home parts. This is a clear sign that customers are increasingly using these channels, not only for information, but also to manage their insurance.

The Digital Transformation Area has made improvements in processes that have led to an improvement in the satisfaction of digital customers. For example, improvements when calling for a tow truck: in just a few minutes and a couple of clicks, users can ask to use the service and monitor developments in real time. This improvement has meant that customer satisfaction has been almost 70% in digital experience. This is one more example that Línea Directa works every day with the aim of being more digital and useful for customers.

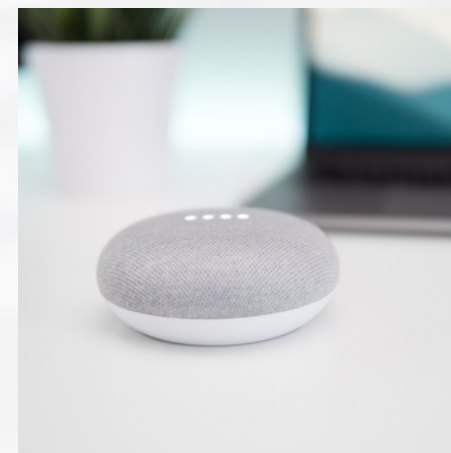
+60%

Cientes digitales

acceden a los canales Web y App para consultar información o realizar gestiones.

Digital Think Tank

In 2020, Línea Directa Aseguradora's Digital Think Tank celebrated its first anniversary. This group, which has already had 4 meetings since it was formed, seeks to get company executives and disruptive business leaders from other sectors to analyse and discuss the latest trends in digitalisation and useful solutions for customers that bring them real value. It is made up of the heads of the Motor and Digital Transformation, Technology, Health and People, Communication and Sustainability Areas of Línea Directa, as well as recognised experts in innovation and digitalisation, such as Javier Rodríguez Zapatero, president of ISDI and former CEO of Google Spain, and Pablo Foncillas, professor at the Instituto de Empresa, among others. This year the group was joined by Pablo Fernández, co-founder of Clicars, the first e-commerce for the sale of second-hand cars in Spain, which has become a successful business at European level in only five years.



"Homo Digitalis" Study

The risks of using technology in everyday life

New technologies are being used more and more in everyday life, and there are also growing concerns about the risks people face in terms of misinformation, disclosure of personal data, and cyber-attacks. In 2020, Línea Directa, in its commitment to digitalisation and technology, presented the study "Homo Digitalis: The risks of using technology in everyday life" with the aim of analysing the benefits, but also the risks and great paradoxes that occur in the opinion of users in relation to new technologies. The findings of the report were revealing in that 90% of Spaniards believe that intentional hoaxes circulating on social media and WhatsApp should be punished, despite the fact the most personal information is also shared on these channels.

Paradoxically, public administrations are also considered to be the most reliable entities for data transfers. But when they develop projects with significant social impact they generate a great deal of mistrust. This is the case with the Covid Radar App - over 70% do not download it for fear of how their data will be used. These are some of the paradoxes that this study has thrown up.

Home.

Línea Directa Aseguradora, S.A.

2020 Corporate Report

Olga Moreno

Head of the Home Business Line

**“The Home Division
accounts for 72%
of the Group’s total
growth and more
than 20% of its
customer base.”**



Home.

Home.
Growth and
consolidation.

Since its launch in 2008, Línea Directa Aseguradora’s Home insurance branch has established itself as one of the Group’s main drivers of growth and diversification, thanks to its offering of flexible products that cater to the needs of every type of customer at a very competitive price.

In 2019, the volume of premiums written from the Home Line of Business exceeded €111.3 million. In 2020, the volume of premiums written for the Home Business Line exceeded more than €120.6 million, representing a net increase of more than 8% compared to 2019; growth which outstripped the sector three times over. This dynamic growth, sustained over the years, has allowed Línea Directa to consolidate its position in little more than a decade as the 12th largest insurance company in the branch by premium volume completely organically, i.e. without resorting to acquisitions or mergers.

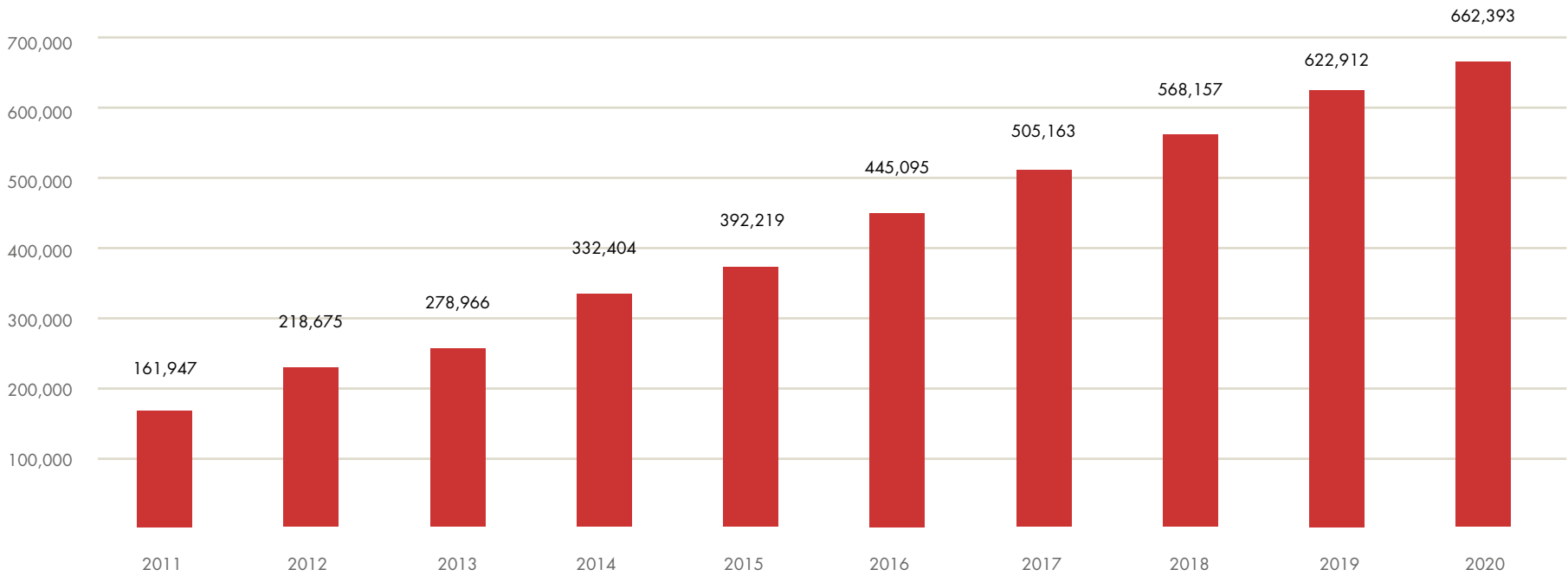
The volume of Línea Directa’s Home Business Line portfolio increased last year by more than 39,000 policies, which has enabled the company to reach the figure of 664,000 insured homes, 6% more than in 2019. This means that the Home Business Line contributes 72% of the company’s portfolio growth and 21% of the Group’s total portfolio, considerable figures given that we are talking about non-compulsory insurance.

Efficiency in processes

In 2020, the company’s Digital Transformation plan has been continued. In the household sector, efficiency improvements have been developed in all processes to adapt them to digital environments and media.

Changes in the portfolio

of Línea Directa Aseguradora’s Home division.



The Home Business Line now accounts for more than 70% of the Group’s portfolio growth.

Generation
COVID-19:

How Spanish households have changed during the pandemic.

In 2020, Línea Directa Aseguradora’s Home Division published the study “Generation Covid-19: How Spanish households have changed during the pandemic” which analyses how people’s homes, in a year marked by Covid-19 and lockdown, have become the place where everything is done, in turn prompting families to rethink what kind of home they want and need.

Two of the main conclusions drawn from the report have to do with moving and renovations. According to the study, 7.3% of those surveyed, equivalent to 1.3 million households in Spain, say that they have moved house this 2020 after being under lockdown due to Covid19. And 1 out of every 5 homeowners, which is equivalent to 4 million households in the country, have chosen to renovate their homes since the pandemic struck.

The company has also made further progress in the automation of processes through technological solutions. On the one hand, this allows customers to manage certain procedures themselves in an easy and simple way and, on the other hand, it allows the company’s specialists to focus on providing real value to the customer.

New alliances, synergies and customer loyalty

In 2020, Línea Directa Aseguradora’s Home Division has forged stronger alliances with companies in other sectors to enhance its commercial strategy. It has done so by focusing on growth and attracting new customers, with attractive offers and powerful discounts, as well as generating new forms of customer loyalty.

For example, the agreement reached at the beginning of 2021 with Naturgy, a leading company in the electricity and gas sector in Spain. Through this partnership, Línea Directa Aseguradora’s home insurance division is developing new avenues for generating demand, offering value-added services in addition to its current commercial offering, within the philosophy of flexibility and customisation that has characterised this line of business.

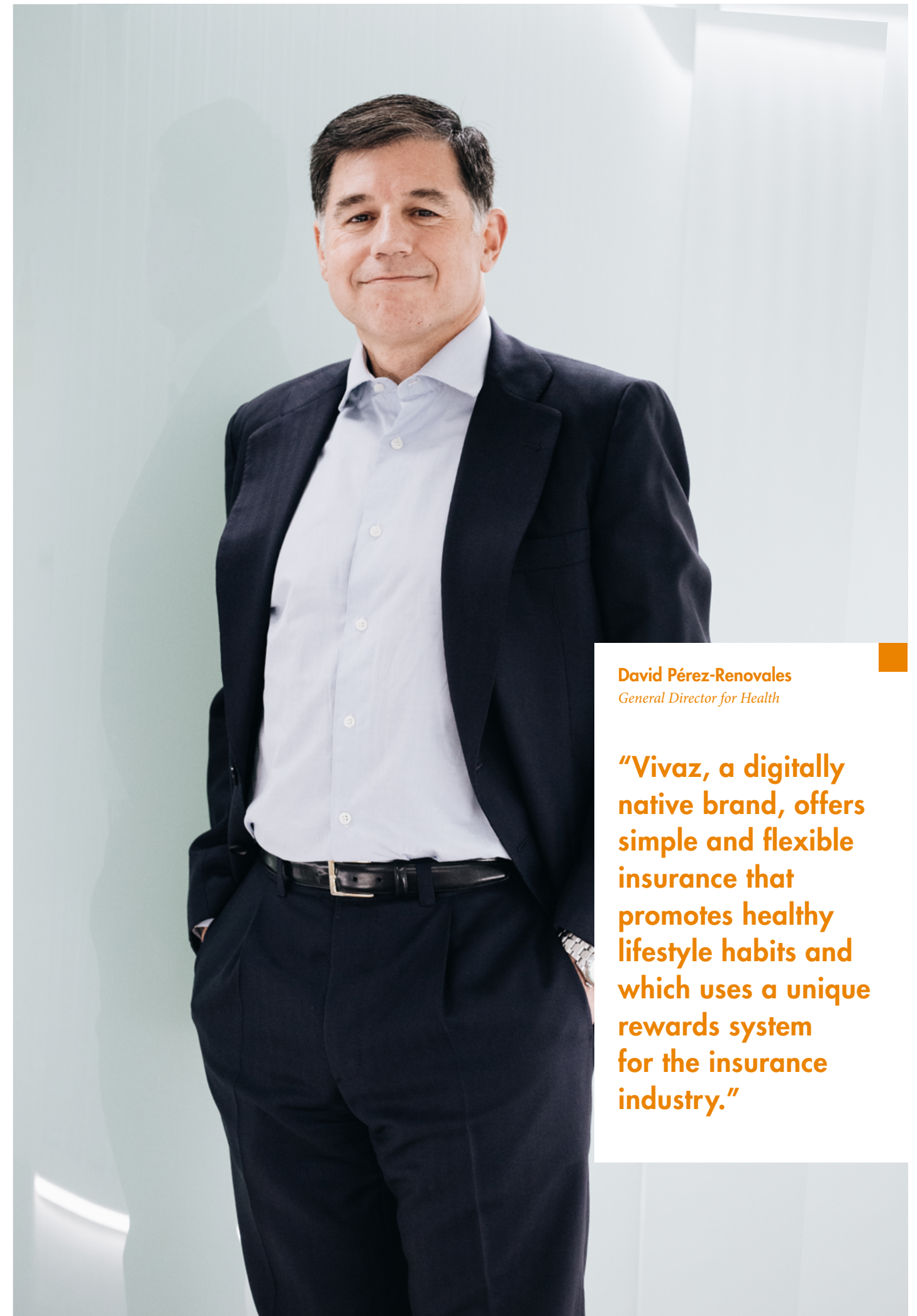
In addition to this new form of customer loyalty, Línea Directa’s Home insurance policy was added to the customer loyalty programme, SUMA, in 2019. Customers can use this programme to get significant discounts when renewing their policy. It has proved very popular with customers: in only one year since it was launched in the Home division, 10,000 new customers joined the programme.

In addition to new partnerships and loyalty programmes, the company has sought further synergies with other business lines in 2020. The Home business line is now, more than ever, a driver of demand for health insurance - this year it generated 19,000 health policyholders with dental insurance.

Vivaz.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



David Pérez-Renovales
General Director for Health

“Vivaz, a digitally native brand, offers simple and flexible insurance that promotes healthy lifestyle habits and which uses a unique rewards system for the insurance industry.”

Vivaz,
Smart health
insurance.

