

**Direct Line Insurance Group plc (the "Company")
Corporate Social Responsibility Committee (the "Committee") Terms of Reference**

Chair	<p>An Independent Non-Executive Director.</p> <p>In the absence of the Chair of the Committee the remaining members present shall elect one of themselves to chair the meeting.</p>
Members	<p>At least two independent Non-Executive Directors, the Chief Executive Officer and at least one other member of the Executive Committee.</p> <p>The Chair of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee.</p> <p>Members of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee in consultation with the Chair of the Committee.</p>
In Attendance	<p>Only members of the Committee have the right to attend Committee meetings. However, the Committee may at its discretion invite other individuals to attend meetings. In particular, the following are usually invited to attend:</p> <ul style="list-style-type: none">• CSR Manager;• Head of External Affairs; and• Head of Internal Communications & Experience.
Quorum	<p>Any two members provided that the majority of the members present are Directors of the Company.</p> <p>A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.</p>
Meeting Frequency	<p>The Committee shall meet at least three times a year, and otherwise as required.</p>
Secretary	<p>The Company Secretary, or his or her nominee, shall act as Secretary of the Committee unless the Committee determines otherwise and shall attend each meeting.</p>
1. Main Responsibilities	<p>The Committee will be responsible for:</p> <ol style="list-style-type: none">1.1 ensuring the group of companies of which the Company is the holding company (the "Group") conducts its business in a responsible manner (including in relation to environmental, social and ethical matters);1.2 assisting on such other matters as may be referred to it by the Board; and1.3 reporting to the Board, identifying any matters within its remit in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken. <p>The Committee operates under delegated authority from the Board and has full power to make decisions concerning matters referred to in these terms of reference, whilst any matters included in the Schedule of Board Matters Reserved must be</p>

referred to the Board and any matters specifically within the terms of reference of other Committees of the Board will be dealt with by such Committees.

All other matters are dealt with by the Chief Executive Officer, or his or her delegates, under the general management authority delegated by the Board.

2. Detailed Responsibilities

The detailed responsibilities of the Committee are set out below.

- 2.1 Reviewing and approving the Group's Corporate Social Responsibility ("CSR") strategy.
- 2.2 Assessing the role of the Group in society, including the environment, community engagement and charity partners.
- 2.3 Periodically, and when appropriate, reviewing the content of and, at intervals to be determined by the Committee, the effectiveness of the following areas/policies:
 - 2.3.1 the CSR Charter and the CSR elements of the Group's Code of Conduct;
 - 2.3.2 diversity and inclusion in the workplace;
 - 2.3.3 employee opinion survey feedback;
 - 2.3.4 community engagement activities; and
 - 2.3.5 environmental matters.
- 2.4 Periodically, and when appropriate, reviewing:
 - 2.4.1 the set of CSR key indicators; and
 - 2.4.2 progress against target for each key indicator.
- 2.5 On an annual basis, approving and recommending to the Board, the CSR Report for inclusion in the Annual Report & Accounts.
- 2.6 Where relevant, reviewing reports from working groups relating to CSR matters.
- 2.7 The Committee shall keep under review the extent and effectiveness of the Group's external reporting of CSR performance, and its participation in external benchmarking indices.
- 2.8 Reviewing and endorsing priorities and targets on key CSR issues for the Group.
- 2.9 Considering the Group's position on relevant emerging sustainability issues.

3. Governance and Resources

The Committee shall:

- 3.1 have access to sufficient resources in order to carry out its duties, including access to Company Secretariat for assistance as required;
- 3.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 3.3 give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code, the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules, the Market Abuse Regulation, the Senior Managers and Certification Regime and any other applicable rules, as appropriate;

- 3.4 oversee any investigation of activities which are within its terms of reference; and
- 3.5 arrange for periodic reviews of its:
 - 3.5.1 own performance to ensure it is operating effectively; and
 - 3.5.2 terms of reference and recommend any changes it considers necessary to the Board for approval.

The Committee is authorised to:

- 3.6 seek any information it requires from any employee or contractor of the Group in order to perform its duties;
- 3.7 call any employee or request any contractor to be questioned at a meeting of the Committee as and when required; and
- 3.8 obtain, at the Group's expense, external legal or other professional advice on any matter within its terms of reference.

4. Reporting

- 4.1 The Committee's duties and activities during the year shall be disclosed in the Company's Annual Report and Accounts.
- 4.2 The Chair of the Committee shall attend the Annual General Meeting to answer shareholder questions on the Committee's activities.
- 4.3 The Chair of the Committee shall report formally to the Board on its proceedings after each meeting, including making any recommendations deemed appropriate.