

Social Contribution Policy of the Línea Directa Aseguradora Group



linea directa

Name of policy	Social Contribution Policy
Related section of the Code of Ethics	Donations and social projects
Related section of other policies	-
Rules and standards superseded	-
Related rules and standards	Sustainability Policy, Human Rights Policy, Internal Assessment Procedure prior to collaboration with non-profit organisations
Business unit or function affected	The entire Línea Directa Aseguradora Group
Personnel affected	The entire Línea Directa Aseguradora Group
Main person responsible for monitoring	People, Communication and Sustainability Area
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Approved by	Board of Directors of Línea Directa Aseguradora S.A.

SOCIAL CONTRIBUTION POLICY

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1. INTRODUCTION

Línea Directa is involved in the economic and social development of the areas in which it operates, on the clear understanding that the sustainability of the Company's business model is directly linked to the prosperity of the community or environment in which it operates.

Through this policy, the Línea Directa Aseguradora Group expresses its commitment to society on the understanding that it must drive sustainable development by applying responsible practices and commitments that seek progress in the communities in which it operates.

Committed to this task, the Group helps to improve people's quality of life and safety by providing its products and services while creating value within the framework of a social contribution strategy that pursues sustainable social and economic development.

To maximise its contribution, the Company seeks to align its social efforts with its knowledge and experience. This means creating a nexus between business and social contribution in the form of medium/long-term sustainable projects in the communities in which the Company is present, while building trust between the Company and society and increasing the positive contributions it makes.

This policy, which is part of the wider *Sustainability Policy* of the Línea Directa Aseguradora Group, pursues the following main objectives:

- Defining the principles of social contribution that will steer the Group in fulfilling its role as a corporate citizen.
- Ensuring orderly management of the social contribution aligned with the business so that we can respond to the challenges of the 2030 Agenda for Sustainable Development and to the local needs of the communities and environments in which Línea Directa operates.
- Maximising the positive impact of the Group, including the Foundation, through its social improvement actions.

2. PRINCIPLES OF ACTION

The actions of the Línea Directa Group and those of the Línea Directa Foundation are aligned with the Sustainable Development Goals (SDGs), a universal initiative of the United Nations (UN) framed within the 2030 Agenda for Sustainable Development, which seeks to eradicate poverty, protect the planet and achieve peace and prosperity for all people. Their activities go hand in hand with these 17 goals and they are aware of their key role in making this initiative a success. The Línea Directa Aseguradora Group focuses its activities around eight of the 17 SDGs: #2 "Zero hunger", #3 "Good health and well-being", #4 "Quality education", #5 "Gender equality", #8 "Decent work and economic growth", #10 "Reduced inequalities", #13 "Climate action", and #17 "Partnerships for the goals".

The principles of this policy, linked to the purpose of Línea Directa Aseguradora — "Innovate, Protect and Approach" — seek to achieve the sustainable development goals through a living and breathing relationship between the Company, the communities in which it operates and its stakeholders.

As with its business activities, the various social contribution initiatives of the Línea Directa Aseguradora Group are medium- and long-term commitments.

– **Harmony between the business and needs of the community:** The Group's social improvement activities focus on aspects related to its business, knowledge and experience and are, in tandem, essential for the development of society. Therefore, the Company's social contribution focuses on the following core concerns:

- Road **safety**, as a means of reducing the number and impact of traffic accidents, with the ultimate aim of putting an end to road mortality.
- Home **safety**, by fostering a culture of prevention at home and protecting customers and society in general.
- **Promoting healthy habits and well-being** by encouraging physical activity, quality sleep and a good diet, as the cornerstones of a healthy life and overall personal wellness.
- **Promoting sustainability** by pursuing cultural change for a more responsible and caring society for both people and the environment.

-Value creation: Línea Directa Aseguradora and its subsidiaries view their social contribution as making a positive difference to the welfare of people and the protection of the planet and in response to the challenges facing society today. This contribution is neither compensatory nor substitutive, but is entirely voluntary and goes beyond the obligations they assume when carrying on their business activities.

-Partnerships: To ensure that its social contribution is effective, the Línea Directa Aseguradora Group cooperates with institutions, non-governmental organisations, private companies and public-private entities that pursue the same goals as those set out in this policy. All this while respecting ethics and transparency and avoiding pursuits that are contrary to current legislation or that could lead to a possible conflict of interest between the parties.

-Adaptability: the Company is firmly committed to initiatives that meet the needs, concerns and demands of the communities in which it operates.

– **Employee engagement:** the Company seeks to engage employees in the different initiatives it carries out, as an opportunity for them to act out their desire to help with social issues and concerns.

The Company's values are the pillars on which the above principles are based and constitute a mandatory guide steering business conduct when carrying out the Group's social contribution.

