

Saga plc
**Gender
Pay Report
2020**



Saga's Purpose, Values & Culture



I'm pleased to be able to present to you Saga's 2020 gender pay report

Ensuring that we have equity and opportunity for all is integral to our values and exploring our gender pay gap is an exercise we welcome every year. It's an opportunity for us to gain insight into Saga's colleague demographics and identify whether we need to challenge ourselves to address any blockers for female colleagues in our business.

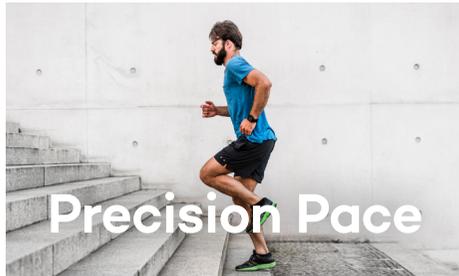
Gender pay is often confused with equal pay, but it's important to recognise that they are not the same thing. The information contained in this report outlines the difference between the average hourly pay for all our male and female colleagues, irrespective of the role they complete. Equal pay on the other hand refers to the pay men and women receive for doing the same job, and any inequality on the basis of gender is illegal.

Driving positive change for our customers and communities is what Saga is all about. To do this, we need to ensure that our colleagues are given the support and encouragement to embody the Saga Spirit; a key set of attributes that we believe makes Saga a unique and great place to work. It's this core set of values that enables our colleagues to deliver exceptional experiences, but we know this can only happen if we have an inclusive culture, where all colleagues can be themselves.

In 2020 we launched a new internal strategy to focus our efforts on improving diversity and inclusivity at Saga. We made some great strides with this agenda last year and I am excited as we move into our next phase of action in 2021. I see Saga's gender pay gaps for base pay and bonus pay as key indicators of the success of this strategy and I am confident that the commitment we have to becoming one team, that values inclusion and equity, will help us address our current gender pay gap into 2021 and beyond.

Jane Storm,
Chief People Officer

Our Values



Precision Pace

Always owning and making things happen

We agree **clear goals and plans**, we move quickly and boldly, and we **act and take ownership**

So we can deliver **high quality at pace**, adapt and respond as the world changes, and **stay focused on the things that really matter**



Empathy

Always aware of others

We understand and **acknowledge how someone else is feeling** and their experience, and **we walk in their shoes**

So they know **we care and understand...** and so we improve experiences for customers and colleagues



Curiosity

Always asking why

We are **open-minded**, always seeking new insights and learning about our customers, markets, competitors and each other, and **we welcome and provide challenge**

So we can do our best thinking, bring in fresh ideas, and **continuously improve and innovate**



Collaboration

Always one team, the Saga team

We are **one team**, we get on the bus and work together, we are **inclusive** and **value difference**

So we **achieve better, simpler, faster outcomes**, and **we are more than the sum of our parts**

Our 2020 Results

As is the case for many organisations, at Saga we have gender pay gap in favour of male colleagues. This year, we have seen the gap widen for median pay, mean pay and bonus pay.

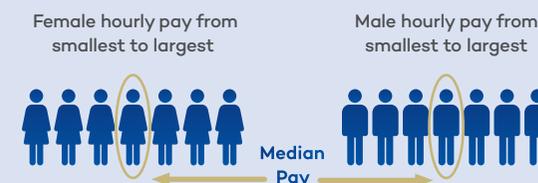
	Median	Mean
Saga Pay Gap vs 2019	13.6% +4.6%	21.4% +0.5%
National Average vs 2019	15.5% -0.7%	17.3% -1.1%
Saga Bonus Gap vs 2019	21.2% +3.4%	32.9% +7.8%

What is the difference between mean and median pay?

The mean is the average hourly pay of all men and women across Saga. Colleague pay is divided by the number of colleagues receiving that pay.



The median is the middle figure when the hourly rates of all female colleagues and all male colleagues are lined up from smallest to largest. The 'median' calculation is more representative of the majority of our colleagues as it reduces the impact of the most senior male colleague.