Vivaz is the Health insurance brand of Línea Directa Aseguradora S.A. In just three years of operations, it has built up almost 90,000 customers, so it can genuinely be considered to be a driving force in the market. In 2020, the year of the coronavirus pandemic, it was named the best health insurer.

In 2020, Vivaz has continued to grow and gone from strength to strength. It now has a customer base of around 90,000 policyholders and a premiums written income of 21 million euros. This puts it in the 23rd place in the ranking of insurers in this Line. In fact, New Medical Economics named Vivaz the best healthcare brand of the year, due to its commitment to technology, flexibility and customer experience.

Vivaz and telemedicine

In 2020, the year of the coronavirus pandemic, Vivaz launched the telemedicine service, and made the Vivaz Medical Online App available to all policyholders free of charge, regardless of the type of policy. This meant customers could use their insurance without leaving their home for both general and specialist doctor's appointments.

Since March, more than 8,500 users, almost 10% of the portfolio, have downloaded the application, and have had almost 17,000 appointments through the chat and video conference functions. Almost half of these appointments were for general medicine, followed by video appointments with nutritionists, paediatricians and gynaecologists.

Anti-coronavirus measures

Aivaz created the #StepsAgainstCoronavirus collective challenge to cope with the shortage of health equipment and products caused by the coronavirus crisis in the early days of the pandemic. The idea of this initiative was to encourage communities to remain physically active during the lockdown period and to donate medical equipment and products (FFP2 face masks, goggles, gloves and gels, etc.) to homes for the elderly and palliative care units. The App measured customers' steps, and for every 5,000 steps they took, the brand donated €1 to buy equipment.

A total of 2,700 people took part in this collective challenge, taking a total of 365 million steps. Through this initiative, 73,000 euros were raised to donate protection and disinfection material for the San Camilo home for the elderly in the town of Tres Cantos.

Committed to healthy living

Since its launch in September 2017, Vivaz has encouraged people to live healthy lives. Vivaz gives customers a discount of up to €200 when renewing their health insurance if they walk 10,000 steps and sleep for 7 hours, the minimum activity recommended by the World Health Organisation.

At the end of 2020, "Vivaz Actividad" had more than 46,000 registered users, twice as many as in 2019. As well as counting customers' steps, the App

Vivaz offers a unique reward system in the insurance industry. This is certainly a great value proposition that we will continue to develop and consolidate.



has started counting minutes of sporting activity, prompting a large surge in the number of times the activity challenge has been met, from 750,000 to 1,190,000 times, an increase of almost 60 per cent. The total number of steps reached 22.8 billion, quite a feat considering the lockdown measures in place over most of the year.

To step up levels of gamification and loyalty, this year Vivaz included a new functionality in "Vivaz Actividad": a Marketplace in which users who participate in groups accumulate points in addition to the discount and can exchange these points for gifts. Since its launch in September 2020, more than 500 prizes have been redeemed, such as checks for sports stores, activity wristbands, beauty and health experiences, etc.

A total of 3,500 policies have been renewed over the past year with an average discount of €38 for the activity and sleep challenge.

In addition to promoting healthy lifestyle habits, Vivaz is the first health insurance brand that allows its customers to get preventive diagnostic tests, even if they are not associated with any specific symptoms. In doing so, Vivaz intends to combine two strategic objectives: for its customers to enjoy better overall health and benefit from this in their insurance pricing.

+76 thousand

Vivaz Gestión

App users

+46 thousand

Vivaz Actividad

App users

+17 thousand

Vivaz Médico Online

App users

COVID-19
and Retirennials

Impact on the healthy habits of the Spanish population.

In 2020, Vivaz published the study "COVID-19 and Retirennials: Impact on the healthy habits of the Spanish population". The report, which was carried out with the collaboration of Manuel Castillo, Professor at the Faculty of Medicine in Granada and President of the Spanish Society of Anti-Ageing and Longevity Medicine, concludes that the elderly have coped better with being locked down as only 2 out of 10 Jubillennials found it hard to bear. By contrast, almost four out of ten Spaniards aged 35 to 44 admit that they have found the lockdown bad or very bad, twice the rate in older people.

The study also found that the Jubillennials have shown greater psychological and physical resilience to confinement; just over half have not experienced fatigue or lack of energy and 66% have not lost interest in doing things. And this is despite the fact that they are one of the groups at risk and one of the hardest hit by the pandemic.

Línea Directa Asistencia.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



Julio Agullo

Head of Línea Directa Asistencia

“Línea Directa Asistencia is a pioneer in generating new products and coverage in the field of service companies, which we adapt to the needs of each customer.”

16.1

millions of euros

Of profit before tax

Línea Directa Asistencia.

Service commitment.



Against a very challenging backdrop, where the number of Roadside Assistance services fell dramatically due to the lockdowns and sudden mobility restrictions, Línea Directa Asistencia managed to maintain a level of profitability similar to previous years, obtaining a Profit before Tax of 16.1 million euros, which demonstrates its great capacity to adapt to the environment.

Línea Directa Asistencia's priority during the past year was to guarantee the continuity of all services, as well as the safety of customers, employees and partners. The company's firm commitment to remote working was pivotal in achieving this outcome, especially in processes and services as critical and decisive as Roadside Assistance, where customer satisfaction reached the highest levels.

Appearing in person and travelling were unfeasible in the damage verification process, so the company used photo-verification as an assessment tool, increasing and reinforcing the teams specialised in the procedure and extending the service to seven days a week. Línea Directa Asistencia put Sonyere, the company's mobility platform, at the disposal of the Group's employees so they could have the necessary technical support to enable them to carry out their work. Sonyere, a well-established brand in the field of personalised vehicle transfers and deliveries, carried out around 1,000 services for employees throughout the Group, meeting all their needs as employees.

Strategic projects

In 2020, Línea Directa Asistencia further strengthened and developed its strategic projects, including the improvement of customer experience and increased digitalisation. It has improved the integral and personalised management of benefits, extending the Mechanical Help at Home guarantee, and adding a service whereby customers can get their cars driven to the facilities for their vehicle roadworthiness tests, a measure that has been very well received by drivers.

Línea Directa Asistencia continues to develop various collaborative solutions to optimise the versatility and flexibility of internal processes as part of Digital Transformation, a cross-domain project across the entire Group. The company will deploy a number of improvements to the mobile phone assistance request process during the current financial year, promote photo verification as a priority system for damage assessment in contracting and continue to promote the versatility of the Sonyere brand, a very useful tool for increasing the volume of external billing.

Services and Benefits.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



José Antonio Egido
Head of Services and Benefits

"The Services and Benefits Area manages many of the most critical insurance processes, and is responsible for an important part of the company's reputation in the operations sphere."

Servicios y Prestaciones.

The turning point.

277 thousand events reported to customers.

The Services and Benefits Area of Línea Directa Aseguradora is the company's largest cost centre, as last year the volume of benefit payments amounted to 541 million euros, 7% less than in 2020. The Group achieved one of the lowest net claims incurred ratios in the sector (61.6%), 6.5 percentage points lower than the previous year, as a result of the efficiency and quality of its processes and management, largely developed through state-of-the-art technological channels, and the quality of risk underwriting, managed by the Technical Area.

Technology and omniquality

2020 has been a turning point in the implementation and development of new ways of communicating with customers, based on automation, technology and the omni-channel approach. Important improvements have been implemented in various WhatsApp applications. 89% of policyholders chose this channel to communicate with the company in the event of a claim.

The company's network of partner garages began to use this application to receive photos and send vehicle repair updates. For example, when the car entered the garage, when the appraisal process was completed or when an estimated delivery date was sent. In all, customers were informed of a total of 227,000 events. Policyholders can now receive many different updates in the Home line too. For example, when insurance specialists are dispatched to their homes, changes in repair appointments, among others, etc..

In 2020, telephone chatbots were also used more extensively for customer communications, and so they can open the claims process in the simplest cases, such as own-injury accidents and accidents with only one party and no injured parties. Home is also using this methodology for water damage and weather-related claims. This strategy, which is producing excellent results, will be further developed in 2021 with the aim of achieving 80% to 90% automatic opening and full omni-channels.



The Services and Benefits Area relies on a wide range of state-of-the-art technological resources, and on its team's professionalism to respond to customers who have an accident in their vehicle or at home.



Two important milestones were achieved in 2020 in terms of technological developments in partner networks. First, in Home Insurance, missing functionalities in the repairers' platform have been added and, secondly, technical support with appraisal management has been enabled for this type of claims, which will allow the company to develop its own network. In-room video-appraisal has also been implemented, an innovative channel through which most of the claims are handled for policyholders.

In Motor, a new on-site appraisal platform has been integrated with Solera, which will be in production during the first quarter of 2021 and which will significantly reduce procedures in processes such as appraisal management and communication between appraisers, the company and the insured parties, providing real-time information and valuable knowledge of the entire process.

66.6% net claims incurred registradas en 2020.

Services and Benefits.

In the past year, the company encouraged claims to be settled through a single contact point.

Property damages

Last year the company sought to improve the management and repair of property damage by means of First Call Resolution (First Call Resolution), which is carried out through any available channel. The process is based on an automated triage system that determines the best way to repair the damage, either by directly compensating the damage within 48 hours or by referring it to the network of valuers and repairers, who have received more than 60% of the volume of claims of this type recorded during the year.

Línea Directa also speeded up claims processing through industry-wide agreements, in particular with the Insurance Compensation Consortium (CCS) in cases of damage caused by High Level Isolated Atmospheric Depression (DANA). It did so applying the principles of excellence and transparency.

Management of personal damage and networks

Managing personal injuries arising through a traffic accident is one of the most sensitive and difficult insurance processes there is. Línea Directa uses unique tools in the sector for these claims. One example is Tratamiento Médico Integral, a complete network of professionals that the company provides to those affected completely free of charge and which manages to significantly reduce average recovery times. In addition, the groundwork has been laid to prepare the company's procedures and operations for the return to normality, when accidents could rise considerably.

Fight against fraud

The main objective of Línea Directa Aseguradora's anti-fraud team is to identify attempts at insurance fraud by false victims of traffic accidents. To this end, the company relies on an extensive team with long experience in claims management that actively collaborates with the best specialists in the field of research and valuation. Furthermore, Línea Directa Aseguradora's anti-fraud team has the best technological resources, which it uses to identify typical behaviour in attempted fraud, always with the aim of carrying out the corresponding investigations with all the existing guarantees for those involved.

The anti-fraud found it tough in 2020, against the background of a general lockdown, as physical tracking was impossible. It offset this by using other more versatile investigative tools in the whole process of identifying and detecting attempts at fraud. Accordingly, the anti-fraud team's activity has been centred mainly on combating organised networks, which, according to the latest Barometer published by Línea Directa, have multiplied threefold in less than 10 years.

2020 has been a particularly complex year in the field of claims management in the Home Insurance line, as home accidents increased due to the lockdown.

90%
of automatic openings
Target 2021.

Accidents in the home

2020 has been a particularly complex year in the field of claims management in the Home Insurance Line. Not only did home accidents increase due to people being locked down, but also "Gloria", the most intense cold snap experienced in Spain in recent years, caused havoc. The increase in claims caused by the cold snap was managed by leveraging omni-channels and technological tools, such as chatbots and digital channels, thereby optimising the opening procedures. Such platforms helped automate process launching and decision-making during the disaster, shortening management times and eliminating manual errors.

The company developed video-operations as a tool for damage assessment, both in internal teams as well as in external and local offices, and promoted the use of compensation as a means of resolving claims, all against the background of the pandemic that lasted for most of the year.

Last year, the Area also continued to develop LDAREparaciones, the Línea Directa Group's own repair network in the field of Multi-risk services. LDAREparaciones, which was created 4 years ago, is made up of salaried plumbers, bricklayers and painters in the Madrid region. Its main objective is to respond to the Group's demanding quality standards in this field, providing greater knowledge of the home repair process and providing strategic and important information for claims expenditure and in customer recommendation rates.

Car Madrid and Car Barcelona

The CAR (Centro Avanzado de Reparación) project began in Madrid in 2008 when a state-of-the-art garage was created to offer a comprehensive service to the customer from the time the claim is made until the vehicle repair is completed, always following the high standards of quality, commitment and excellence of the Línea Directa Group. The CAR Barcelona centre opened its doors ten years later. It has also given the company valuable information on repairs and, together with the Madrid centre, has served as a test site for the implementation and improvement of technological applications and processes.

Last year, WhatsApp has been used more heavily as a communication channel with the customer, covering a range of different processes such as appointment management, asking for a replacement car, to request pick-up and delivery services or checking repair status. CAR introduced an innovative service of having garage employees pick up and deliver vehicles, with excellent feedback from users.



Technology.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



Ana Sánchez Galan
Head of the Technology Area

“Línea Directa, since it was founded, has based its strength, growth and development on the use of state-of-the-art technology.”

Technology.

Digital innovation

The direct model, where there are no agents or branches, requires a strong technological investment that allows us to provide service from a single location. This is a great competitive advantage in the areas of digitalisation, omni-channels and flexibility; three areas in which Línea Directa has become a true benchmark.

Línea Directa Aseguradora's Technology Area provides an extraordinary technical support, through which the company carries out not only its business activity, but also its ambitious digitalisation process, aimed at enabling new forms of customer relations based on automation and flexibility.

