

Sustainability Policy of Grupo Línea Directa



línea directa

Relevant information about this document	
Name of policy	Sustainability Policy
Related section of the Línea Directa Group's Code of Ethics	VI.1 – Human rights and civil liberties VI. 9. Transparency of information VI.18 – Commitment to environmental protection
Related sections of other policies	-
Rules and standards superseded	-
Rules and standards repealed	-
Related rules and standards	Code of Ethics, Supplier Code of Conduct, Human Rights Policy, Environmental Policy
Business unit or function affected	The entire Línea Directa Aseguradora Group
Personnel affected	All Línea Directa Aseguradora Group personnel
Main person responsible for monitoring	Board of Directors. Appointments and Remuneration Committee.
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Approved by	Board of Directors.

SUSTAINABILITY POLICY

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1. INTRODUCTION

Línea Directa Aseguradora S.A, Insurance and Reinsurance Company (hereinafter, "**Línea Directa**" or the "**Company**") understands good sustainability governance as the ability to integrate ESG issues (environmental, social, and governance) into its business management. Taking a proactive approach to fulfilling this responsibility helps identify, prevent, and mitigate potential negative impacts, promoting sustainable economic growth and creating value for the stakeholders involved in its activities.

In line with its Code of Ethics, Línea Directa is committed to promoting a sustainability strategy linked to its Values. To effectively develop this strategy, based on a responsible management model, the Company has taken into account the recommendations of the CNMV's Good Governance Code for Listed Companies defined in this area, as well as external requirements that may arise from regulations, such as Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 regarding the disclosure of sustainability information by companies (CSRD).

Additionally, Línea Directa has also incorporated the Sustainable Development Goals (SDGs) into its approach. This universal initiative of the United Nations (UN), framed within the 2030 Agenda for Sustainable Development, seeks to eradicate poverty, care for the planet, and ensure peace and prosperity for all people. Aware of the fundamental role it plays as a company in the successful achievement of this initiative, the Línea Directa Group prioritizes its activities around twelve of the 17 SDGs: SDG 3, "Good Health and Well-being"; SDG 4, "Quality Education"; SDG 5, "Gender Equality"; SDG 7, "Affordable and Clean Energy"; SDG 8, "Decent Work and Economic Growth"; SDG 9, "Industry, Innovation, and Infrastructure"; SDG 10, "Reduced Inequalities"; SDG 11, "Sustainable

Cities and Communities"; SDG 12, "Responsible Consumption and Production"; SDG 13, "Climate Action"; SDG 16, "Peace, Justice, and Strong Institutions"; and SDG 17, "Partnerships for the Goals."

With all this, this Sustainability Policy (the "Policy") outlines the main aspects and commitments of Línea Directa to promote the Company's strategic sustainability priorities, responding to the main trends in the sector and the requirements and expectations of its key stakeholders, by integrating sustainability into the Línea Directa Group's own strategy.

2. SCOPE

The principles set out in this document are applicable to all employees, executives, and directors of all the companies that make up the Línea Directa Group, as well as the Línea Directa Foundation, in the terms provided for in the applicable regulations. In this context, the Company will also promote that its collaborators and other figures related to its operations, products, and services also respect the contents of this Policy.

Additionally, the Company will ensure that its commitments extend to its value chain, in order to promote sustainability among the stakeholders that are part of it.

3. PURPOSE

This Policy outlines the commitments and basic principles of action in terms of sustainability that Línea Directa, the Group companies, and the Foundation must comply with. It provides a reference framework for achieving Línea Directa's objectives in each of the areas in which it divides its action, as well as for responding to the expectations of the various stakeholders through the channels with which it interacts (surveys, web, email, meetings, etc.).

Essentially, the principles of this Policy aim to contribute to the

sustainable development of the environment in which Línea Directa carries out its activities, based on its strategic pillars and in coherence with its corporate values.

