

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to the action you should consult your stockbroker, solicitor, accountant or other independent financial adviser authorised under the Financial Services Markets Act 2000, if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your shares in Hiscox Ltd (the 'Company'), please forward this document, together with any accompanying documents at once to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, these documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or transferred only part of your holding of shares in the Company, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

To holders of (a) ordinary shares in the Company ('Shareholders') or (b) depositary interests issued by Equiniti Limited in respect of ordinary shares in the Company ('Depositary Interest Holders')

11 April 2022

Dear Shareholders and Depositary Interest Holders

### **2019 SCRIP DIVIDEND SCHEME – FINAL DIVIDEND 2021**

I am writing to confirm that following the announcement of the Company's full year results the Directors approved a final dividend of 23.0¢ per ordinary share payable on 13 June 2022 to shareholders registered on 6 May 2022.

Following the resolution that was passed at the Extraordinary General Meeting of the Company on 16 May 2019, the Directors are again offering a scrip dividend alternative in respect of any future interim or final dividends. If you would like to take up this offer then please complete the Scrip Dividend Mandate form and return it to our registrars at the address below by 20 May 2022. If you have previously elected for a scrip dividend then you do not need to take any further action. The terms and conditions of this Scrip Dividend Scheme are contained in the circular dated 30 April 2019 which is available to view on the Company's website [www.hiscoxgroup.com](http://www.hiscoxgroup.com) (the 'Circular').

Scrip dividends offer potential benefits to shareholders and Depositary Interest Holders as they enable them to increase their holding or interest in the Company in a simple manner without incurring any dealing costs. At the same time, the Company can retain more cash for reinvestment in its business, which would otherwise be paid as a dividend.

The tax consequences of electing to receive new shares or new depositary interests instead of a cash dividend will depend on your individual circumstances. If you are not sure how you will be affected from a tax perspective, you should consult your solicitor, accountant or other professional adviser before taking any action. UK resident trustees, corporates, pension funds and other shareholders and Depositary Interest Holders, including overseas shareholders and Depositary Interest Holders, are advised to contact their professional advisers regarding their own tax circumstances before taking any action in relation to the Scrip Dividend Scheme.

All elections which were made under the Company's scrip dividend alternative scheme adopted in June 2016 will remain in force for the purposes of the 2019 Scrip Dividend Scheme. Those shareholders who have completed a Scrip Mandate Form will automatically receive new ordinary shares in respect of any future interim or final dividends to the extent a scrip dividend alternative applies.

Accordingly we are now sending to those shareholders who have not previously elected to receive scrip dividends a Scrip Mandate Form. If you wish to receive future dividends in the form of shares and you have not previously elected to do so you should sign and return the Scrip Mandate Form to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom by the close of business on 20 May 2022. If you wish to receive your dividends in cash in the usual way, then you need take no action. If you have previously elected to receive dividends in the form of shares and now wish to change those instructions you should contact Equiniti Limited on 0333 207 5965 (from within the UK) or +44 (0)121 415 0269 (from outside the UK)\*. Depositary Interest Holders should make an election via the CREST system.

\*Lines open 8.30 am-5.30 pm (BST) Mon-Fri, except for bank holidays in England and Wales.

In order to be effective Scrip Mandate Forms must be received by no later than the date advised by the Company when a dividend is announced to the extent a scrip dividend alternative is then offered. Details of the expected timetable for any such dividend will be published at the same time as a dividend is announced. As indicated in the Circular the Company intends that the last date for electing for any scrip dividend under the 2019 Scrip Dividend Scheme and therefore for receipt of any Scrip Mandate Forms or an electronic election via the CREST system will be prior to the date on which the scrip reference share price is determined. As a result if you wish to receive future dividends in the form of shares and you have not previously elected to do so, you should sign and return a Scrip Mandate Form to Equiniti Limited as indicated above.

## **2022 SCRIP DIVIDEND SCHEME**

The Directors have decided to make available to shareholders and holders of depository interests the Company's ordinary shares a new Scrip Dividend Scheme as the successor to the 2019 Scheme which was adopted in 2019 and comes to an end at the forthcoming Annual General Meeting to be held on 12 May 2022.

The 2019 Scrip Dividend Scheme will continue to apply in respect of the 2021 final dividend to be paid on 13 June 2022. Subject to shareholder approval, the new Scrip Dividend Scheme will apply to any subsequent interim or final dividends in respect of which a scrip dividend alternative is offered and will be available for a period of three years from the date of the forthcoming Annual General Meeting. A resolution granting authority for the Directors to offer a scrip dividend alternative will be proposed for approval at the forthcoming Annual General Meeting (the 'AGM') to be held on 12 May 2022 at 12.30 pm (local time), 4.30 pm (BST).

The Notice of AGM, together with a Circular setting out the terms of the 2022 Scrip Dividend, has been sent to shareholders and holders of depository interests the Company's ordinary shares.

Subject to shareholder approval of the 2022 Scrip Dividend Scheme, all elections made under the 2019 Scheme (other than those made via CREST) will remain in force for the purposes of the 2022 Scrip Dividend Scheme and will apply for all future dividends to which the 2022 Scrip Dividend Scheme applies until cancelled by you in accordance with the terms and conditions of the Scrip Dividend Scheme.

Yours faithfully



**Marc Wetherhill**  
Company Secretary