In 2020, the company has developed its strategy in this area by boosting technological innovation, Big Data, omni-channels and digitalisation, focusing on customers, employees and the Area's own processes, aimed at directness, availability and a high speed of development in the different challenges posed by the market and the company's own activity. The Area uses the Agile methodology in the planning and execution of its projects, focusing on responding to the needs of the business and optimising its capacity to offer efficient and flexible solutions.

Technological innovation

In the area of innovation, Línea Directa Aseguradora's Technology Area has worked in three different environments: voice and digital chatbots, the use of WhatsApp as a new channel of communication with the customer and the use of AI in the processing of photos and images to automate processes, significantly shorten management times and, above all, offer our customers more useful and simple experiences and services.

In 2020, the Technology Area, in combination with the Services and Benefits Area, implemented several voice bots for the claims opening process in both Auto and Home, in this first environment. In Motor, the new procedure was used above all to open more simple processes in which the customer does not require special advice from the company's professionals, but rather demands agility and speed in the handling of cases. In any case, the initiative has been a considerable success, as 35% of the open reports were registered through this system, which means that 50% of its capacity has already been reached.

In Home accidents, bots were used in accidents caused by atmospheric damage and water damage, also with success. Up to October, almost 900 water damage reports and more than 400 atmospheric damage reports were opened through this system. Digital bots were improved significantly to broaden the range of possible uses, offering navigation by buttons or by conversation, video and image playback, and using forms.

WhatsApp has also been used as a customer communication channel for more than 75,000 claims. Customers like this app a lot because it is so flexible and works perfectly with their mobiles. In fact, more than 211,000 images and photographs were received through this channel and 110 vehicle repair

The Technology Area is an extraordinary technical foundation on which the company deploys its ambitious digitalisation process.

75thousand

**claims reported
by whatsapp**

Registered open claims

appointments were made. In the area of photo reception and processing, work has been done to implement various automatic anonymizing systems, as well as license plate detectors, material damage detectors and document readers, etc.

Systems infrastructure and development

In recent years, Línea Directa Aseguradora has worked on the Digitalisation of the Technology area, improving its systems infrastructure, transforming its architecture and development methodology and increasing the availability of the systems, something which is vital in a sector that increasingly demands permanent availability. The company has also worked hard to improve development speed, to have instantly available information, and to simplify and improve processes, establishing its strategy in the digital sphere and in integration with third-party solutions.

Digitalisation and omnichannels

Internally, the Technology Area has sought to use shared collaborative tools and the new Intranet. The aim has been to enhance employee efficiency and productivity through technical resources, laying the foundation for cross-cutting management of the entire workflow in the organisation.

It has deployed the Kanban methodology in project management in order to improve visibility, reduce dependencies, prioritise simplicity, focus work on its cycle time and detect and resolve bottlenecks. It has invested in specific tools for demand and status management, collaborative communication and monitoring between those involved, interactive documentation and work control.

Externally, it advanced further in the digitalisation of the various business processes, developed various contact management tools and improved the technical infrastructure, reinforcing the coexistence of 24-hour online capabilities and batch processes, thus ensuring service continuity.

Through omni-channels, it sought to improve the company's engagement with customers across all channels and devices in order to offer the most relevant and decisive experience possible and to serve each contact through the most appropriate channel.

Our commitments.

An ethical,
profitable and
sustainable project.

In 2020, the **Línea Directa Group** launched the 2020-2022 IV Sustainability Plan, which implements the ESG dimensions in the corporate strategy. Línea Directa's Board of Directors has maximum responsibility for Sustainability, while a specific Committee, formed by the Chairman and Senior Management of the company, approves and oversees its compliance.

The IV Sustainability Plan, which will run for three years (2020-2022), reflects the company's commitment to the United Nations global development strategy, which, in terms of sustainability, is enshrined in the SDGs and the 2030 Agenda. Specifically, the Línea Directa Group has committed to 8 goals: SDG 3, Health and well-being; SDG 5, Gender equality; SDG 8, Decent work and economic growth; SDG 9, Industry, innovation and infrastructure; SDG 10, Reducing inequalities; SDG 13, Climate action; SDG 16, Peace, justice and strong institutions; and SDG 17, Partnerships for the goals.


Two consultancy firms who specialise in sustainability issues worked alongside the company to prepare the IV Plan: to analyse the current Plan, to obtain an overview of its materiality and to specify the actions needed to meet the company's challenges to society. This analysis included a benchmark of different peers, information from different sector studies, the analysis of the main ESG management standards and some relevant sustainability indices, as well as the regulation of the insurance sector in this area. Several interviews were also conducted with the directors of the areas with the greatest specific weight in sustainability issues.

In total, 15 areas of action have been identified, which, in turn, are specified in 71 actions, of which 16% are from the Environmental axis, 42% from the Social axis and another 42% from the Good Governance axis.

The IV Sustainability Plan (2020-2022) also addresses the challenge of adapting sustainability policies to the conversion of Línea Directa Aseguradora into a listed company. The Plan included key issues of Corporate Governance, ESG risk management, Transparency and Taxation, Sustainable Finance and Climate Change, among others, which incorporates ESG dimensions in the Business, the Organisation and Society.



Our commitments.



Línea Directa’s commitment to R&D

Línea Directa Aseguradora is firmly committed to promoting and investing in R&D, financially supporting various projects that, due to their importance, viability and alignment with its Sustainability policy, provide a clear general, economic or scientific interest for society as a whole. In 2020, Línea Directa Aseguradora invested in different projects, of which four stand out in particular: one connected with Road Safety and three others with Health, specifically, to the fight against the COVID-19 pandemic.

The first of these has consisted of a study on lateral protection of occupants in level 4 autonomous vehicles when they adopt a relaxed position, analysing the behaviour of the objects involved in energy absorption. The three health-related investments focused on the fight against COVID-19, namely new recombinant fermenting stable vaculan pathogens, a new method for diagnosing the disease based on porphyria levels, and an in vitro diagnostic system for the detection of SARS-CoV-2 virus versus other coronaviruses.

Sustainability and initial public offering.

	Environmental AxisI	Society Axis	Good Governance Axis
BUSINESS	Responsible supply chain	Products committed to society	Innovation and responsibility in the business
ORGANISATION	Climate change	Healthy company Responsible company Commitment Talent and culture	Corporate Governance Occupational health and safety
SOCIETY	Environmental impact	Road Safety Positive contribu- tion to society.	Partnerships Business transparency

In 2020, the Línea Directa Group launched the 2020-2022 IV Sustainability Plan, which implements the ESG dimensions in the corporate strategy.

Materiality.

Two analyses were carried out to identify the material aspects of the Sustainability Plan: one external and one internal.

The external analysis included:

- Analysis of trends and best practices, insurance market studies, IBEX annual reports, sector and technology peers and relevant ESG news and trends.
- New regulatory developments in transparency, climate change and EU sustainability.
- Guidance on the demands and requirements of institutions, administrations, standards and the most relevant indexes.

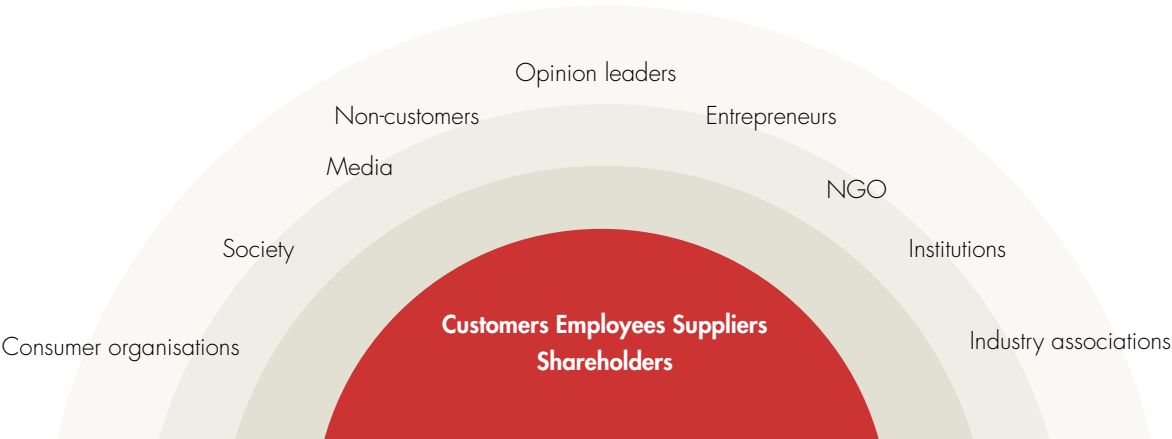
The internal analysis included:

- Identification of strengths, weaknesses and areas of opportunity based on the 3rd CSR Plan 2017-2019 of the Línea Directa Group.
- Interviews with key areas of the company, covering the main challenges faced by the Group, the strategic priorities of the areas and the sustainability actions planned.

Both sets of results were analysed, the most relevant topics were identified according to expert criteria and a materiality matrix was drawn up, reflecting the importance of the main topics for the stakeholders.

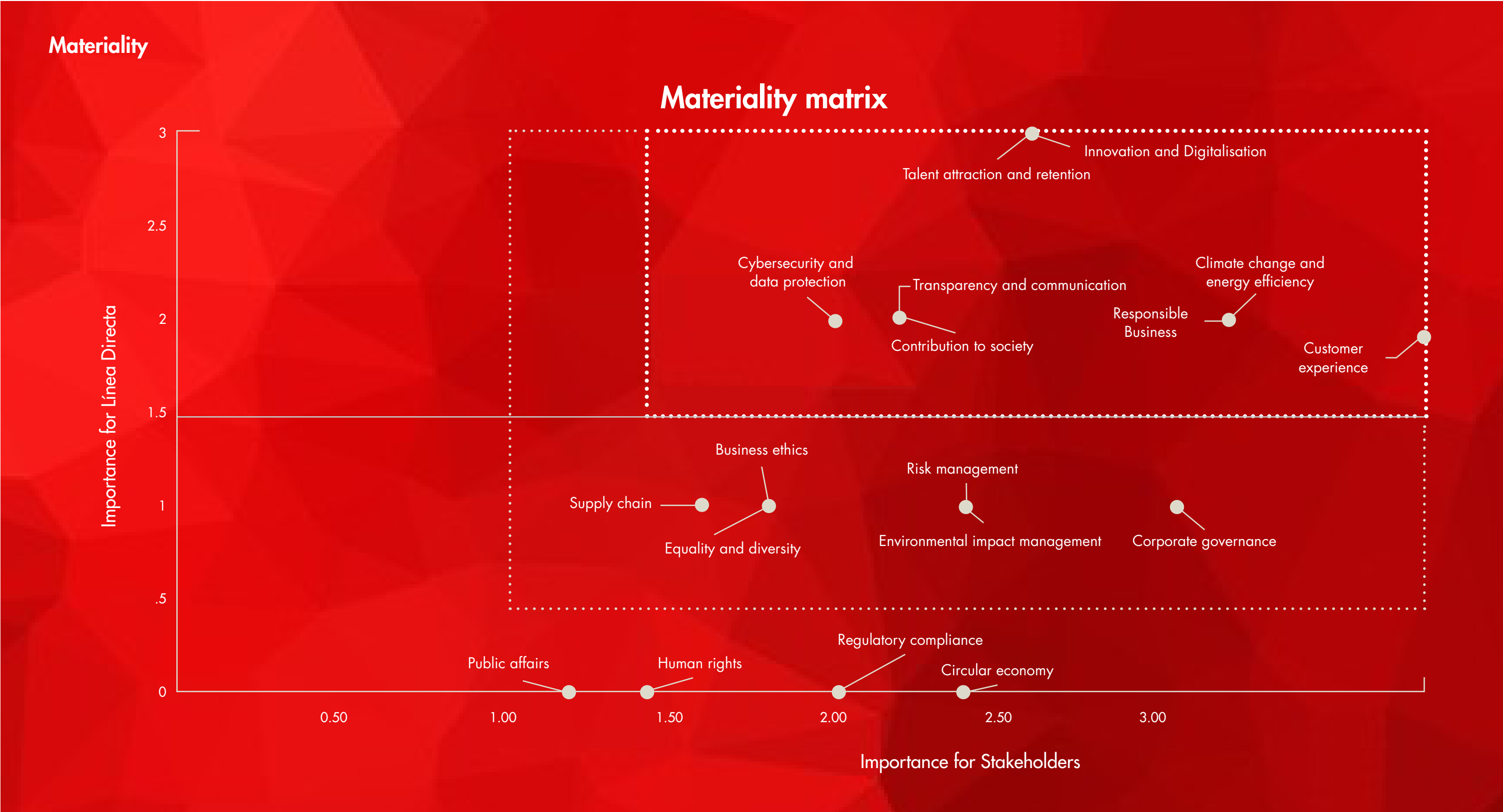
Stakeholders

The Línea Directa Group’s Sustainability Plan identifies the company’s Stakeholders at two different levels depending on whether or not it has a contractual relationship with them. First come the stakeholders with whom such a relationship has been established: shareholders, customers, employees and suppliers. Then there are the rest: the media, institutions, entrepreneurs, industry associations, opinion leaders, NGOs, non-customers and society in general.



Our commitments

The Línea Directa Group’s Sustainability Plan identifies the company’s Stakeholders at two different levels depending on whether or not it has a contractual relationship with them.



Dialogue with employees.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



Mar Garre
*Head of People, Communication
and Sustainability*

“In recent years we have been undergoing a digitalisation process, one that with Covid-19 has gathered pace”.

Dialogue with employees.

We care about people.

