

Modern Slavery Statement – July 2019

1. Introduction

This statement is made on behalf of Saga plc (a public limited company listed on the London Stock Exchange, registered in England and Wales, with registered number 8804263) and its subsidiaries, as listed in Appendix 1, (together, “we”, “us”, “our”) pursuant to section 54(1) of the Modern Slavery Act 2015 (the “Act”).

The Act requires companies to explain on an annual basis the steps taken to prevent acts of modern slavery and human trafficking occurring in their businesses and supply chains. This statement includes the steps we have taken during the financial year ending 31 January 2019 and builds upon the positive steps we have taken in previous years.

We are committed to carrying on our business operations responsibly with a zero-tolerance approach to any slavery and human trafficking incidents which are proven to have taken place. We remain committed to acting ethically and with integrity in all business dealings and relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking do not take place in our own business or in our supply chains.

2. About the Saga Group

We provide products and services predominately tailored to members and other customers over the age of 50 in the UK. Such products and services include insurance, cruises and package holidays, personal finance and the Saga Magazine. Central to the success of each of these operations are our 4,800 employees, all of whom strive to see the world through our customers’ eyes, so that we can exceed their expectations. Our ‘Saga’ brand has been developed over the years to become a recognised and trusted brand among UK consumers aged over 50.

The varied nature of our products and services means we purchase a wide variety of goods and services from suppliers within the UK and internationally. Therefore, our supply chain is large and complex, with each supplier often having its own supply chain.

3. Risk Assessments

As noted in last year's statement, our holidays and cruises operations carry a potentially higher modern slavery risk due to the vast number of locations in which we procure goods and services.

Having previously implemented a risk assessment process in respect of all our current suppliers across the Saga Group to identify potentially high-risk suppliers, in 2018 we took the decision to re-examine the risk assessment process to ensure it was as robust as possible. Focusing on our higher risk areas, this included putting our Travel suppliers through the risk assessment process a second time for assurance and we intend to repeat this process for all other existing suppliers over the next financial year.

The risk assessment process also applies to new suppliers and it is our policy to require new suppliers to be risk assessed before operating with them.

4. Due Diligence Questionnaires

Our due diligence questionnaire is distributed to our Travel suppliers that are identified as high-risk and completed via a web portal operated by our Travel Customer Health and Safety department. Given a vast majority of our non-Travel related operations (principally in the financial services sector) have previously been assessed as low risk, a manual procedure is in place to provide non-Travel related suppliers with a due diligence questionnaire should one be required.

Following feedback from suppliers, in 2018 further amends were made to our due diligence questionnaire, principally to ensure the questions can be easily interpreted in the multiple jurisdictions in which we operate.

Following this, the revised questionnaire was distributed to all Travel suppliers identified as high-risk in the risk assessment process as noted above. This was achieved prior to our deadline of 31 January 2019. Further, procedures are now in place to ensure our Customer Health and Safety team is notified of any new supplier that has been identified as needing to complete a due diligence questionnaire following completion of the risk assessment process.

The system used by our Customer Health and Safety team sets realistic timeframes for suppliers to respond with a limited number of automated reminders if a response has not been forthcoming.

We remain committed to working with our suppliers to ensure business is conducted ethically and honestly. Therefore, our Customer Health and Safety team together with Product Managers have been working with those suppliers who have failed our due diligence questionnaire which has involved first checking that suppliers have understood the questions and answered them correctly. If suppliers have understood correctly and still failed the questionnaire, our Customer Health and Safety team and Product Managers have been working with them to implement a corrective action plan to rectify areas of non-compliance. This is an ongoing process.

Should a supplier fail to co-operate with our due diligence procedures and/or any corrective action plan or otherwise demonstrate little progress despite realistic time frames being agreed and set, we have and will consider our future relationship with that supplier.

5. Travelife

As mentioned in our statement last year, in respect of our Travel operations, we have continued to strongly encourage hotel suppliers to apply for membership with the independent sustainability audit programme, 'Travelife', and to work towards obtaining Gold certification which demonstrates compliance with international standards on human rights. We aim to continue to increase our portfolio of GOLD membership hotels and will proudly state in our brochures which hotels have this certification.

6. Policies & Training

We are committed to working responsibly and with integrity, as set out in our Personal Standards & Ethics Policy. We require the highest standards of personal and professional honesty and integrity from our employees in all business dealings and relationships, including with our members, customers, other employees and suppliers.

