

A close-up, low-angle shot of a person riding a bright red bicycle on a cobblestone street. The focus is on the front wheel and the rider's legs. The background is blurred, showing a city street scene.

Your Guide to Sharesave 2014

Share in the success you
helped to create

esure[®]
GROUP

Welcome to Sharesave 2014

We are passionate about how you feel about the company that you have helped to create and grow. We want everyone to be able to benefit from our success and the launch of esure Group's Sharesave Plan 2014, which enables all employees to own a stake in the company for as little as £5 and as much as £500 per month.

Not everyone has the opportunity to invest for the future in the company that they work in, but you have, so it's definitely worth giving it some serious thought.

Sharesave has been designed specifically to help you save money easily, plus a potential benefit from discounted esure Group shares.

Take a look through this brochure to see how Sharesave works – and how easy it can be to save money each month. But don't wait for too long – You can only join Sharesave once a year and applications need to be in by 11.59pm on **Monday 25 August 2014.**

Invest in your future and share in the success you have helped to create.



What is sharesave?

Here's how it works:

Quite simply it's a savings plan, where you can save every month for three or five years straight from your pay – plus the chance to buy esure Group shares at a discounted price (known as the 'Option Price').

You may decide to join to build up your savings or you might be interested in owning shares in esure Group. At the end of your savings period, you can decide whether to use some or all of your savings to buy shares, or simply take your savings to invest or spend as you like.

The saving part

Your first decision is how much you'd like to save each month. You can save anything between £5 and £500 per month, so it's easy to budget.

To make it really easy for you, the amount you decide to contribute will be deducted directly from your pay each month (after tax and National Insurance) and put into your Sharesave account at Lloyds Bank plc.

The esure Group shares

At the end of the three or five year savings period, you'll have the choice to take all that money as cash...or use it to buy esure Group shares at the Option Price and become an esure Group shareholder.

This means that if the esure Group share price at the end of your savings contract is higher than the Option Price, you can potentially make a profit. By becoming an esure Group shareholder, you may also benefit from any dividends that the Company decides to pay.

You will have six months from the end of the savings period to decide what to do.

How your savings build up

Once you've chosen the amount you want to save each month (deducted directly from your net pay), you won't be able to change this amount – so it's worth thinking carefully now about how much you want to save, to make sure you're on course to get the rewards you're saving for. Remember that you can only save a maximum of £500 per month, over all your Sharesave Plans that you may have joined.

Amount you save every month	Your savings after three years	Your savings after five years
£10	£360	£600
£20	£720	£1,200
£50	£1,800	£3,000
£100	£3,600	£6,000
£150	£5,400	£9,000
£200	£7,200	£12,000
£250	£9,000	£15,000
£500	£18,000	£30,000



Questions & Answers

Am I eligible to join Sharesave?

You are eligible to join Sharesave provided that you are a current UK employee of the Company or its participating subsidiaries and started your employment on or before 6 August 2014. You must also be employed by the Company or its participating subsidiaries on the date of grant of your option (3 September 2014).

What if I am already contributing to a previous Sharesave Plan?

You are still able to join the 2014 plan as long as your total monthly contribution across all plans does not exceed £500. Any request that will cause your total monthly savings to exceed the £500 limit will be scaled back.

Can I stop saving / am I locked in?

Yes, you can stop saving at any time. You are not locked in to Sharesave, and you can withdraw your savings at any time if you need to. However, if you withdraw your savings before the completion of the savings contract you lose the option to buy shares.

Can I change my payments?

No. Once your savings contract has started, you cannot change the amount you save.

What if I miss a payment, go on maternity/parental leave or long term absence or can't afford to save for a couple of months?

If you find you are unable to make a payment, or if you miss a payment one month, don't worry.

You can suspend up to six contributions, and each monthly contribution missed will result in the maturity of your savings contract being postponed by one month to allow you to make up the payment(s) at the end of your savings period. The most you can miss is the equivalent of six monthly payments – these can be separate periods of one or more months or a single six month period.

If you go on maternity/parental leave or other long term absence, you can make arrangements to continue contributing by Standing Order by calling the esure Group helpline on 0871 384 2040* (or +44 121 415 7161 if calling from outside the United Kingdom).

IMPORTANT: If you miss more than six months' payments, you will lose the option to buy shares.

Questions & Answers

How many shares can I buy?

You will receive an Option Certificate after the invitation period closes confirming the number of shares you will be able to buy at the end of your chosen savings period. Your Option Certificate will also confirm how much you have chosen to save each month, how long you will be saving for, when your savings contract finishes and the price at which you can buy your shares at the end of the savings period (i.e. the Option Price).

Will I have to pay tax?

Your savings are free from any income tax. You will not normally have to pay income tax or National Insurance contributions on any money you make buying these shares. You may have to pay capital gains tax if you sell the shares and the money you make on all capital gains goes over the tax-free limit allowed each year. This tax-free limit can change, so you should check the limit applying at that time, before you sell your shares.

What happens if I leave the esure Group?

If you leave the esure Group at any time during your saving period because you retire, are made redundant, are injured or disabled, the company or business by which you are employed ceases to be a member of the esure Group of companies or your employment is transferred out of the esure Group of companies under TUPE arrangements, Equiniti will write to you with details of your choices.

