

Company number: 02280426

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**PUBLIC COMPANY LIMITED BY SHARES**

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**RESOLUTIONS**

**OF**

**DIRECT LINE INSURANCE GROUP PLC**

(the "**Company**")

At the ANNUAL GENERAL MEETING of the Company, duly convened and held at the offices of the Company, Churchill Court, Westmoreland Road, Bromley, BR1 1DP on 14 May 2020 at 11.00 a.m., the following resolutions were duly passed, resolutions 16, 19 and 23 as ordinary resolutions and resolutions 20, 21, 22, 24, 25 and 26 as special resolutions as set out in the Notice of Annual General Meeting dated 14 April 2020:

**ORDINARY RESOLUTIONS**

**Resolution 16 – Political donations and expenditure**

THAT in accordance with section 366 of the Companies Act 2006 the Company and all companies that are subsidiaries of the Company at any time during the period for which this resolution has effect are authorised to:

- (a) make political donations to political parties or independent election candidates, not exceeding £100,000 in total;
- (b) make political donations to political organisations other than political parties, not exceeding £100,000 in total; and
- (c) incur political expenditure not exceeding £100,000 in total,

provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000, during the period beginning with the date of the passing of this resolution and ending at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, at the close of business on 30 June 2021.

For the purpose of this resolution the terms "political donations", "political parties", "independent election candidates", "political organisations" and "political

expenditure" have the meanings set out in sections 363 to 365 of the Companies Act 2006.

#### **Resolution 19 – Authority to allot new shares**

THAT

- i) the Directors be authorised to allow shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company:
  - a) in accordance with article 7 of the Company's articles of association (the "Articles") up to a maximum nominal amount of £49,620,058 (such amount to be reduced by the nominal amount of any equity securities (as defined in article 8 of the Articles) allotted under paragraph b) below in excess of £49,620,058; and
  - b) comparing equity securities (as defined in article 8 of the Articles) up to a maximum nominal amount of £99,420,116 (such amount to be reduced by the nominal amount of any shares allotted or rights granted under paragraph a) above) in connection with an offer by the way of a rights issue (as defined in article 8 of the Articles);
- ii) this authority shall expire at the conclusion of the next AGM of the Company after passing of this resolution or, if earlier, at the close of business on 30 June 2021;
- iii) all previous unutilised authorities under section 551 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date); and
- iv) this authority is in addition to any authority conferred by Resolution 23 (authority to allot new shares in relation to an issue of RTI Instruments).

#### **Resolution 23 – Authority to allot new shares in relation to an issue of RTI Instruments**

THAT, in addition to the authority granted pursuant to Resolution 19 (authority to allot new shares), the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers

of the Company to allot ordinary shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company:

- i) up to an aggregate nominal amount of £23,250,000 in relation to any issues of RT1 Instruments where the Directors consider that such an issuance of RT1 Instruments would be desirable, including in connection with, or for the purposes of, complying with or maintaining compliance with the regulatory requirements or targets applicable to the Group from time to time; and
- ii) subject to applicable law and regulation, at such allotment, subscription or conversion prices (or such maximum or minimum allotment, subscription or conversion price methodologies) as may be determined by the Directors from time to time.

Unless previously renewed, revoked or varied, the authority conferred by this resolution shall apply in addition to all other authorities under section 551 of the Companies Act 2006 until the conclusion of the next AGM of the Company after the date on which this resolution is passed or, if earlier, the close of business on 30 June 2021, but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be allotted or rights to be granted after the authority expires and the Directors of the Company may allot shares or grant such rights under such an offer or agreement as if the authority conferred hereby had not expired.

### **SPECIAL RESOLUTIONS**

#### **Resolution 20 – General authority to disapply pre-emption rights**

THAT

- i) in accordance with article 8 of the Company's articles of association (the "Articles"), the Directors be given power to allot equity securities for cash;
- ii) the power under paragraph i) above (other than in connection with a rights issue, as defined in article 8 of the Articles) shall be limited to the allotment of equity securities having a nominal amount not exceeding in aggregate £7,443,009; and

- iii) this authority shall expire at the conclusion of the next AGM of the Company after the passing of this resolution, or, if earlier, at the close of business on 30 June 2021.

**Resolution 21 – Additional authority to disapply pre-emption rights**

THAT

- i) in addition to any authority granted under Resolution 20, the Directors be given power:
  - a) subject to the passing of Resolution 19, to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that resolution under section 551 of that Act; and
  - b) to allot equity securities as defined in section 560(3) of that Act (sale of treasury shares) for cash,

in either case as if section 561 of that Act did not apply to the allotment or sale, but this power shall be:

- (A) limited to the allotment of equity securities up to a maximum nominal amount of £7,443,009; and
  - (B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice;
- ii) this power shall expire at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, at the close of business on 30 June 2021; and
- iii) the Company may, before this power expires, make an offer or enter into an agreement, which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

## **Resolution 22 – Authority to purchase own shares**

THAT, in accordance with section 701 of the Companies Act 2006, the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of its ordinary shares on such terms and in such manner as the Directors of the Company may determine, subject to the following conditions:

- i) the maximum number of ordinary shares hereby authorised to be purchased shall be 136,455,160;
- ii) the minimum price (exclusive of expenses) which may be paid for an ordinary share is the nominal value of that share;
- iii) the maximum price (exclusive of expenses) which may be paid for each ordinary share is the higher of:
  - a) an amount equal to 105% of the average of the middle market quotations of an ordinary share of the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately prior to the day on which the ordinary share is contracted to be purchased; and
  - b) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out;
- iv) the authority shall expire at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, at the close of business on 30 June 2021; and
- v) a contract to purchase ordinary shares under this authority may be made prior to the expiry of this authority, and concluded in whole or in part after the expiry of this authority.

## **Resolution 24 – Disapplication of pre-emption rights in relation to an issue of RTI Instruments**

THAT, subject to the passing of Resolution 23, the Directors be generally empowered, pursuant to section 570 of the Companies Act 2006, to allot equity securities (as such

phrase is defined in section 560 (1) of the Companies Act 2006 and is to be interpreted in accordance with section 560(2) of the Companies Act 2006) for cash pursuant to the authority granted by Resolution 23 up to an aggregate nominal amount of £23,250,000 in relation to any issues of RT1 Instruments, free of the restriction in section 561 of the Companies Act 2006.

Unless previously renewed, revoked or varied, the power conferred by this resolution shall apply until the conclusion of the next AGM of the Company after the date on which this resolution is passed or, if earlier, the close of business on 30 June 2021, but, in each case, so that the Company may make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted after the power expires and the Directors may allot equity securities under such an offer or agreement as if the power conferred hereby had not expired.

This authority is in addition to the authorities conferred by Resolutions 20 (general authority to disapply pre-emption rights) and 21 (additional authority to disapply pre-emption rights).

**Resolution 25 – Notice period for general meetings other than an AGM**

THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

**Resolution 26 – Adoption of new Articles of Association.**

THAT, with effect from the conclusion of the AGM, the articles of association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.