3. SCOPE

The principles and commitments set out in this document apply to all employees, managers and directors of all companies that make up the Línea Directa Aseguradora Group, as well as the Línea Directa Foundation, in accordance with applicable law and regulations. The Company shall also seek to ensure that its collaborators, partners and any other persons related to its operations, products and services likewise honour the principles and commitments contained in this Policy.

Thus, the Company shall ensure that its commitments in this realm extend across the entire value chain so as to promote social contribution among its stakeholders.

Meanwhile, the Foundation will undertake its own activities in accordance with its bylaws, though it may lend support to Group companies upon request for certain initiatives if deemed appropriate.

4. MAIN COMMITMENTS AND RESPONSIBLE PRACTICES

While there is freedom within the Línea Directa Aseguradora Group in carrying out different social welfare activities, these must always be linked in some way with the experience gained from running the business and with the principles of action and corporate values. They must also be aligned with the Company's sustainability strategy and contribute to the commitments set out in this policy.

To achieve the desired goals, which embrace and articulate the principles and values described above, the following vehicles or mechanisms may be used:

– **Corporate volunteering:** to help bring about social change through the direct involvement of employees in carrying out the social contribution activities. It also allows employees to channel their talent, time and energy for the benefit of the community through their voluntary involvement in the initiatives proposed by the Company. Volunteering may be carried out during working hours, subject to the maximum number of hours established for this activity.

– **Philanthropic donations, both one-off and regular:** to support NGOs and other institutions with their social endeavours to help build a more engaged, human and egalitarian society.

– **Contributions to the community:** whether monetary or in kind, to causes chosen by the Company in accordance with the principles enshrined in this Policy, as well as partnerships with NGOs and other community organisations to address a range of social needs identified within the local area.

The Company may also carry out awareness-raising, training and educational activities related to its priority issues among its employees and other stakeholders, in order to aid and promote social development.

Meanwhile, the **Línea Directa Foundation** expresses its commitment to society through road safety, although it may likewise engage in other initiatives envisaged in its bylaws if so decided by its board of trustees. Notable actions here include:

- Organisation, participation, financing and other forms of collaboration in training, social, welfare, educational and teaching activities to promote road safety.
- Studies, investigations, courses and conferences to promote road safety.
- Handing out awards to people and public or private entities alike to recognise their contributions to the Foundation's own pursuits.
- Work meetings, courses, seminars, conferences and so forth on matters relating to the Foundation's objectives and pursuits.

- Investigation and prevention of various risk factors present on the road.
- Taking part in the activities of other entities engaged in the same or similar pursuits to those of the Foundation.
- Other activities aimed at fulfilling the pursuits of the Foundation, in accordance with the Action Plan approved by the Board of Trustees.

5. MANAGEMENT MODEL

Línea Directa Aseguradora shall work to ensure the effective implementation of this Policy and shall see to it that all employees are made aware of it, especially those directly related to the commitments set out herein.

The Company shall ensure that its social contribution activities are articulated through the different relevant mechanisms or vehicles, respond to the objectives effectively set and are duly documented (recording and control of the resources allocated, both financial and in kind, the time spent by employees —for corporate volunteering activities during working hours— and general management expenses, such as temporary assignment of assets).

As a general rule, and wherever possible, the achievements and impacts of the actions undertaken will be measured as a means of improving their management, maximising their positive impact and ensuring their transparency.

Contributions, achievements and impacts will be recorded in accordance with internationally recognised methodologies for measuring, managing and communicating corporate social action.

6. GOVERNANCE MODEL AND MONITORING

The Board of Directors shall approve the Social Contribution Policy of the Línea Directa Aseguradora Group and will be ultimately responsible for the Policy: overseeing compliance with the Policy, ensuring observance of laws and regulations in relations with stakeholders and seeing to it that all

contracts and obligations are performed in good faith, along with respect for customs and good practices when carrying on its activity.

The Board of Directors, acting through the Appointments and Remuneration Committee, shall monitor compliance with this Policy and its indicators and objectives.

The Sustainability and Reputation Committee is responsible for knowing, promoting, steering and monitoring the corporate social responsibility strategy and practices, including social contribution activities. It is also tasked with evaluating their degree of compliance and periodically reporting to the Appointments and Remuneration Committee on the actions taken under this Policy.

The People, Communication and Sustainability Area is entrusted with the coordination and registration of social contribution activities and with the communication of this Policy at Línea Directa Aseguradora, the subsidiaries and the Foundation.

This Policy has been drawn up with the support of an external adviser and will be reviewed periodically and changes or modifications will be made as and when deemed appropriate.

7. COMMUNICATION OF THE POLICY

This Policy will be disseminated to all Group companies and will be made available to the organisation's stakeholders via the Intranet and on the corporate website.

This Policy will be effective from the date of publication.

This Policy was approved by the Board of Directors of Línea Directa Aseguradora S.A. on 19 January 2021.

Madrid, 19 January 2021