As a guide, you will be able to:

- buy a reduced number of esure Group shares with the savings you have built up within six months of leaving (you can normally continue to save during this period); or
- take out your savings; or
- carry on saving until the end of the savings contract (although if there are more than six months to the end of your savings contract, you will lose your right to buy the shares).

If you resign or leave for any other reason not covered above and your option is less than three years old, it cannot be exercised and will lapse. However, you can continue to save to the end of your savings contract and take out your savings or, alternatively, you can stop saving and get all your money back.

If you resign or leave for any other reason not covered above (other than dismissal for misconduct) if your option is at least three years old at the date of leaving, you can use all of your savings to buy as many shares as possible at the Option Price within six months of leaving (you can choose to carry on saving into your Sharesave account during this period if you wish). Alternatively, you can take out your savings or carry on saving until the end of the savings contract (although if there are more than six months to the end of your savings contract, you will lose your right to buy the shares).

What if share prices go down?

As everyone knows, shares can go down in value as well as up. If esure Group's share price at the end of the savings contract is less than the 'Option Price', you can choose to take your savings as cash instead of exercising your option to buy shares.

What happens at the end of my savings period?

The end of your savings period is called 'Maturity'. At Maturity, you will have the choice to take back your money or buy shares. More information will be sent to you when your savings reach Maturity.

Are my Sharesave savings included within the £85,000 compensation limit of the FSCS compensation scheme if Lloyds Bank plc ("Lloyds") fails?

The current limit for the compensation scheme per eligible claimant is 100% of the first £85,000 in each savings institution. This means that the FSCS would pay the compensation limit of £85,000 per person for the total of their deposits with an organisation, i.e. Lloyds, regardless of how many accounts they hold with Lloyds, inclusive of any Sharesave savings.

Please go to www.fscs.org.uk for further information on the compensation scheme.

Does this brochure tell me everything I need to know about the esure Group Sharesave Plan?

This brochure is only a general guide to how the Sharesave Plan works. The Plan is governed by the rules of the esure Group plc Sharesave Plan 2014 and, in respect of your savings contract, a prospectus (a copy of which can be found online on ESP Portal - www.esp-portal.com/clients/esure). In the event of any conflict between this brochure, the rules of the Sharesave Plan and any applicable legislation, the rules of the Sharesave Plan and the applicable legislation will take precedence.

Key dates for the 2014 Sharesave

Option price determined

5 August 2014

Sharesave invitation period opens

6 August 2014

Closing date for applications

25 August 2014 (11.59pm)

Date of grant of options

3 September 2014

First deduction from salary

October 2014

Sharesave contract start date

1 November 2014



It's so easy to apply!

There are two simple ways to join the esure Group Sharesave Plan. You can either apply online or by text. You will get instant acknowledgement that your application has been accepted, and you can apply 24 hours a day, 7 days a week.

The esure Group Sharesave Plan is administered by Equiniti Limited ('Equiniti'). Please note that applications must be received by Equiniti no later than 11.59pm on 25 August 2014. **Late applications cannot be accepted, so make sure you apply in plenty of time.**

Online

Apply online at www.esp-portal.com/clients/esure and click on 'Log into the ESP Portal' link.

If you have already previously registered with Portal, you can apply by logging in using your employee details and password set up at registration. If you have forgotten your password please follow the 'Forgotten password' link.

If you have not registered with Portal before, please click on the 'Register' link under the section called 'First time users'. The registration process will result in you being sent an activation code in the post, however you do not need to wait for the activation code before applying.

Please click on 'Manage your SAYE applications' under the 'I want to ...' section and complete your application, making sure to click 'Submit application' when you are done. Your account number is shown on the front of your invitation email. Confirmation of your application will be sent to the email address you supplied when registering.

Text

Text ESURE plus the savings period (space) account number (space) NI number (space) monthly savings amount to 84247. Your account number is shown on the front of your invitation email.

For example, to apply to save £50 per month for three years you would enter:

ESURE3 10123456789 AB123456C 50

If you require assistance or are having difficulties with the registration process please contact the employee shareholder helpline on 0871 384 2040* (or +44 121 415 7161 if calling from outside the United Kingdom).

Important Information

References to taxation in this booklet are for guidance only and are based on the Company's understanding of current legislation and HM Revenue and Customs practice, both of which may change in future. In addition, no financial or investment advice is provided in this brochure. Neither the Company nor Equiniti Limited can provide you with financial or tax advice. If you require any financial or tax advice or information in relation to your participation in the Sharesave, you should consult your own professional independent financial/tax adviser. Specific provisions in the Sharesave Plan mean that you waive any claim to compensation in respect of the Sharesave Plan when you leave employment.

The option is offered to you by the Company in accordance with the terms of the Sharesave Plan. You are being offered an option under the Sharesave Plan as an added incentive in connection with your employment and to increase your interest in the success of the Company. The maximum number of ordinary shares being offered under the Sharesave Plan may vary at each invitation, please check the scheme rules for Sharesave limits. The shares to be used under this offer may be existing shares or new issue shares.

Further information on the Company and details of some of the rights attaching to the shares can be found in the Investor Relations section of the Company's website. Precise details of the rights attaching to ordinary shares are set out in the Company's Articles of Association. If you would like a copy of the Articles of Association, please contact the Group Company Secretary's department.

Certain information is provided in this document in order for this offer and any subsequent admission of shares to trading to fall within Article 4.1(e) and Article 4.2(f) of the Prospectus Directive (2003/71/EC) which exempt the Company from producing a prospectus under that Directive.