4. MAIN COMMITMENTS AND RESPONSIBLE PRACTICES

Based on these considerations, Línea Directa's commitment to sustainability or ESG aspects is founded on the following elements with the common goal of creating long-term shared value, in light of the CNMV's Good Governance Code for Listed Companies:

4.1 Línea Directa and its customers and policyholders:

- Encourage innovation and digitalization in products and services as tools to achieve the transformation of the Company, ensuring the improvement of the experience and anticipating market trends, positioning it as a benchmark in the insurance sector.
- Provide complete and truthful information about the characteristics of products and services prior to contracting.
- Offer accessible and quality service within the agreed timeframe, monitoring the customer's experience with the Company through satisfaction surveys or other means that allow for active and ongoing listening in all processes and operations in which it interacts with the Company.
- Protect the confidentiality of data processing.
- Manage and resolve claims as quickly as possible.
- Maintain appropriate and efficient communication channels using the means that best suit this need.

4.2 Línea Directa and its employees:

- Ensure a culture of respect for all individuals within the Company, firmly advocating for equal opportunities, non-discrimination, and respect for diversity.
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- Guarantee quality employment, promoting stable work that, in turn, ensures professional development and continuous improvement of individuals.
- Focus on people in all talent management processes of the Company, such as attraction, retention, promotion, and professional development; fostering training, professional growth, and valuing merits and capabilities.
- Promote a culture of flexibility that favors the balance of work, personal, and family life, while ensuring, through policies and procedures, the digital disconnection of its employees.
- Prevent and avoid situations arising from psychosocial risks, especially workplace harassment, by having appropriate protocols and measures in place.
- Continue developing measures for the health and well-being of individuals, and provide safe work environments, ensuring the achievement of a healthy society.
- Foster a culture of social commitment within the Organization, involving employees in social initiatives promoted by the Company, and sometimes by the employees themselves.

4.3 Línea Directa and its suppliers:

- Adopt a collaboration that ensures efficiency and quality in the products and services provided by suppliers to customers and the Company, fostering the generation of mutual value.
 - Promote that the value chain complies with the Company's principles and values, the Supplier Code of Conduct, and the principles established in this Policy, as well as other applicable internal regulatory frameworks.
 - Encourage compliance with the Responsible Purchasing Policy to incorporate sustainability or ESG aspects that allow Línea Directa's commitments to be extended in the value chain.
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- Pursue the protection and improvement of the environment throughout the value chain, promoting the responsible and rational use of resources, applying an efficiency approach, and seeking to minimize waste generation.

4.4 Línea Directa and its shareholders:

- Ensure the economic sustainability of the business, understood as the ability to create economic value that allows for continued growth and adequate compensation for shareholders.
- Develop a corporate culture and business model that supports the achievement of the Group's objectives.
- Provide the necessary knowledge and information for the proper exercise of shareholders' rights.
- Strengthen transparency, truthfulness, immediacy, and consistency in the dissemination of information.
- Publish information continuously, periodically, timely, and available over time, ensuring correct reach and interpretation.
- Provide a variety of instruments and communication channels that allow convenient access to the Group.
- Avoid behaviors contrary to internal norms and policies that could harm the Company's reputation, promoting a culture of compliance and specific policies and programs.
- Ensure equal treatment.

4.5 Línea Directa and the environment:

- Prevent and minimize atmospheric pollution through the management and gradual reduction of greenhouse gas emissions and other pollutants.
 - Optimize waste management through implemented systems that set reduction targets, observe best practices, and use recycled materials.
 - Integrate environmental considerations into the company's risk
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management.

- Work and collaborate with the value chain in implementing measures that allow for proper environmental waste management and respect for the environment.
- Support the implementation of measures that favor the transition to sustainable energy mobility.
- Participate in the fight against climate change and environmental protection in the development of activities.
- Contribute to raising society's awareness of climate change, its consequences, and solutions.