La Covid-19 ha demostrado el valor que tienen las personas for Línea Directa and how concerned the People and Internal Communication area is about caring for and keeping its employees safe. By putting people at the centre of decisions, this situation has been managed by guaranteeing their security and transmitting a human touch in the most complicated moments.

Línea Directa firmly believes that people are at the heart of organisations and the catalysts for change in society. Accordingly, the company implements strategies and actions that promote new ways of thinking, working and leading, so that people can realise their full potential. In 2020, Línea Directa Group's People and Internal Communication Area focused its efforts on improving the employee experience, developing talent communities and digital skills, continuing to digitalise employee relations, with the onus on flexibility and agility, and preparing the company to tackle the challenge of the IPO, in a year particularly marked by Covid-19.

This year we continued to strengthen the digital culture and promote new ways of working. We did so by implementing new tools that have made it possible to use the most recent applications on the market to optimise remote work and co-working. We also launched a communication and training campaign, called Be 365, to accompany employees in this process of change, so that they can successfully adapt to these new ways of thinking and make the most of the new utilities. .

At this time, it is critical to have more agile and flexible work environments, so a new talent community has been created called Talent Agile, of peo-

Es de destacar este año la creación de un nuevo Portal del Empleado, que recoge de una forma muy intuitiva todas las necesidades de los empleados y está accesible desde cualquier dispositivo.



96%

of employees have received training

Digitalisation and employee experience.



ple who share the same function, with a Agile Kanban methodology that promotes team coordination and agility in project management. Initiatives have also been launched to try out new ways of learning, such as collaborative learning, gamification, micro-content videos or reversing the learning flow, starting with individual preparation before participating in group sessions.

Línea Directa has always attached great importance to the recruitment process. In the early days of the state of alarm, the Learning Up App was launched to address digital onboarding. During Covid-19, candidates could use the app to find out about the company and embark on a process that culminates 6 months after joining the company. This App contains micro-videos, posts, games and welcome messages from managers and colleagues, giving a human touch to the recruitment process and opening the doors of Línea Directa to candidates who, due to the state of alarm, could not go to the offices in person.

This year, the company also created a new Employee Portal, which is very intuitive and accessible from any device, and which covers all employees' needs. We started by designing the employee's journey, and which experiences were considered relevant for each moment and, from there, we created the portal, which includes several well-integrated applications, with the same format and style. For digital transformation to be a success and permeate the entire organisation, the most important thing is that people are trained and committed to carry it out with determination and that the right culture is created for it. We designed a digital skills model to develop new knowledge and skills with training and development programs.

Dialogue with employees.

One particularly important project has been the reclassification of all company functions and posts.

The initial public offering

A major milestone for the company has been preparing for the IPO. The People and Internal Communication Area has played a key role in developing policies and plans, designing a new organisational structure and creating new functions ready to address the new challenges. This year Línea Directa recruited 37 professionals to take on these new responsibilities, and to drive the digital transformation and strengthen the company’s analytical capacity. One pivotal project consisted of reclassifying all the company’s functions and positions in order to obtain a much more transversal vision by sorting them by families and roles instead of by their belonging to an area or department. This can help detect possible gaps and emerging roles, while also making the structure more flexible and allowing talent to move freely within the company.

Commitment to talent

Línea Directa has continued to work on developing internal talent, attracting external talent and providing opportunities for young people by offering internships and scholarships. In 2020, Línea Directa digitalised the format of the 3rd edition of the Big Ideas challenge, a hackathon aimed at young university students through which they can access financial aid for Master’s studies, as well as a career plan within the company. The People, Communication and Sustainability area has continued to promote the Talent Communities for the development of internal talent, adapting all the year’s programmes to an on-line format that can be carried out in any circumstance. Managers of analysis teams were trained to learn about new trends, tools and technologies that can be applied to the processing of information, as part of the “Pi Community” of analytical talent. The “Darwin Community” (for management talent) has also participated in a remote leadership program to managers develop a new leadership style.

People, the protagonists of the “25 años fuera de serie” (“25 outstanding years”)yearbook

Línea Directa celebrated its 25th anniversary in 2020 and wanted to celebrate it with all its employees, recognising their dedication and involvement. In June, a birthday cake was delivered to each employee’s home so that they could share the celebration with their family. The Online Yearbook has been used to collect testimonies and personal and professional experiences lived throughout these years, told by their protagonists. With the title ‘25 Años fuera de serie’, a large group of employees tell the unique and exciting story of a team full of enthusiasm and anecdotes, proud to be part of Línea Directa, all in the space of 8 chapters.

Línea Directa has hired 37 professionals to take over the new responsibilities associated with the IPO.

Almost 40
Recruitments
In strategic areas of the company.

96 %
of employees
have received training.

49
Mobility and
promotions



Dialogue with employees.



Prevention
of Occupational Hazards.

Línea Directa has guaranteed a safe, responsible and healthy work environment for all its employees during the pandemic. In fact, in 2020, claims incurred were below the sector, declining from the previous year. In 2020, Covid-19 measures were applied to ensure the safety and protect the health of employees. Diagnostic tests (serological and PCR) have been performed to ensure employees' safety on their return to the workplace. All employees have also been given face masks (both surgical and FFP2), hydroalcoholic gels placed throughout the facilities and bags for the disposal of used protective equipment. A specific Covid-19 prevention training module has also been developed and all company facilities have been signposted to ensure safety distances, hygiene measures and preventive recommendations. These are some of the measures that have been implemented and have been endorsed by the Applus certificate.

La cultura y valores de la compañía fueron los grandes aliados para mantener la motivación, el compromiso y la ilusión durante los meses de la pandemia.

People management
during Covid-19.

The Covid-19 pandemic has undoubtedly been the defining moment of 2020 for all Línea Directa employees. From the outset, the company's priority was to put people at the centre of all decisions, protecting their health and employment.

Employee health, the priority.

Thanks to the company's commitment to digital technology, even before the declaration of the state of emergency, 100% of Línea Directa's employees were working remotely.

Maintaining the commitment and motivation of all employees.

The company's culture and values were essential for maintaining motivation, commitment and enthusiasm during these months. As part of "Seguimos Juntos", the company carried out a large number of actions guided by transparency, a personal touch and sensitivity towards employees. One of the highlights was the announcement made by Línea Directa's CEO to all employees, saying that the company was committed to maintaining all jobs at a time of maximum uncertainty. The company carefully monitored the impact of the disease on the workforce and the business performance, applying the principle of transparency. We were all very proud to see how week after week, that customer service levels and business growth were maintained despite such an exceptional situation. The creation of a Covid management dashboard for real-time employee status, health status, quarantines, restricted mobility zones, etc., has been crucial for agile decision making. Actions such as the creation of the Línea Directa Virtual Human Chain, where all employees joined hands together to unite against the pandemic, the videos created to congratulate on Mother's and Father's Day. Or the internal communication campaign Welcome Back, which showed employees returning safely to their workplace, and other motivational actions implemented to maintain the unity and enthusiasm of all employees. The company's commitment to society during the pandemic has been crucial for employees. Actions such as donations to the San Camilo elderly people' home through the solidarity challenge "Steps Against the Coronavirus", promoted by Vivaz, the health insurance brand of Línea Directa Aseguradora, and the contribution of 650,000 euros to free insurance for healthcare workers who are at the forefront of the fight against Codiv-19, have demonstrated our purpose as a company. All of this was reflected in the 'We Care' climate survey conducted at the end of the year, in which excellent results were obtained. Specifically, the survey shows that 98% of employees are committed to helping the company overcome the challenges it faces and are confident about Línea Directa's success. These are definitely reasons to feel proud.

Dialogue with customers.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



José María Maté
Head of the Technical Area

“Línea Directa Aseguradora’s success is based on a commercial offer that covers all customer needs at a very competitive price.”

Dialogue with customers.

Close to the customer: taking care of what matters.

Customers, as Línea Directa Aseguradora’s main stakeholder, together with employees, suppliers and shareholders, are at the centre of all the company’s decisions. The relationship of trust that the group maintains with its 3.2 million customers, critical for the satisfaction of policyholders and the group’s reputation, is sustained by direct and permanent contact with them, transparency and constant monitoring of policyholders’ assessments and complaints in order to find areas for improvement.

Over the last few years, the company has extended, improved and fine-tuned the processes and tools with which it monitors the degree of satisfaction of its portfolio, such as new survey developments and the measurement of customer experience in real time, seeking always to identify customer demands and possible opportunities for improvement.

In an exceptional year like 2020, the Complaints and Claims Service focused its efforts on analysing the ratings and feedback from its portfolio at the time of the survey, both via telephone and digital channels, including the company’s website and mobile apps. One tool that has increased the Group’s agility and responsiveness in its interaction with the user has been the artificial intelligence developments that the company is implementing. As a result of these efforts, Línea Directa Aseguradora saw out 2020 with very good figures for telephone customer service and an upward trend in the digitalisation of the processes required by users.

Despite portfolio growth, the company contained incoming complaints to 7,717 complaints and claims last year (+0.7%). This was possible because the Complaints and Claims Service analysed these incidents and reported them to the different business areas in order to further improve services and developed and implemented improvements in management tools to increase efficiency and significantly improved resolution times, bringing them down to eight days.

The Complaints and Claims Service resolved 66.37% of the complaints and claims received by Línea Directa Aseguradora in 2020. The average cost of incident management was €125.02 and the most common reasons were non-coverage of damage in claims, delays in the provision of service and requests for the return of unearned premium.

Over the last few years, the company has extended, improved and fine-tuned the processes and tools it uses to monitor the degree of satisfaction of its portfolio.

Distribution of complaints and claims by area.

ACCIDENT MANAGEMENT:	61.32%	(4,732)
POLICY MANAGEMENT:	28.75%	(2,219)
PRICING AND CLOSING:	4.02%	(310)
ADDITIONAL SERVICES:	3.50%	(270)
ROADSIDE ASSISTANCE:	2.05%	(158)
HEALTH BENEFITS:	0.26%	(20)
NEW PRODUCTS:	0.08%	(6)
WELL-BEING:	0.01%	(1)
SAC:	0.01%	(1)

665

Complaints
1,265 en 2019 / 1,926 en 2018

7,052

Claims
6,398 en 2019 / 10,021 en 2018

66^{.37%}

Issues resolved
by the complaints service

Dialogue with suppliers.

Partnering in excellence.

The partners and collaborators of Línea Directa Aseguradora, who represent the company directly with customers, are one of the key assets in the company's commitment to excellence. The company shares with them the same commitment quality and innovation, which makes them a key stakeholder in all the Group's business processes and all matters concerning its reputation.

Línea Directa was created in 1995 as a direct company with no intermediaries, in which collaborators, suppliers and partners come together as an essential asset for the project. The company thus applies a highly rigorous and demanding selection and collaboration framework, in which excellence in service, alignment with the Group's values and principles in matters of sustainability and strict compliance with current legislation are a sine qua non requirement for taking part in the company's different projects.

Línea Directa Aseguradora has a Code of Ethical Conduct for Suppliers approved by the Board of Directors based on the principles of Ethics and Transparency; Regulatory Compliance and Respect for Free Competition; Confidentiality and Respect for Intellectual Property; Respect for Labour Legislation and Human Rights and Environmental Protection. The Code determines and conditions the relationship between the company and its employees, and lays

The partners and participating garages of Línea Directa Aseguradora, who represent the company directly with customers, are one of the key assets in the company's commitment to excellence.

down the general framework for present and future agreements. Collaborators which are included in the Group's Procurement Platform must provide the company with details of their ESG practices, which have an important specific weight in the final selection criteria.

Línea Directa Partners Award

Línea Directa's partners are one of its main stakeholders, which is why each year the company recognises their efforts and contribution with the Partners Award, which was recently held for the eleventh time.

Every year, each Area proposes candidates in three different categories: "Excellence in Service", "Digital Transformation Involvement Award" and "Recognition of Social Value".



Environment.

Environmental threats, a global challenge.

With a direct business model without branch networks, Línea Directa is a uniquely efficient company in the field of sustainability. In 2020 it approved the IV Sustainability Plan, which will be in force until 2022, and has adhered to the Sustainable Development Goals as part of its objectives towards the 2030 Agenda.

The IV Sustainability Master Plan 2020-2022, which sets 2030 as the target date for achieving carbon neutrality, represents a step forward in the company’s commitment to environmental sustainability and the fight against climate change. This commitment is based on a specific environmental management system that monitors the consumption and waste generated by the company’s operational and administrative activity in its offices. It has renewed its certification under the international standard UNE-EN ISO 140001:2015 and continues to manage energy efficiency under the UNE-EN ISO 50001:2011 standard.

The Línea Directa Group has also made progress in centralising information on environmental management to provide an overview and take measures to significantly reduce the environmental impact. Línea Directa Asistencia, the Group’s roadside assistance and services company, has drawn up a comprehensive scorecard to identify and manage the impact generated by its consumption and waste. The CAR garages have begun to provide information on their consumption of energy, water and waste paper, as well as the kilograms of waste generated.

Línea Directa disseminates the Manual of Good Environmental Practices among its employees through the company’s intranet, promoting the responsible use of resources and implementing various actions to raise awareness of environmental impact, so increasing the visibility of these issues.

Power Consumption (GJ)

	2019	Gj/Emp.	2020	Gj/Emp.
LÍNEA DIRECTA ASEGURADORA	20,063.00	9.54	16,215.23	7.35
LÍNEA DIRECTA ASISTENCIA	1,972.41	8.57	1,311.07	5.93
CAR (MADRID AND BARCELONA)	9,596.44	74.97	8,569.01	66.94

*Includes energy consumption in electricity, natural gas and diesel.

