









# Delivering strong performance

These key performance indicators assess our performance against our strategy.

|                                 | <div>Return on tangible equity<sup>1,2</sup></div> <div>(%)</div>   | <div>Dividend per share</div> <div>(pence)</div>  | <div>Basic earnings per share</div> <div>(pence)</div>   | <div>Combined operating ratio<sup>2</sup></div> <div>(%)</div>   |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
|---------------------------------|---|---|--|--|------|----|------|----|------|----|------|----|------|---|------|----------------------------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|-----|----|------|--|------|----------------------------------|----|------|----|------|----|------|----|------|----|------|---|------|------------------------------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|------|----|-----|----|------|----|------|----|-----|----|------|----|------|
|                                 | <div><table><tr><th>Year</th><th>Return on tangible equity (%)</th></tr><tr><td>14</td><td>16.8</td></tr><tr><td>15</td><td>18.5</td></tr><tr><td>16</td><td>14.2</td></tr><tr><td>17</td><td>23.0</td></tr><tr><td>18</td><td>21.5</td></tr></table></div> | Year  | Return on tangible equity (%)  | 14   | 16.8 | 15 | 18.5 | 16 | 14.2 | 17 | 23.0 | 18 | 21.5 | <div><table><tr><th>Year</th><th>Dividend per share (pence)</th></tr><tr><td>14</td><td>13.2</td></tr><tr><td>15</td><td>14.0</td></tr><tr><td>16</td><td>27.2</td></tr><tr><td>17</td><td>13.8</td></tr><tr><td>18</td><td>36.3</td></tr><tr><td>19</td><td>50.1</td></tr><tr><td>20</td><td>14.6</td></tr><tr><td>21</td><td>10.0</td></tr><tr><td>22</td><td>24.6</td></tr><tr><td>23</td><td>20.4</td></tr><tr><td>24</td><td>15.0</td></tr><tr><td>25</td><td>35.4</td></tr><tr><td>26</td><td>21.0</td></tr><tr><td>27</td><td>8.3</td></tr><tr><td>28</td><td>29.3</td></tr></table></div> | Year | Dividend per share (pence) | 14 | 13.2 | 15 | 14.0 | 16 | 27.2 | 17 | 13.8 | 18 | 36.3 | 19 | 50.1 | 20 | 14.6 | 21 | 10.0 | 22 | 24.6 | 23 | 20.4 | 24 | 15.0 | 25 | 35.4 | 26 | 21.0 | 27 | 8.3 | 28 | 29.3 | <div><table><tr><th>Year</th><th>Basic earnings per share (pence)</th></tr><tr><td>14</td><td>24.0</td></tr><tr><td>15</td><td>27.9</td></tr><tr><td>16</td><td>20.4</td></tr><tr><td>17</td><td>31.8</td></tr><tr><td>18</td><td>33.5</td></tr></table></div> | Year | Basic earnings per share (pence) | 14 | 24.0 | 15 | 27.9 | 16 | 20.4 | 17 | 31.8 | 18 | 33.5 | <div><table><tr><th>Year</th><th>Combined operating ratio (%)</th></tr><tr><td>14</td><td>23.6</td></tr><tr><td>15</td><td>11.8</td></tr><tr><td>16</td><td>59.6</td></tr><tr><td>17</td><td>23.6</td></tr><tr><td>18</td><td>10.9</td></tr><tr><td>19</td><td>59.5</td></tr><tr><td>20</td><td>25.3</td></tr><tr><td>21</td><td>11.5</td></tr><tr><td>22</td><td>60.9</td></tr><tr><td>23</td><td>25.7</td></tr><tr><td>24</td><td>9.1</td></tr><tr><td>25</td><td>56.0</td></tr><tr><td>26</td><td>23.4</td></tr><tr><td>27</td><td>6.5</td></tr><tr><td>28</td><td>61.8</td></tr><tr><td>29</td><td>91.7</td></tr></table></div> | Year | Combined operating ratio (%) | 14 | 23.6 | 15 | 11.8 | 16 | 59.6 | 17 | 23.6 | 18 | 10.9 | 19 | 59.5 | 20 | 25.3 | 21 | 11.5 | 22 | 60.9 | 23 | 25.7 | 24 | 9.1 | 25 | 56.0 | 26 | 23.4 | 27 | 6.5 | 28 | 61.8 | 29 | 91.7 |
| Year                            | Return on tangible equity (%)   |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 14                              | 16.8  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 15                              | 18.5  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 16                              | 14.2  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 17                              | 23.0  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 18                              | 21.5  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| Year                            | Dividend per share (pence)  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 14                              | 13.2  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 15                              | 14.0  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 16                              | 27.2  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 17                              | 13.8  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 18                              | 36.3  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 19                              | 50.1  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 20                              | 14.6  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 21                              | 10.0  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 22                              | 24.6  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 23                              | 20.4  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 24                              | 15.0  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 25                              | 35.4  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 26                              | 21.0  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 27                              | 8.3   |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 28                              | 29.3  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| Year                            | Basic earnings per share (pence)  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 14                              | 24.0  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 15                              | 27.9  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 16                              | 20.4  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 17                              | 31.8  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 18                              | 33.5  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| Year                            | Combined operating ratio (%)  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 14                              | 23.6  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 15                              | 11.8  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 16                              | 59.6  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 17                              | 23.6  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 18                              | 10.9  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 19                              | 59.5  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 20                              | 25.3  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 21                              | 11.5  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 22                              | 60.9  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 23                              | 25.7  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 24                              | 9.1   |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 25                              | 56.0  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 26                              | 23.4  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 27                              | 6.5   |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 28                              | 61.8  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| 29                              | 91.7  |   |  |  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| Definition                      | <p>The return generated on the capital that shareholders have in the business. This is calculated by dividing adjusted earnings by average tangible equity.</p>   | <p>The amount of cash paid to shareholders from the Group's retained profits. (See page 26 for dividend breakdown).</p>   | <p>This is calculated by dividing the earnings attributable to shareholders by the weighted average number of Ordinary Shares in issue.</p>  | <p>A measure of financial year underwriting profitability. A Combined operating ratio ("COR") of less than 100% indicates profitable underwriting. In addition to net claims, expense and commission ratios measure the cost of doing business and the COR is the sum of these costs divided by net earned premium, excluding instalment and other operating income and investment return.</p> |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| Aim                             | <p>We aim to achieve at least a 15% RoTE per annum over the long term.</p>  | <p>We aim to grow the regular dividend in line with business growth. Additionally, we look to return any capital to shareholders which is expected to be surplus to our requirements for a prolonged period.</p>  | <p>We have not set a target. However, growing earnings per share is considered an indicator of a healthy business.</p>   | <p>We aim to make an underwriting profit. For 2019, we expect to achieve a COR in the range of 93% to 95% normalised for weather.</p>  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| Performance                     | <p> See Finance review page 31</p>   | <p> See Finance review page 32</p>   | <p> See Finance review page 31</p>  | <p> See Finance review page 29</p>  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |
| Link to Directors' remuneration | <p>We base the LTIP awards partly on RoTE over a three-year performance period.</p> <p> See page 90</p>  | <p>We base LTIP awards partly on relative total shareholder return performance, which includes dividends. Directors also receive dividends on their beneficial shareholdings and accrue these on unvested LTIP awards.</p> <p> See page 90</p> | <p>This is a broad measure of earnings and reflects the results of the Group after tax. We base part of the AIP awards on profit before tax and earnings per share is closely linked to this.</p> <p> See page 89</p> | <p>We base part of the AIP awards on profit before tax. COR is closely linked to this.</p> <p> See pages 89 and 96</p>  |      |    |      |    |      |    |      |    |      |   |      |                            |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |  |      |                                  |    |      |    |      |    |      |    |      |    |      |   |      |                              |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |      |    |     |    |      |    |      |    |     |    |      |    |      |