4.6 Línea Directa and society:

- Support the development of the territories and communities where Línea Directa is present through its financial activity.
- Promote the fight against traffic accidents and their consequences, leading road safety actions directly or through the Línea Directa Foundation.
- Promote home safety to encourage the prevention of personal accidents and serious damage in the domestic sphere.
- Enhance health care in all its aspects, promoting healthy and well-being habits.
- Support education and sectoral guilds or associations, seeking the strategic advancement of society.
- Promote the Company's social action with all available resources, thus contributing to the improvement of the society in which it operates.

4.7 Good governance at Línea Directa:

The Group must promote new policies, measurements, and management strategies that favor continuous improvement and transparency towards its stakeholders. The Group's commitment to good governance will be

articulated around the following principles of action:

- The commitment of the Board of Directors to the development and improvement of corporate governance, voluntarily implementing measures and initiatives to reinforce commitments and align the company's interests with those of shareholders, investors, markets, and other stakeholders.
- Review and apply the good corporate governance practices of the Línea Directa Group, with the aim of incorporating the requirements of investors and regulators, as well as other stakeholders in a broad sense, in permanent compliance with the different internal policies, risk control, and codes of conduct.
- Ensure the functioning of internal control mechanisms and ensure compliance with expected behaviors in terms of good governance, ethics, and integrity.

4.8 Línea Directa as an investor:

The Company is committed to integrating ESG criteria into its investment decision-making process.

With a preventive and long-term focus, the company will avoid participating as an investor in other organizations, projects, or products that may encourage or cause serious violations in this area.

To this end, it will have the necessary mechanisms to carry out appropriate evaluations in this field.

5. MANAGEMENT MODEL

The principles and responsibilities assumed by Línea Directa in this Policy are complemented by other internal regulations (including, among others, the Sustainable Investment Policy, the Environmental and Climate Change Management Policy, and the Human Rights Policy) which together

form the framework of action and commitments of the Company in this area. The Company has the methods and systems to monitor compliance with these policies, the associated risks, and their management, as well as the mechanisms for supervision and control of non-financial risk, including those related to ethical and business conduct aspects.

Línea Directa guarantees the existence of appropriate channels for listening, communication, and reporting (both internal and external), which allow the participation of its stakeholders and enable them to inform the Company of any actions that go against the provisions of this Policy or other mandatory internal or external regulations, and to take appropriate measures accordingly.

6. GOVERNANCE MODEL AND MONITORING

The Board of Directors approves the Sustainability Policy of the Línea Directa Group and holds ultimate responsibility for its supervision. This Policy will be developed and complemented with strategic sustainability plans and the various internal policies and procedures approved within the Group that are directly related to the established basic principles of action.

The Sustainability Committee of the Línea Directa Group, through the Sustainability Directorate, will report to the Appointments, Remuneration, and Corporate Governance Committee on the actions derived from the Sustainability plan and the compliance with ESG indicators, at least annually. The Appointments, Remuneration, and Corporate Governance Committee will inform the Board of Directors about the progress in complying with the Policy and the Sustainability strategy.

In this way, the Board of Directors, through the Appointments, Remuneration, and Corporate Governance Committee, will monitor compliance with this Policy and the indicators of the sustainability strategy. Regarding non-financial risks, the Audit and Compliance Committee will supervise and report them to the Board of Directors, in accordance with the regulations of this body and following the recommendations of the CNMV Technical Guide.

The Group will ensure the transparency of the information provided to stakeholders through responsible communication practices in the dissemination of its Sustainability Policy, published on its corporate website, as well as through reports related to Sustainability information, such as those derived from the CSRD directive.

7. COMMUNICATION OF THE POLICY

This Policy will be disseminated to the Group entities and will be available to the organization's stakeholders through its publication on the intranet and the corporate website.

This Policy was approved by the Board of Directors of Línea Directa Aseguradora S.A. on December 12, 2024, and will be applicable from January 1, 2025.