During 2020, the energy consumption of the main entities comprising the Línea Directa Group was affected by COVID-19. Following the most severe lockdown measures, when employees switched to remote working, and everything virtually ground to a halt in March and April in the Madrid and Barcelona garages, and then gradually reopened, energy consumption fell by 17.5% compared to 2019, which represents a reduction of 5,536 GJ.



In 2020, Línea Directa Aseguradora maintained its commitment to green electricity.

Responsible business
Línea Directa Aseguradora develops responsible products to respond to society and to the new needs arising from the decarbonisation of the vehicle fleet. These include Póliza Respira, the first insurance specialised in electric vehicles, or sharing fleets insurance agreements, critical for solving the continuing pollution problems in our cities.

In 2020, the lockdown due to the COVID-19 pandemic was a key driver of environmental performance, as remote activity had up to 50% less impact on the emissions generated by employee commuting to their offices. Workplace kitchens were also closed as a sanitary measure and were replaced by food corners, with lower energy expenditure. Natural gas consumption, as a result of the various measures taken, fell by over 35% in 2020.

Paper consumption also dropped by 57% due to the implementation of the Digital Policy in the sending of contracting documentation, the decrease in the volume of shipments in different business processes during confinement and the reduction of paper consumption in the offices compared to the previous year. In addition to the pandemic, the company’s digitalisation process has also had a decisive influence on this outcome, which has succeeded in transforming staff attitudes towards printing and paper consumption.

Carbon footprint
In 2020, the Línea Directa Group calculated its carbon footprint based on the international GHG Protocol model, which includes direct, indirect and induced emissions. For the third consecutive year, environmental information has been reported in the publication compliance year under the Non-Financial Reporting and Diversity Act 11/2018. The consolidated Management Report with Bankinter, which incorporates the Group’s information, has been verified by PWC.

In 2020, Línea Directa Aseguradora has maintained its commitment to green electricity, contracting the supply with an emission-free supplier in its three consolidated buildings. The new TC3 building, which accounts for 10% of consumption, continues its process of consolidation and incorporation into the Environmental Management System.

Lastly, in 2020 Línea Directa supported “Earth Hour”, a WWF initiative to raise awareness about the reduction of CO2 emissions, which it publicises in its online community. Línea Directa, in its response to the climate challenge that concerns society as a whole, has signed up for the IV Sustainability Plan to achieve carbon neutrality by 2030, aligning itself with the 2030 Agenda of the Sustainable Development Goals.

Línea Directa Aseguradora develops responsible products to respond to society and to the new needs arising from the decarbonisation of the vehicle fleet.

Carbon Footprint 2019 – 2020 Línea Directa Aseguradora

Direct CO2 emissions (Tn)	2019	2020
From consumption of Gas* / Diesel**	331.4	208.2
Emissions/employee	0.16	0.09

*Natural Gas 2020 (1,133,849 Kwh).
**Gasoil Type C 2020 (639 litres).
Source: MITECO.Emission factors, carbon footprint registration, offsetting and carbon dioxide absorption projects (Version 15 – June 2020).

Indirect CO2 emissions (Tn)	2019	2020
Electricity consumption	949.0	65.9
Emissions/employee	0.45	0.03

Source: MITECO. Carbon footprint registration emission factors, compensation and carbon dioxide absorption projects. (Version 15 – June 2020) Gesternova / Electricidad ELEIA / Iberdrola Customers.
The TC1-TC2 and TC4 buildings have 100% renewable electricity: Gesternova / Electricity ELEIA
TC3 building: Electricity mix of Iberdrola customers.

Induced CO2 emissions (Tn)	2019	2020
Commuting	2,405.2	1,173.7
Business travel	16.2	3.6
Water	6.2	3.2
Papel	56.1	24.0
Total:	2,483.6	1,204.5
Emissions/employee	1.14	0.55

Source: SIMAPRO (Ecoinvent System Processes, tap water, at user, RER/S). Updated 2019.
Source: SIMAPRO (Ecoinvent System Processes 3, paper production, newsprint). Updated 2019.
Source: Average car unknown. GHG Protocol- mobile public transport. Defra’s business travel- land guidance. Version 1.2 2020
Note: Business travel and commuting only include those trips made in a private vehicle. The 2020 calculation includes the consumption of diesel, electricity, paper and water for the new TC3 building.

In 2020, the Línea Directa Group has prepared an estimate of the impact on greenhouse gases (GHG).

Línea Directa Asistencia
measure to manage.

In 2020, Línea Directa developed an estimate of the greenhouse gas (GHG) impact of its road activity. To this end, it has calculated the kilometres travelled annually in crane services throughout its supply chain. It has also calculated the distance covered by rental vehicles and taxis used by customers when their vehicle needs to be repaired in the garage. Lastly, the calculation also includes the verification service provided by the appraisers, as well as the Pick-up and Delivery service.

The result was emissions of 5,500 tonnes of CO2. It will be included in the Carbon Footprint with the 2021 consolidated data and scope 3 will be extended with the aim of further optimising the calculation in order to manage, reduce and neutralise all of the Group's emissions.

The Línea Directa Group has prepared an estimate of GHG emissions from its roadside assistance service, which amounted to 5,500 tons of CO2.

Carbon Footprint 2019 – 2020 Línea Directa Asistencia

Direct CO2 emissions (Tn)	2019	2020
From consumption of Gas* / Diesel**	49.6	28.2
Emissions/employee	0.22	0.13

*Línea Directa Asistencia does not consume Natural Gas.
**Gasoil Type C 2020 (9,836 litres).
Source: MITECO.Emission factors, carbon footprint registration, offsetting and carbon dioxide absorption projects (Version 15 – June 2020).

Indirect CO2 emissions (Tn)	2019	2020
Electricity consumption ***	102.1	52.0
Emissions/employee	0.44	0.24

Source: MITECO. Carbon footprint registration emission factors, compensation and carbon dioxide absorption projects. IBERDROLA CLIENTES S.A. (Version 15 – June 2020).

Induced CO2 emissions (Tn)	2019	2020
Commuting	285.3	131.6
Business trips	10.1	3.3
Water	0.7	0.1
Paper	1.7	0.5
Total:	297.9	135.5
Emissions/employee	1.30	0.61

Source: SIMAPRO (Ecoinvent System Processes, tap water, at user, RER/S). Updated 2019.
Source: SIMAPRO (Ecoinvent System Processes 3, paper production, newsprint). Updated 2019.
Source: Average car unknown. GHG Protocol- mobile public transport. Defra's business travel- land guidance. Version 1.2 2020
Note: Business travel and commuting only include those trips made in a private vehicle.

Environment.

Carbon Footprint 2019 – 2020 CAR Madrid

Direct CO2 emissions (Tn)	2019	2020
From consumption of Gas* / Diesel**	143.4	112.6
Emissiones/empleado	2.21	1.61
* Natural Gas 2020 (618,642.00 Kwh). Source: MITECO.Emission factors, carbon footprint registration, offsetting and carbon dioxide absorption projects (Version 15 – June 2020).		

Indirect CO2 emissions (Tn)	2019	2020
Electricity consumption	257.6	242.4
Emissions/employee	3.96	3.46
Source: MITECO. Carbon footprint registration emission factors, compensation and carbon dioxide absorption projects. Retail supplier without GoO i-DE, Smart Grids (Version 15 – June 2020)		

Induced CO2 emissions (Tn)	2019	2020
Commuting	N/A	N/A
Business trips	N/A	N/A
Water	0.4	0.3
Paper	1.0	0.6
Total:	1.42	0.88
Emissions/employee	0.02	0.01
Source: SIMAPRO (Ecoinvent System Processes, tap water, at user, RER/S). Updated 2019. Source: SIMAPRO (Ecoinvent System Processes 3, paper production, newsprint). Updated 2019. * Emissions from business trips and commuting have not been calculated because they are not significant.		

In 2020, Línea Directa Aseguradora has maintained its commitment to green electricity, contracting the supply with an emission-free supplier in its three buildings.

Carbon Footprint 2019 - 2020 CAR Barcelona

Direct CO2 emissions (Tn)	2019	2020
From consumption of Gas* / Diesel**	130.3	120.6
Emissions/employee	2.77	2.08
* Natural Gas 2020 (662,494 Kwh). Source: MITECO.Emission factors, carbon footprint registration, offsetting and carbon dioxide absorption projects (Version 15 – June 2020).		

Indirect CO2 emissions (Tn)	2019	2020
Electricity consumption	151.1	71.4
Emissions/employee	3.21	1.23
Source: MITECO. Carbon footprint registration emission factors, compensation and carbon dioxide absorption projects. IBERDROLA CLIENTES S.A. (Version 15 – June 2020)		

Induced CO2 emissions (Tn)	2019	2020
Commuting	N/A	N/A
Business trips	N/A	N/A
Water	0.3	0.4
Paper	0.3	0.6
Total:	0.59	0.97
Emissions/employee	0.01	0.02
Source: SIMAPRO (Ecoinvent System Processes, tap water, at user, RER/S). Updated 2019. Source: SIMAPRO (Ecoinvent System Processes 3, paper production, newsprint). Updated 2019. * Emissions from business trips and commuting have not been calculated because they are not significant.		

Lucha contra la COVID-19.

Línea Directa Aseguradora approved a wide range of measures to mitigate the effects of COVID-19.

2020 will be remembered by the terrible COVID-19 pandemic, which has taken an enormous toll in human lives. Línea Directa Aseguradora approved a wide range of measures aimed at alleviating and preventing the effects of a disease that has left its mark on society and which it treated very seriously from the outset.

Línea Directa Aseguradora approved a wide range of measures aimed at mitigating the effects of COVID-19 and lessening some of its terrible effects. It implemented a specific plan endowed with more than 1.2 million euros, especially aimed at three Stakeholders of special relevance to the Group: employees, customers and society in general.

Actions for employees

During lockdown

- Public commitment not to make layoffs or apply furlough schemes.
- Carry on creating jobs: hiring of 62 employees during the lockdown period.
- Permanent dialogue with employees: messages of encouragement, monitoring the state of health of employees and their families, information on the company's financial results, health advice, information on Línea Directa's social actions to cope with Covid-19 and on the return to the offices.

Measures for returning to the office

- Safety distance: 2-meter spacing between workstations.
- Staggered return to company offices.
- On-site rotating shifts in the office every 15 days.
- Physical means of protection and hygiene (screens, gels, dispensers, gloves, wipes, face masks, thermometers, etc.).
- Serological tests for the entire workforce.
- Disinfection of buildings prior to incorporation.
- Obtained the "Aplus Certification PH Ed1" certificate in its Hygiene and Control reference value for having a safe protocol in the field of prevention against Covid-19.



Actions for customers

- Possibility to split the insurance payment month by month.
- Free car and home disinfection when making a repair.
- More flexible insurance payments for the company's self-employed customers (more than 150,000) and for any customer with financial problems who can demonstrate them.

Social actions

- Public-private collaboration in the purchase of 17 robots for the automation of coronavirus test analysis for hospitals in the public health system throughout Spain. These Covidrobots can analyse 2,400 PCR tests per day.
- Contribution of 650,000 euros to a joint fund with other companies in the insurance sector for the underwriting of a group life insurance policy for health professionals who have worked in the fight against the pandemic.
- Cooperation with citizen information services during Covid-19 in Catalonia and Madrid, with the participation of 100 telephone operators..
- Transfer of 60 vehicles from the company's fleet of premium cars for use by health-care workers at Ifema (Madrid) and the Institut Català de Salut (Catalonia).
- Donation of more than 36,000 euros to the Randstad Foundation to promote equality in the workplace for people with disabilities.
- Donation of sanitary and disinfection material to the San Camilo old people's home in Tres Cantos, from Vivaz, the group's health insurance brand.
- Expected date of Vivaz's implementation of a video consultation service brought forward.

Línea Directa Foundation.

Línea Directa Aseguradora, S.A.
2020 Corporate Report



Línea Directa Foundation.

The value of commitment.

Here and now. With the slogan of “Aquí y ahora” (“Here and now”), the Línea Directa Foundation was created in 2014 to promote responsible driving habits in society. It works on four fronts: Research, Training, Dissemination and Social Action. Every year, these four areas organise high-profile initiatives such as the preparation of studies on road accidents, the holding of the Road Safety Journalism Award and the organisation of the Road Safety and Entrepreneurs Award, among many others.

Due to its direct, intermediary-free business model, Línea Directa Aseguradora has always been in direct contact with traffic accidents, which is why, due to its experience and knowledge, it has promoted high-profile initiatives with the aim of promoting safe driving habits in society. In 2014, the company created the Línea Directa Foundation with the aim of organising and optimising all the Group’s existing resources in the field of road safety.

In 2020, the year of COVID-19, the Foundation has tried to adapt to the environment, replacing face-to-face events with a digital format and stepping up its awareness-raising efforts at a time when the focus was on the fight against the pandemic. The Línea Foundation organised the 17th edition of the Road Safety Award which, for the first time in its history, did not have an award ceremony.

In 2020, the Línea Directa Foundation also presented three studies on road safety, organised the 6th edition of the Entrepreneurs and Road Safety Award and published a book for the benefit of the National Hospital for Paraplegics in Toledo, expressly supported by the Minister of the Interior, Fernando Grande-Marlaska, and Pere Navarro, Director General of Traffic.



Board of Trustees of the Línea Directa Foundation.



