

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



linea directa

Dividend Policy

23 March 2021

Important information about this document

Name of the Policy	Dividend Policy
Related section of the Línea Directa Group's Code of Ethics	Not applicable.
Related section of other policies	
Rules and standards superseded	-
Rules and standards repealed	-
Related rules and standards	Rules and Regulations of the Board of Directors.
Business unit or function affected	Board of Directors
Personnel affected	Not applicable.
Main person responsible for monitoring	-
Approved on	23 March 2021
Effective from	15 April 2021
Version	1.0
Created by	
Approved by	Board of Directors



1. Introduction

In accordance with article 539 ter of the Corporate Enterprises Act, the board of directors of listed companies cannot delegate the dividend policy (among others).

By virtue, in anticipation of the potential admission of listing the shares of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros ("LDA" or the "Company") on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, and its inclusion in the Market Interconnection System (Continuous Market) and with effect from such time, the Company Board of Directors approves this Dividend Policy.



2. Conformance with current regulations

The Board of Directors shall, within its competences, adopt the resolutions and propose the adoption of decisions to the General Shareholders' Meeting that it deems most appropriate for the corporate interest in the distribution of dividends.

Resolutions adopted by the General Shareholders' Meeting and the Company Board of Directors in the implementation of this Dividend Policy shall, in any event, comply with the provisions of the current legal provisions and corporate governance regulations. In particular, the resolutions adopted shall comply with Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on life insurance, and access to and exercise of insurance and reinsurance activity (Solvency II).

3. Dividend Policy of the Direct Line Insurance Company

As long as there are no circumstances justifying its amendment, the Company's policy will be the cash payment of annual dividends, and it must be ensured that the solvency ratio is at least 180% of the required solvency capital

The intention for 2021, 2022 and 2023 is to pay dividends on account of the current financial year in several instalments and for an amount to be determined by the Board of Directors. These dividends on account must be approved by the Board of Directors and submitted to the ratification of the General Shareholders' Meeting during the following year.

IN any case, the payment of dividends, where appropriate, and the amounts and dates of payment will depend on numerous factors including: the legal, fiscal and regulatory requirements applicable at any time; the net distributable profit or the availability of distributable reserves; the performance of the Company's business and its growth strategy; the opportunities for inorganic growth, general economic and business conditions, market returns, creditworthiness and other factors which the Board of Directors deems appropriate to take into account at all times with regard to corporate interest.