The prevention, detection and reporting of slavery and human trafficking in any part of our business or supply chains is the responsibility of all those working for us. Our Whistleblowing Policy, therefore, includes reference to modern slavery and to ensure all employees can continue to confidentially and anonymously raise concerns and report suspected violations via our whistleblowing telephone facility.

The Whistleblowing Policy is communicated to employees as part of the corporate induction process and, in addition, they are regularly reminded of the whistleblowing telephone number via internal communications.

Our Anti-Slavery & Anti-Human Trafficking Policy is also communicated regularly throughout our organisation. It is reviewed annually and also requires approval from the Saga plc Board on an annual basis.

Our policies are used as the basis for our employees to be able to detect and prevent acts of modern slavery. These policies also form part of our corporate induction process for new employees.

In line with our Anti-Slavery & Anti-Human Trafficking Policy it is a requirement that all new agreements with suppliers must be in writing and contractually oblige the supplier to comply with the Modern Slavery Act. Where possible, it is a requirement that each agreement shall give the relevant Saga Group company concerned a right of termination in the event that the contractor or supplier is proven to have committed slavery or human trafficking offences or to have acted in a manner inconsistent with the Modern Slavery Act. We have therefore developed and implemented into our template agreements, specific contractual clauses covering these points.

We have continued to distribute training material to employees through our e-learning platform to ensure a consistent, high level awareness and understanding of modern slavery is achieved. This is reviewed and will continue to be rolled out to employees on an annual basis. It has and will also continue to form part of the induction process for new employees. By 31st January 2019, 98.2% of Saga employees had completed the e-learning training. We will endeavor to increase this percent year on year.

7. Auditing & Ongoing Compliance

Our Internal Audit procedures incorporate an assessment of our modern slavery processes within all relevant audits.

We remain keen to further develop key performance indicators in order to measure our effectiveness in seeking to ensure slavery and human trafficking do not take place anywhere in our own business or in any of our supply chains. As our processes evolve, we aim to identify and monitor further appropriate performance indicators.

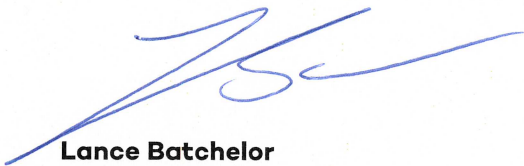
8. Summary

We have systems in place to:

- Identify and assess potential risk areas within our businesses and supply chains;
- Mitigate the risk of slavery and human trafficking occurring in our supply chains;
- Monitor potential risk areas in our supply chains;
- Train employees to raise awareness of modern slavery and how to report it; and
- Protect whistle-blowers

We will continually review and refine these processes to strive to operate to the highest standards at all times.

This statement covers 01 February 2018 to 31 January 2019 and has been approved by the Board of Saga plc.



Lance Batchelor

Chief Executive Officer

July 2019

Appendix 1 – Subsidiaries*

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| 1. Saga plc | 18. Saga Retirement Villages Limited |
| 2. Saga Mid-Co Limited | 19. PEC Services Limited |
| 3. Saga Holdings Limited | 20. Saga Membership Limited |
| 4. Saga 200 Limited | 21. Driveline Group Limited |
| 5. Saga 400 Limited | 22. Saga Cruises Limited |
| 6. Acromas Insurance Company Limited | 23. Enbrook Cruises Limited |
| 7. Saga Properties Limited | 24. Saga Cruises IV Limited |
| 8. Saga Leisure Limited | 25. Saga Cruises V Limited |
| 9. CHMC Holdings Limited | 26. Saga Cruises VI Limited |
| 10. CHMC Limited | 27. Saga Cruises GmbH |
| 11. Saga Group Limited | <u>Travel Companies:</u> |
| 12. Saga Publishing Limited | 28. ST&H Group Limited |
| 13. Metromail Limited | 29. ST&H Limited |
| 14. Saga Personal Finance Limited | 30. ST&H Transport Limited |
| 15. Saga Investment Services Limited | 31. Titan Transport Limited |
| 16. Saga Services Limited | 32. Titan Travel Holdings Limited |
| 17. Saga Healthcare Limited | 33. Destinology Limited |

* Please note the above list does not include dormant companies.