Chairman
Alfonso Botín-Sanz de Sautuola
Chairman of Línea Directa Aseguradora



Vice-chairman
Miguel Ángel Merino
CEO of Línea Directa Aseguradora



Managing Director
Mar Garre
Head of People, Communication and Sustainability

General Secretary
Pablo González-Schwitters
General Secretary of Línea Directa Aseguradora



Pedro Guerrero
Chairman of Bankinter



Pierre-Yves Sachet
Head of Business and Sales and Strategy and Growth of CEPESA



Pere Macias i Arau
Former Chairman of the Road Safety and Mobility Committee



Matías Prats
Journalist and news anchor for Antena 3



María Seguí
General Director of Traffic 2012-2016



Juan José Matari
Chairman of the Road Safety and Sustainable Mobility Commission of the Congress of Deputies (current term).

Francisco Valencia, who had been the Foundation’s General Manager, retired from his position in December of last year. Mar Garre, Head of People, Communication and Sustainability at Línea Directa Aseguradora, will join the institution’s governing body in 2021.



Línea Directa Foundation.

520
information impacts

The Línea Directa Foundation analyses the most relevant data and conclusions on road safety, working alongside important foundations, institutions and leading specialists, and then disseminates them to the general public.

Research is saving lives.

The Línea Directa Foundation is one of the leading names in road safety research. Working alongside important foundations, institutions and leading specialists, the Línea Directa Foundation analyses the most relevant data and conclusions on road safety, and then disseminates them to the general public.

Línea Directa Aseguradora and the Línea Directa Foundation have funded, carried out and coordinated important studies on various aspects of road accidents for more than two decades. The Foundation actively collaborates with other foundations, institutions and specialists with the aim of interpreting and disseminating official accident data to raise awareness among drivers, cyclists, motorcyclists and pedestrians.

In 2020, the Línea Directa Foundation conducted three studies that have been widely followed in the media, with more than 520 news impacts and an accumulated audience of more than 350 million.

Línea Directa Foundation 2020 Studies

Conventional roads: the weakest point in road safety

The report puts the spotlight on conventional roads, which account for 75% of deaths on interurban roads in the last decade, despite the fact that their speed limits are significantly lower than on motorways and dual carriageways. In fact, between 2009 and 2018, 10,500 people died in accidents occurring on this type of road in Spain, three times more than those recorded on high occupancy roads.

In this study, carried out in collaboration with Centro Zaragoza, it was also estimated that COVID-19 would reduce the number of deaths recorded on these roads by up to 27%, although always due to the mobility restrictions.

Repeat traffic offenders: a danger for all. Analysis and change over time (2009-2018)

This study, carried out in collaboration with the Spanish Foundation for Road Safety (FESVIAL), concluded that 55% of drivers (a total of 15 million), recognise themselves as repeat offenders and admit to engaging in high-risk driving behaviour. In addition, more than half a million drivers have been punished in the last decade in one year for two or more serious or very serious offences and for criminal driving behaviour.

School transport: are our children transported safely?

Accident rate, regulations and social perception in the COVID era

The report, carried out in coordination with FESVIAL, analyses school transport. It is one of the safest forms of transport in our country, as it is the first to reach the target of “0 deaths” in traffic accidents. However, school transport has been affected by COVID-19 in that parents do not want their children to use it for fear of getting infected, in fact 60% of them have opted for other types of transport with higher accident rates, such as private transport, according to the report.

A prize for all.

The Road Safety Journalism Award has become one of the most prestigious media competitions in our country. It was created in 2004 to encourage the publication of articles and reports on road safety, and aims to raise public awareness of responsible behaviour as road users. .

In 2020, the seventeenth Línea Directa Foundation Road Safety Journalism Award was held, against the background of the COVID-19 pandemic. As it was forbidden to hold public events, the awards ceremony, which was to take place at the Teatros del Canal venue in Madrid, had to be cancelled. .

Last year’s edition, which had more than 2,000 entries. Javier Ronda, of Canal Sur Radio, won in the Radio category for his piece “La investigación de los accidentes de tráfico” (“The investigation of traffic accidents”). In the written press and online media category, the winner was José Manuel Pan, from La Voz de Galicia, for the report “Nunca piensas que vas a ir a la cárcel por conducir bebido. Pero sí que vas”. (“You never think you’ll end up in prison due to drink-driving. But you do.”) Efrén Hernández, from La Sexta won in the Television category for his report “Vulnerable Users ”.

Prestigious road safety personalities, such as Luis Montoro, President of FESVIAL; Ramón Rueda, General Chief of the Traffic Group of the Guardia Civil; María Jesús Magro, General Director of the Pons Foundation and Juan Luis de Miguel, Director of Investigación de Centro Zaragoza, made up the Committee of Experts, whose objective is to present the candidates for the Solidarity Award to the Jury. The winning organisation was the Federación Iberoamericana de Asociaciones de Víctimas contra la violencia vial (FICVI), an organisation made up of 20 civil society associations from 14 Ibero-American countries.

In 2020, the seventeenth Línea Directa Foundation Road Safety Journalism Award was held, against the background of the COVID-19 pandemic.

The Jury of the XVII edition.

The Jury of the XVII edition was chaired by Pere Navarro, Director General of Traffic and formed by nine other personalities from the administration, journalism and business. The Jury consisted of:

Pere Navarro
Director General of Traffic. Chairman of the Jury.

María del Pilar González de Frutos
Chairman of UNESPA (Unión Española de Entidades Aseguradoras y Reaseguradoras).

Pedro Guerrero Guerrero,
Chairman of Bankinter.

Pere Macias i Arau,
President of the Commission for Road Safety of the Congress of Deputies during the 2011-2015 legislature.

Ángel Expósito,
Journalist and Director of ‘La Linterna’ of CADENA COPE.

Carlos Franganillo,
Periodista y presentador de la 2ª edición del Telediario de La 1 de TVE.

Cristina Villanueva,
Journalist and presenter of the 2nd edition of the Telediario de La 1, of TVE.

Leticia Iglesias,
Journalist and presenter of Informativos TELECINCO.

Javier García Vila,
Director of EUROPA PRESS.

Sara Soria,
Journalist of COCHES.NET, winner of the XVI edition of the Road Safety Journalism Award in the category of Written Press and Online Media.

Social Action,
stronger together.

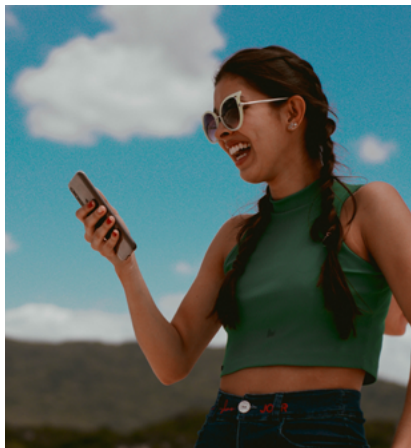
For the past 6 years, the Línea Directa Foundation has organised the annual Entrepreneurs and Road Safety Award, a pioneering project to accelerate the development of startups in the field of prevention of traffic accidents. The Prize, endowed with 20,000 euros (drag along or co-investment do not apply), as well as mentoring, training and access to investment rounds, consists of a jury made up of ten professionals from the company, the entrepreneurial ecosystem and the Public Administration. The jury values the quality of the project, its economic viability, its innovative character and its potential to improve road safety.

The winner of the 2020 edition was the company Truckster, which proposes a road transport system based on Big Data and AI, which optimises time and costs through a model of “relays” between drivers, and avoids unnecessary risks by reducing fatigue and drowsiness at the wheel. The Jury also decided to support a second startup: EUROCYBCAR, based in Vitoria.

Children’s Road Safety Solidarity Book

The Línea Directa Foundation also launched a Children’s Road Safety Solidarity Book for the benefit of the National Hospital for Paraplegics of Toledo. The work, edited and published by the Foundation with the collaboration of Casa del Libro, aimed to raise awareness among children of the need to be responsible and to highlight road safety education as an important part of their education.

The book contains two short stories by Roberto Santiago, the author of the ‘Los Futbolísimos’ series, and Andrés Guerrero, an SM Gran Angular Award winner, and it contains illustrations by Marta Chicote. The presentation took place at the DGT headquarters in Madrid, and was attended and supported by the Minister of the Interior, Fernando Grande-Marlaska, and the Director General of Traffic, Pere Navarro, who also wrote the prologue to the book. All the funds raised were donated to the Hospital Nacional de Paraplégicos de Toledo, and the Línea Directa Foundation also made a direct donation of €5,000 to the institution, which is considered to be a leading institution in research, treatment and recovery of spinal cord injuries.



Social media

The Línea Directa Foundation actively participates in social media with the aim of creating open, fresh and flexible communication with society, encouraging people to act responsibly in order to put an end to traffic accidents.

The Foundation is present on Facebook, Twitter and Youtube, whose communities have reached 4,265 followers, 3% more than the previous year. The increase has taken place organically, without carrying out specific campaigns to attract ‘fans’, based on the interest of its studies and actions on Road Safety.

In 2020, the seventeenth Línea Directa Foundation Road Safety Journalism Award was held, against the background of the COVID-19 pandemic.



Training helps to
save lives.

Training is one of the key areas of action of the Línea Directa Foundation, through which it seeks to promote road safety education as one of the most effective means of combating road accidents.

Traffic accidents are the second leading cause of death among Spaniards between 15 and 39 years of age and the leading cause of traumatic spinal cord injury in young people. That is why the ASPAYM National Federation and the Real Patronato sobre Discapacidad co-organised the National Congress on “Road Safety and Disability”, with the aim of training and raising social awareness on this issue.

The Línea Directa Foundation, as part of its policy of active collaboration with Associations of Traffic Accident Victims, participated as a speaker at the round table together with Pere Navarro, Director General of Traffic, and made a financial donation to the project.

Results.

Línea Directa Aseguradora, S.A.

2020 Corporate Report



Carlos Rodríguez
Chief Financial Executive

"Línea Directa is an extraordinary company in terms of profitability, with an ROE of 35%, one of the highest among European insurers."



Group income statement for 2020

© 2020 Linea Directa Aseguradora SA

Results

	2020	2019	2018
GROUP INCOME STATEMENT			
Premiums Written	898,614,424	891,294,952	853,119,551
Profit before tax	179,589,938	142,864,953	155,992,756
Net Profit	134,820,547	107,316,073	117,233,148
GROUP MANAGEMENT RATIOS			
Net claims incurred	61.60%	68.07%	64.78%
Group Combined Ratio	83.38%	87.88%	85.57%
Funds Available for Solvency Purposes	526,011,113	391,162,264	385,270,208
Solvency Margin Surplus	335,286,246	205,488,681	201,089,109
GROUP BALANCE SHEET			
Technical provisions	716,491,122	725,859,675	725,891,300
Total Assets	1,433,493,173	1,332,809,957	1,296,206,052
Equity	467,162,642	325,124,403	288,247,473
Solvency Margin Surplus	335,286,246	205,488,681	201,089,109
CUSTOMER PORTFOLIO			
Portfolio	3,218,139	3,163,443	3,014,140
Motor Policies	2,463,171	2,419,544	2,335,568
Home Policies	662,393	622,912	568,157
Welfare Insurance	3,412	51,527	77,468
Health	89,163	69,460	32,947
Employees	2,561	2,453	2,356

Group income statement for 2020

© 2020 Linea Directa Aseguradora SA

Consolidated technical account

	2020	2019	2018
Premiums earned, net of reinsurance	878,177,009	854,762,892	816,288,820
Cost of claims net of reinsurance	-540,975,581	-581,871,070	-528,753,587
Net operating and technical expenses	-191,289,368	-169,324,935	-169,767,560
Net finance income	29,244,804	31,680,983	33,547,554
RESULT OF INSURER TECHNICAL ACCOUNT	175,156,864	135,247,870	151,315,226
Other Net Financial Income			
Other income	10,752,301	14,510,662	14,073,960
Other expenses	-6,319,228	-6,893,580	-9,396,430
RESULT OF NON-TECHNICAL ACCOUNT	4,433,073	7,617,082	4,677,530
CONSOLIDATED PROFIT/(LOSS) BEFORE TAX	179,589,938	142,864,953	155,992,756
CORPORATE INCOME TAX	-44,769,391	-35,548,880	-38,759,608
CONSOLIDATED PROFIT/(LOSS) AFTER TAX	134,820,547	107,316,073	117,233,148

Consolidated balance sheet

	2020	2019	2018
ASSETS			
Cash	162,499,806	144,936,593	166,776,076
Portfolio of investments available for sale	906,656,195	828,172,189	775,379,231
Loans, deposits and receivables	110,367,365	103,781,854	112,957,726
Reinsurers' share of technical provisions	12,477,040	9,517,193	7,317,988
Property, plant and equipment and investment property	111,281,015	114,587,925	110,843,951
Intangible assets	12,688,338	11,844,770	7,592,788
Holdings in group companies and associates	746,685		
Advance payments and accruals	92,774,332	95,112,407	86,041,808
Tax assets	24,002,397	24,857,027	27,425,404
Assets held for sale	0	0	1,871,080
TOTAL ASSETS	1,433,493,173	1,332,809,957	1,296,206,052
LIABILITIES AND EQUITY			
Debt and accounts payable	171,678,846	203,727,348	207,302,067
Hedging derivatives	15,166,936	13,583,959	3,385,351
Technical provisions	716,491,122	725,859,675	725,891,300
Non-technical provisions	16,848,456	22,815,872	24,652,041
Other Liabilities	1,156,106	1,713,266	2,193,662
Current and deferred tax liabilities	44,989,065	39,985,434	44,534,158
TOTAL LIABILITIES	966,330,531	1,007,685,554	1,007,958,579
Equity	422,765,980	287,945,434	273,677,362
Valuation adjustments	44,396,663	37,178,969	14,570,112
TOTAL EQUITY	467,162,642	325,124,403	288,247,473
TOTAL LIABILITIES AND EQUITY	1,433,493,173	1,332,809,957	1,296,206,052
CONSOLIDATED SOLVENCY MARGIN			
Solvency capital requirement	190,724,867	185,673,582	184,181,099
Funds available for solvency purposes	526,011,113	391,162,264	385,270,208
SOLVENCY MARGIN SURPLUS	335,286,246	205,488,681	201,089,109
SOLVENCY RATIO	275.80%	210.67%	209.18%
COVERAGE OF TECHNICAL PROVISIONS			
Technical provisions to cover			
Assets affected by coverage of technical provisions			
COVERAGE SURPLUS/SHORTFALL			
% COVERAGE			

About this report.