## Notes:

- See glossary on pages 191 to 192 and alternative performance measures in Appendix A on pages 193 to 194.
- Results for the year ended 31 December 2018 are based on total Group operations including restructuring costs and the Run-off segment. Comparative data for 2017 has been re-presented accordingly to include restructuring costs and Run-off segment profits within the Motor segment.
- Estimates based on the Group's solvency II partial internal model for 2016 to 2018. Solvency capital coverage based on the standard formula for 31 December 2015.

## Changes to our KPIs in 2018

Our metrics are reviewed annually and updated as appropriate to ensure they remain an effective measure of delivery against our objectives. For 2018, the review of these metrics resulted in the following changes:

- Combined operating ratio has been split into its loss ratio, commission ratio and expense ratio elements to give greater clarity of its composition
- Employee engagement has been added in recognition of the importance of our people in meeting our strategic objectives

- A five-year view, where possible, was chosen to demonstrate our track record of performance

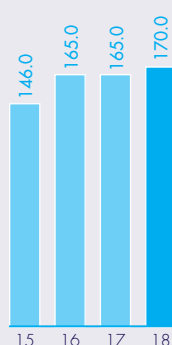
### Key for combined operating ratio

■ Expense ratio ■ Commission ratio ■ Loss ratio

### Key for dividend per share

■ Ordinary ■ Special

### Solvency capital ratio<sup>3</sup> (%)



A risk-based measure expressing the level of capital resources held as a percentage of the level of capital that is required under solvency II.

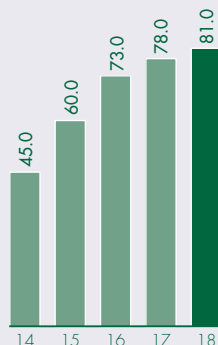
We target a solvency capital ratio in the range of 140% to 180%.

See Finance review page 32

Risk management within risk appetite, which includes an assessment of capital strength, and acts as a gateway for the AIP awards and underpin for LTIP awards.

See pages 89 and 90

### Employee engagement (%)



Engagement is about being proud to work for Direct Line Group and helping us to succeed. It means that employees are not just happy or satisfied, but doing something to help us achieve our company goals.

To make the Group best for employees and best for our customers. We gauge employee engagement through our employee opinion survey and we aim to improve this year on year.

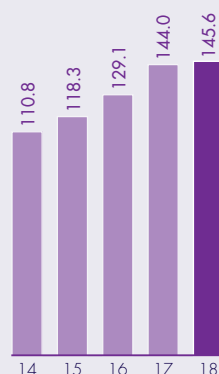
See People and culture page 56

The AIP awards include a weighting to a balance of employee metrics, including engagement.

See pages 89 and 98

### Net promoter score<sup>4</sup>

Direct Line Brand (points)



Net promoter score ("NPS") is an index that measures the willingness of customers to recommend products or services to others. It is used to gauge customers' overall experience with a product or service, and customers' loyalty to a brand.

The launch of our customer experience strategy, along with a new transactional feedback tool and improved propositions have increased our overall brand score.

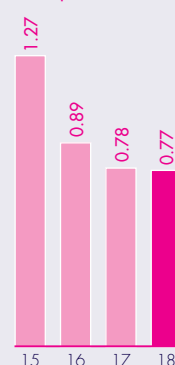
Customer claims experience programmes and improved propositions have contributed to an increase in our overall brand score.

The AIP awards include a weighting to a balance of customer metrics, including NPS.

See pages 89 and 97

### Customer complaints<sup>5</sup>

Principal underwriter<sup>6</sup> (%)



The number of complaints we received during the year as a proportion of the average number of in-force policies.

This measure indicates the level of customer service we provide. We aim to improve this over time.

While the proportion of complaints received reduced compared to 2017 we recognise we have more to do to reduce these.

The AIP awards include a weighting to a balance of customer metrics, including complaints.

See pages 89 and 97

4. On an aggregated 12-month rolling basis, with 2013 rebased to 100.

5. FCA complaints reporting requirements have changed for periods after 29 June 2016. Before 29 June 2016, only complaints resolved after two business days were classed as FCA reportable. From July 2016 all complaints resolved are classed as FCA reportable.

6. For the Group's principal underwriter, U K Insurance Limited.