Relevance and materiality of this report.

Línea Directa elabora su informe anual analysing and systematising the information that is relevant to its stakeholders (customers, employees, suppliers and communities) through different communication channels and taking into account sustainability and the principle of completeness of the GRI standards.

ELínea Directa’s IV Sustainability Plan (2020-2022) reflects the results of the materiality analysis carried out to work on the different lines of action. After review by the Sustainability Committee, made up of the Management and the Chairman of the company, the Board of Directors will be informed of the degree of compliance.

A consultancy exercise was carried out to identify the main relevant issues affecting the different stakeholders, before drawing up the IV Sustainability Plan. This analysis included an industry benchmarking exercise, information from insurance industry studies and sustainability standards, among others. The plan also incorporated the company’s vision through management interviews.

The Plan differentiates the company’s Stakeholders according to their importance for the business and addresses the main challenges of the sector. As a result of this analysis, a materiality matrix was drawn up and new actions were defined to help the Group decide on how to respond to these inputs.

Línea Directa prepares its annual report by analysing and systematising relevant information and taking into account sustainability and the principle of completeness of the GRI standards.



Principles we are committed to

The Group’s Sustainability Master Plan for caring for and protecting people is centred upon its new purpose, “Innovate, protect and bring closer together”, and the company’s values, which include Respect for People and the Spirit of Excellence. It also aims to focus on the three essential aspects of sustainability (environmental, social and good governance).

Validation

The Sustainability Committee met in April 2020 to monitor the degree of achievement of the objectives of the previous plan, review the progress in indicators and approve the IV Plan for approval by the Board of Directors

Verificación

The economic information published in this Report has been reviewed by an independent auditor. Línea Directa will produce a new reporting document in 2021 that will comply with the obligations of transparency of financial and non-financial information and will be subject to an external review of all contents. GRI Standards will continue to be applied in the report.

Pursuant to Law 11/2018 on the disclosure of non-financial information and information on diversity, the Group’s data were included on a consolidated basis in the Management Report of the Bankinter Group, which, as the parent company of Línea Directa and its subsidiaries, was verified by the consultancy firm PwC.

About this report.

One of the Group’s priorities is to promote active listening with Stakeholders throughout the value chain.

Stakeholders

Línea Directa classifies its Stakeholders by establishing two levels according to the type of relationship. The first comprises those stakeholders with which it has a contractual relationship: shareholders, customers, employees and suppliers.

At the second level are those with which it does not have a formal contractual relationship: the media, institutions, entrepreneurs, industry associations, opinion leaders, NGOs, non-clients and society in general.

Línea Directa also works with different associations, companies and institutions related to its activity, establishing key alliances and cooperation to achieve its goals and objectives, both financial and non-financial.

Stakeholder engagement channels

One of the Línea Directa Group’s priorities is to promote active listening with Stakeholders throughout the value chain. It has enabled different communication channels, combining more traditional interactions with more agile and direct channels. In them, it identifies those aspects of its activity that have the greatest impact on its relationship with stakeholders and stakeholders’ needs for creating a sustainable and safe society.

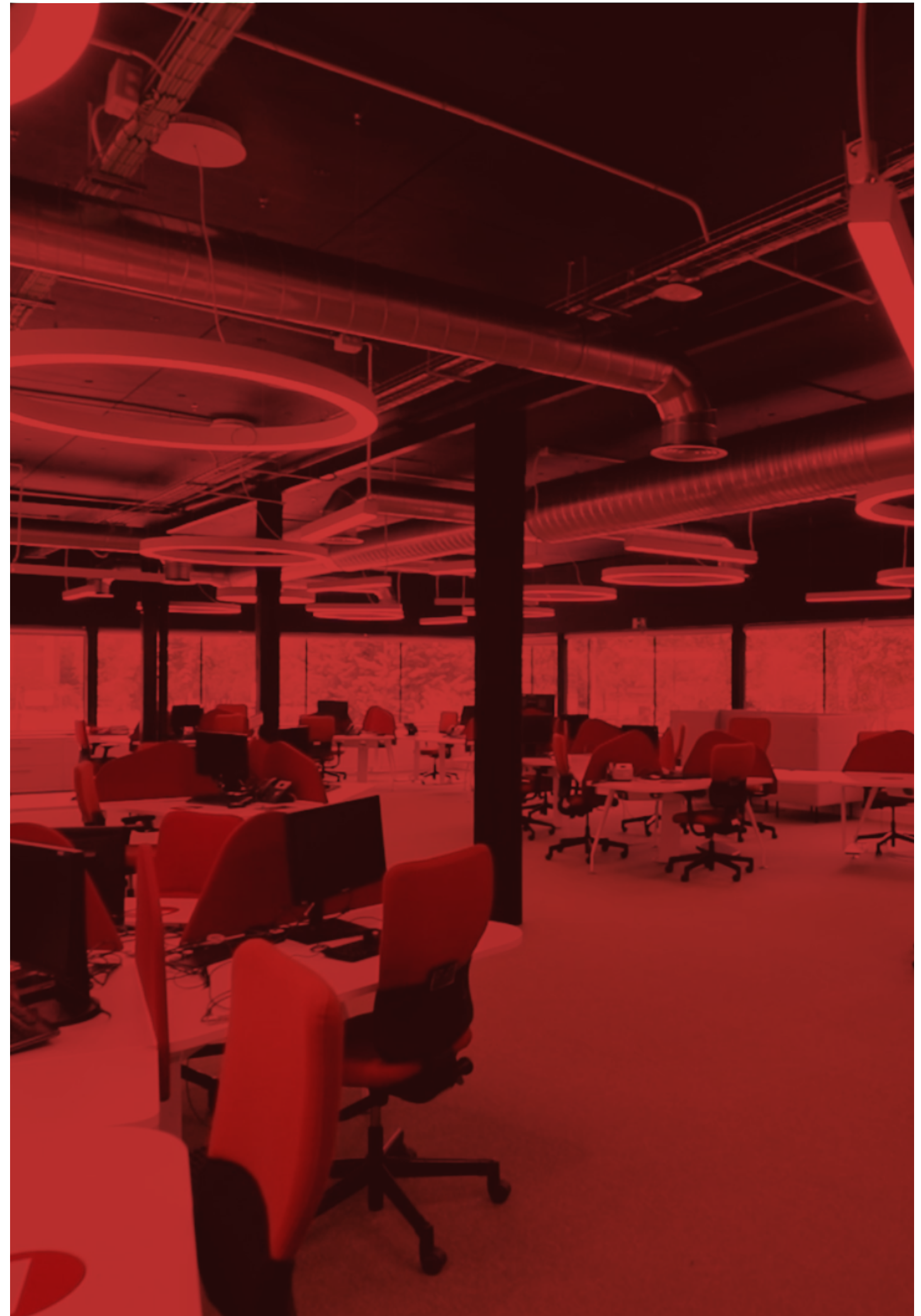


Communication channels. Stakeholders in 2020.

STAKEHOLDERS	ENGAGEMENT CHANNELS	OFFICERS
SHAREHOLDERS	Board of Directors	Director of Office of the General Secretary
CUSTOMERS	Group’s Corporate Website Social Media (Facebook, Twitter, Youtube, Linked in) Quality Surveys Focus Group Policy-holder Ombudsman	Head of People, Communication and Sustainability
	Spain’s Directorate General of Insurance and Pension Funds	Director of Office of the General Secretary
	Commercial multichannel	Head of Marketing
REGULATORY BODIES (DIRECTORATE GENERAL OF INSURANCE AND PENSION FUNDS, AND NATIONAL SECURITIES MARKET COMMISSION)	Circulars	Chief Compliance Officer
FOCUS GROUP EMPLOYEES	Employee service Climate surveys Virtual Communities Intranet	Head of People, Communication and Sustainability
	Internal events: breakfasts and Conventions	Management Committee
PARTNERS	Focus Group Satisfaction questionnaires	Head of People, Communication and Sustainability
	Purchasing Portal Follow-up meetings	Chief Financial Officer
ACADEMIC PARTNERS (UNIVERSITIES AND BUSINESS SCHOOLS)	Meetings	Head of People, Communication and Sustainability
	Forums Seminars	Head of People, Communication and Sustainability
THIRD SECTOR	Meetings	Head of People, Communication and Sustainability
	Social Media Línea Directa Foundation Web	Head of People, Communication and Sustainability
MEDIA	Press conferences Press releases Social media	Head of People, Communication and Sustainability
SOCIETY	Group’s Corporate Website Línea Directa Foundation Website Social Media (Facebook, Twitter, Youtube, Linked in)	Head of People, Communication and Sustainability

Index of GRI content

2020 Corporate Report.



Index of GRI content

For the Materiality Disclosures Service, GRI Services has reviewed that the GRI Content Index is clearly presented and references to Content 102-40 to 102-49 are aligned with the corresponding sections of the body of the report.

GRI 101: 2016 FOUNDATIONS		
Contents	Description	Location / Direct response
GRI 102: 2016 General Content		
ORGANISATIONAL PROFILE		
102-1	Name of the organisation.	Page 13. Grupo Línea Directa.
102-2	Activities, brands, products and services	Pages 13, 15, 27, 28-43
102-3	Location of headquarters	Pages 81, Torres de Quevedo nº1 - 28760 Tres Cantos, Madrid.
102-4	Location of operations	All significant operations are carried out in Spain.
102-5	Ownership and legal form	Pages 13. Parent company: Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros.
102-6	Markets served	Pages 13, 28-31 y 33-38
102-7	Scale of the organisation	Pages 4 y 29, 34, 36, 38, 40, 64-65.
102-8	Information on employees and other workers	Pages 4, 48-49
102-9	Supply chain	Pages 13 and 53.
102-10	Significant changes to the organisation and its supply chain	Pages 3.
102-11	Precautionary principal or approach	Business model p.13, Risk management p.23 and 25, Environment p.54-55.
102-12	External initiatives	IV Sustainability Plan pg.18-19, Environment pg. 54-55, COVID-19 Measures pg. 58. Línea Directa Foundation pg. 60-63. Línea Directa also maintains its adherence to the Diversity Charter.
102-13	Membership of associations	Pages 13,18-19 and 60.
STRATEGY		
102-14	Statement from senior decision-maker	Pages 5-11. Letter from the Chairman, Dialogue with Miguel Ángel Merino (CEO)
102-15	Key impacts, risks and opportunities	Pages 5-11. Letter from the Chairman, Dialogue with Miguel Ángel Merino (CEO)Page 23 and 25

Index of GRI content.

ETHICS AND INTEGRITY			
102-16	Values, principles, standards and norms of behaviour	Pages 12 and 23.	
102-17	Mechanisms for advice and concerns about ethics	Pages 23 and 53. 100% of the Group's companies are affected by compliance with and respect for the Code of Ethics. (It includes key references to Human Rights).	
GOVERNANCE			
102-18	Governance structure	Board of Directors and Committees (Appointments and Remuneration, and Internal Control and Regulatory Compliance): Company governance structure. Page 13, page 21 and page 67.	
102-19	Delegating authority	Page 19. Appointments and Remuneration Committees, and page 67.	
102-20	Executive-level responsibility for economic, environmental, and social topics	Executive directors: Chairman and Chief Executive Officer. Appointments and Remuneration Committee. (Page 19) Sustainability Committee (page 67)	
102-21	Consulting stakeholders on economic, environmental, and social topics	IV Sustainability Plan 2020-2022 (pg.44-46 and pg. 67)	
102-22	Composition of the highest governance body and its committees	Board of Directors Page 13	
102-23	Chair of the highest governance body	Board of Directors: Company governance structure Page 13.	
102-24	Nominating and selecting the highest governance body	The Chairman of the Board of Directors and the Chief Executive Officer have executive functions. Page 13	
102-25	Conflicts of interest	Appointments and Remuneration Committee.	
102-26	Role of highest governance body in setting purpose, values, and strategy.	The Board as a whole meets the requirements of aptitude and good repute demanded by the regulations.	
102-27	Collective knowledge of highest governance body	Questionnaire to the members of the Board of Directors and the directors of the subsidiaries.	
102-28	Evaluating the highest governance body's performance	Sustainability Plan	
102-29	Identifying and managing economic, environmental, and social impacts	The Board of Directors annually approves the Company's Business Plan and strategy.	
102-30	Effectiveness of risk management processes	Appointments and Remuneration Committee. Continuous training.	
102-31	Review of economic, environmental, and social topics	The Company has a Fitness and Propriety Policy that provides for an annual evaluation.	
102-32	Highest governance body's role in sustainability reporting	The annual sustainability report is reviewed and approved by the Management Committee.	
102-32	Highest governance body's role in sustainability reporting	The annual sustainability report is reviewed and approved by the Management Committee.	

Index of GRI content.

FUNCTIONS OF THE HIGHEST GOVERNANCE BODY IN THE EVALUATION OF ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE			
	102-33	Communicating critical concerns	Communications received through the Non-Compliance Communication channel are reported to the Board.
	102-34	Nature and total number of critical concerns	In 2020, 10 communications have been received and analysed, with no critical concerns.
	102-35	Remuneration policies	Línea Directa has a Directors' Remuneration Policy and a periodic report is made to the Appointments and Remuneration Committee.
	102-36	Process for determining remuneration	Regulated in the Directors Remuneration Policy.
	102-37	Stakeholders' involvement in remuneration	The maximum limit of remuneration is approved at the General Meeting.
STAKEHOLDER ENGAGEMENT			
	102-40	List of stakeholder groups	Pages 45 and 68.
	102-41	Collective bargaining agreements	100% of employees are covered by the Insurance and Reinsurance Collective Bargaining Agreement. Considering that Línea Directa operates in Spain and complies with legislation; no significant risks have been identified.
	102-42	Identifying and selecting stakeholders	Pages 45 and 68.
	102-43	Approach to stakeholder engagement	Pages 44-45 and 68.
	102-44	Key topics and concerns raised	Page 44-46.
REPORTING PRACTICE			
	102-45	Entities included in the consolidated financial statements	Page 13.
	102-46	Defining report content and topic Boundaries	Pages 67-68 and IV Sustainability Plan 67-68 (pg.44-46)
	102-47	List of material topics	IV Sustainability Plan (pages 44-46).
	102-48	Restatements of information	No restatement of information has been made.
	102-49	Changes in reporting	The scope and boundary of each aspect indicated in the GRI content index. The report has not been significantly modified.
	102-50	Reporting period	1 January 2020 - 31 December 2020.
	102-51	Date of most recent report	Corporate Report for the 2019 Annual Period. Published in March 2020.
	102-52	Reporting cycle	Annual.
	102-53	Contact point for questions regarding the report	Page 81 comunicación.externa@lineadirecta.es
	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the Core option of the GRI Standards.
	102-55	Index of GRI content	Pages 69-80
	102-56	External assurance	The 2020 Corporate Report has not been externally verified.

Index of GRI content.

ECONOMIC DIMENSION			
ECONOMIC PERFORMANCE			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Pages 23, 25 and 44-46.
103-3	Evaluation of the management approach		Pages 44-46 and 67-68.
GRI 201: Economic performance 2016			
201-1	Direct economic value generated and distributed		Pages 4, 13 and 64-66.
201-2	Financial implications and other risks and opportunities due to climate change		ESG risks (p. Environmental issues (p.54-57).
201-4	Financial assistance received from government		No significant assistance has been received from public administrations.
MARKET PRESENCE			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Pages 23, 25 and 44-46.
103-3	Evaluation of the management approach		Pages 44-46 and 67-68.
GRI 202: Presencia en el mercado 2016			
202-2	Proportion of senior management hired from the local community		100% of Línea Directa's senior managers are of local origin, i.e. people born or with the right to indefinite residence in Spain.
INDIRECT ECONOMIC IMPACTS			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Pages 44-46, 58 and 59-63.
103-3	Evaluation of the management approach		Pages 44-46 and 67-68.
GRI 203: Indirect economic impacts 2016			
203-1	Infrastructure investments and services supported		Pages 4, 58 and 59-63.
203-2	Significant indirect economic impacts		Pages 4, 45, 58, 59-63. Línea Directa has invested up to 1.4 million euros in Road Safety projects (Línea Directa Foundation), environment, traffic victims' associations, solidarity projects and actions in the fight against COVID-19 during 2020.

Index of GRI content.

ANTI-CORRUPTION			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Pages 23, 25 and 53. Code of Ethics of the Línea Directa Group and Code of Ethical Conduct for Suppliers.
103-3	Evaluation of the management approach		Pages 44-46 and 67-68.
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption		Pages 23 and 25. All areas of Línea Directa have been analysed to ensure the implementation of the Code of Ethics (including aspects related to corruption).
205-2	Communication and training about anti-corruption policies and procedures		Management Employees: 100% have received training on the Code of Ethics and Prevention of Criminal Risks in face-to-face sessions of 1 hour and 30 minutes. Non management employees: All new recruits undergo training on the Code of Ethics and Prevention of Criminal Risks.
205-3	Confirmed incidents of corruption and actions taken		During 2020, a case of corruption was detected in one of the subsidiaries, following a complaint received through the Code of Ethics communication channel. After the necessary checks, the person investigated was dismissed for failure to comply with the Code of Ethics.
ANTI-COMPETITIVE BEHAVIOUR			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Page 23. See Code of Ethics of the Línea Directa Group.
103-3	Evaluation of the management approach		Pages 44-46 and 67-68.
GRI 206: Anti-competitive behaviour 2016			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		No legal actions for monopolistic and anti-competitive practices have been detected in 2020.

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ENVIRONMENTAL DIMENSION			
ENERGY			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary	Relevance and Materiality (p. 67-68).	
103-2	The management approach and its components	Pages 54-57.	
103-3	Evaluation of the management approach	Pages 44-46 and 67-68.	
GRI 302: Energy 2016			
302-1	Energy consumption within the organisation	Pages 54-57. The energy calculation includes: electricity, natural gas and diesel fuel consumption.	
WATER			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary	Relevance and Materiality (p. 67-68).	
103-2	The management approach and its components	Pages 54-57.	
103-3	Evaluation of the management approach	Pages 44-46 and 66.	
GRI 303: Water 2016			
303-1	Water withdrawal by source	Page 55. All water used by the Línea Directa Aseguradora Group comes from municipal sources.	
303-2	Water sources significantly affected by withdrawal of water	Línea Directa Aseguradora has its headquarters in urban land, so water is both consumed and discharged are via the urban network.	
303-3	Water recycled and reused	Línea Directa Aseguradora has its headquarters in urban land, so water is both consumed and discharged are via the urban network.	
EMISSIONS			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary	Relevance and Materiality (p. 67-68).	
103-2	The management approach and its components	Pages 54-57.	
103-3	Evaluation of the management approach	Pages 44-46 and 66.	
GRI 305: Emissions 2016			
305-1	Direct (scope 1) GHG emissions	Page 55 and 57.	
305-2	Energy indirect (scope 2) GHG emissions	Page 55 and 57.	
305-3	Other indirect (scope 3) GHG emissions	Page 55 and 57.	
305-5	Reduction of GHG emissions	Page 55 and 57.	

Index of GRI content.

EFFLUENTS AND WASTE			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Page 54.
103-3	Evaluation of the management approach		Pages 44-46 and 66.
GRI 306: Effluents and Waste 2016			
306-1	Water discharge by quality and destination		Línea Directa Aseguradora Group captures and discharges water through the urban network. It is estimated that the quantity of water discharged is similar to that consumed, since there are no other waste generation processes.
306-2	Waste by type and disposal method		Confidential paper waste (4,754 kg) and toner waste (6.95 kg) are managed by authorised managers who certify that they can be reused for new purposes. CAR manages its hazardous waste through Mandala and QSM, which recovers and recovers these wastes, as appropriate, in an integrated management process that complies with applicable environmental legislation.
306-3	Significant spills		Línea Directa has its headquarters in urban land, so its activity did not generate significant spills in 2020.
306-4	Transport of hazardous waste		Línea Directa, due to its activity, does not transport waste. The transport of waste produced at the Group's facilities is carried out by authorised operators and transporters.
306-5	Water bodies affected by water discharges and/or runoff		Línea Directa has its headquarters in urban land, so it has no impact on protected natural spaces and/or biodiversity.
ENVIRONMENTAL COMPLIANCE			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Pages 54-57.
103-3	Evaluation of the management approach		Pages 44-46 and 66.
GRI 307: Environmental compliance 2016			
307-1	Non-compliance with environmental laws and regulations		No type of penalty or significant fine for non-compliance with environmental laws were received.

Index of GRI content.

SOCIAL DIMENSION			
EMPLOYMENT			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Pages 47- 50.
103-3	Evaluation of the management approach		Pages 44-46 and 66.
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover		Pages 4 and 47-50.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Pages 47-50. There is no difference between benefits offered to full-time and part-time employees.
401-3	Parental leave		100% of employees on maternity or paternity leave return to work.
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67, 68).
103-2	The management approach and its components		Page 50.
103-3	Evaluation of the management approach		Pages. 44-46, 67 and 68.
GRI 403: Occupational health and safety 2016			
403-3	Workers with a high rate or high risk of illnesses related to their activity		No occupations with high risk of disease were identified.
TRAINING AND EDUCATION			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67, 68).
103-2	The management approach and its components		Pages 48-49
103-3	Evaluation of the management approach		Pages 44-46 and 66.
GRI 404: Training and education 2016			
404-2	Programmes for upgrading employee skills and transition assistance programs		Pages 48-49.
404-3	Percentage of employees receiving regular performance and career development reviews		Pages 48-49. 98% of employees receive regular performance and career development reviews.

Index of GRI content.

DIVERSITY AND EQUAL OPPORTUNITY			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Pages 47-50.
103-3	Evaluation of the management approach		Pages 44-46 and 67-68.
GRI 405: Diversity and equal opportunity 2016			
405-1	Diversity in governance bodies and employees		Pages 4, 14, 21 and 49.
NON-DISCRIMINATION			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67-68).
103-2	The management approach and its components		Pages 23 and 25.
103-3	Evaluation of the management approach		Pages 44-46 and 66.
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken		There were no significant incidents involving discrimination.
SECURITY PRACTICES			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		Relevance and Materiality (p. 67, 68).
103-2	The management approach and its components		Pages 23 and 25.
103-3	Evaluation of the management approach		Pages 44-46 and 66.
GRI 410: Security practices 2016			
410-1	Security personnel trained in human rights policies or procedures		100% of the personnel of the security companies that provide services to Línea Directa are accredited to practice this profession. The partner company guarantees the training, requirements, quality and formulas for contracting this type of professionals and services, as well as specific training in deontology and fundamental rights.

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HUMAN RIGHTS ASSESSMENT			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary	Relevance and Materiality (p. 67, 68).	
103-2	The management approach and its components	Pages 23 and 25.	
103-3	Evaluation of the management approach	Pages 44-46 and 66.	
GRI 412: Human rights assessment 2016			
412-2	Employee training on human rights policies or procedures	100 per cent of the staff have received training on the Code of Ethics and Criminal Risk Prevention in face-to-face sessions or e-learning depending on the position.	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	The Línea Directa Group operates in Spain (an OECD country), and no significant risks have been identified in this area. In 2020, there has been no such contract.	
LOCAL COMMUNITIES			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary	Relevance and Materiality (p. 67, 68).	
103-2	The management approach and its components	Pages 44-46 and 59-63. IV Sustainability Plan 2020-2022 and Línea Directa Foundation.	
103-3	Evaluation of the management approach	Pages 44-46 and 67-68.	
GRI 413: Local communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programmes	Pages 44-47, 54-56, 59-63. Línea Directa has an Environmental and Energy Efficiency Management System. Línea Directa has also invested up to 1.4 million euros in Road Safety projects (Línea Directa Foundation), environment, traffic victims’ associations, solidarity projects and actions in the fight against COVID-19 during 2020.	
PUBLIC POLICY			
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary	Relevance and Materiality (p. 67, 68).	
103-2	The management approach and its components	Page 23. See Code of Ethics of the Línea Directa Group p. 10-11.	
103-3	Evaluation of the management approach	Pages 44-46 and 67-68.	
GRI 415: Public Policy 2016			
415-1	Political contributions	See Code of Ethics of the Línea Directa Group p.23. Such contributions are prohibited by the Code of Ethics of the Direct Line Group in section 8, “Anti-bribery and corruption measures”.	

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CUSTOMER HEALTH AND SAFETY		
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its boundary	Relevance and Materiality (p. 67, 68).
103-2	The management approach and its components	Pages 52 and 53.
103-3	Evaluation of the management approach	Pages 44-46 and 67-68.
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Línea Directa ensures confidentiality in the processing of information it manages through security measures in accordance with the Regulation and the new Organic Law on Data Protection. It also appoints a DPO.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Línea Directa did not have any significant incidents in this respect.
MARKETING AND LABELLING		
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its boundary	Relevance and Materiality (p. 67, 68).
103-2	The management approach and its components	Pages 52 and 53.
103-3	Evaluation of the management approach	Pages 44-46 and 67-68.
GRI 417: Marketing and Labelling 2016		
417-1	Requirements for product and service information and labelling	Línea Directa has a Product Committee and a Product Governance Policy. Línea Directa complies with the legislation in this area and its contracts include informative clauses on the rights and obligations of its customers.
417-3	Incidents of non-compliance concerning marketing communications	In fiscal year 2020, no penalties were received for non-compliance related to marketing communications.
CUSTOMER PRIVACY		
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its boundary	Relevance and Materiality (p. 67, 68).
103-2	The management approach and its components	Page 23.
103-3	Evaluation of the management approach	Pages 44-46 and 67-68.
GRI 418: Customer privacy 2016		
418-1	Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	No substantiated complaints have been received concerning breaches of customer privacy and losses of customer data.



Línea Directa Aseguradora, S.A.

2020 Corporate Report



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