What has contributed to increasing Saga's overall gender pay gap this year?

The representation of females in our highest paid roles remains one of the key contributors to our gender pay gap for both median and mean pay and bonus pay. At the beginning of 2020 we commenced a programme to review our operating model to make Saga more efficient and effective for our customers. Despite reshaping the organisation, the gender balance of our highest and lowest paid roles did not considerably change, therefore we did not see an improvement on 2019's gender pay gap.

Did the Covid-19 pandemic impact Saga's reportable numbers?

Yes, because any colleague not receiving their "normal" pay in April was discounted from our figures as per the disclosure guidelines; this resulted in our casual worker population being omitted from the report. Saga has more male than female casual workers and by not including them in the calculation the average hourly rate for our remaining male colleagues at Saga substantially increased. Had we not been required to remove our casual worker population, we believe our reported pay gaps for mean and median pay would have been favourably comparable to 2019.

Why has Saga's bonus pay gap increased so significantly?

In 2019 Saga paid limited bonuses to the leadership team, however in 2020 payable bonus percentages increased for all colleagues, including our most senior leaders. Although both genders benefited from this equally, due to the higher proportion of males in senior positions both mean and median bonus pay gaps have widened.

Is Saga concerned that the pay gap has widened further in 2020?

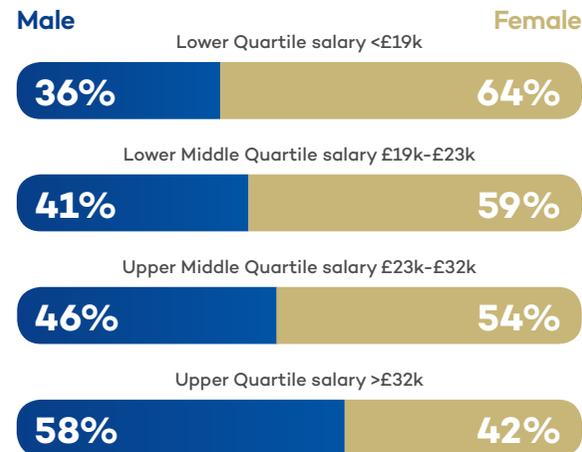
2020 was been an exceptional year for many businesses, including Saga, and as a result, we do not believe that the widening of our gender pay gap this year is directly comparable to our 2019 numbers. We do however acknowledge there is work to be done to reduce the gap moving forward and we continue to be committed to achieving this.

Saga plc Gender Pay Gap Facts & Figures

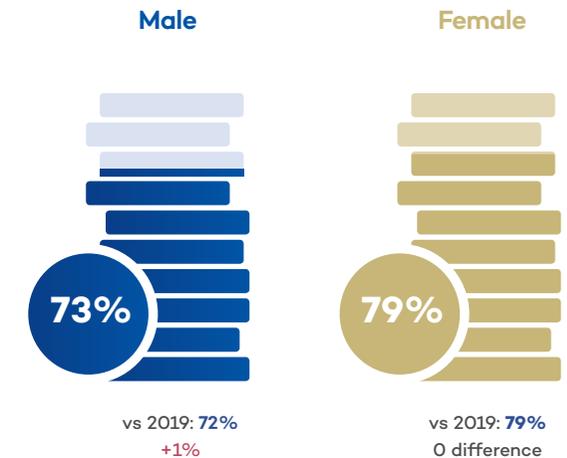
You can see Saga's gender pay gaps in more detail below:

	Median	Mean
Saga Pay Gap vs 2019	13.6% +4.6%	21.4% +0.5%
National Average vs 2019	15.5% -0.7%	17.3% -1.1%
Saga Bonus Gap vs 2019	21.2% +3.4%	32.9% +7.8%

Gender distribution in each pay quartile



% of colleagues who received a bonus award



Saga Reportable Entities

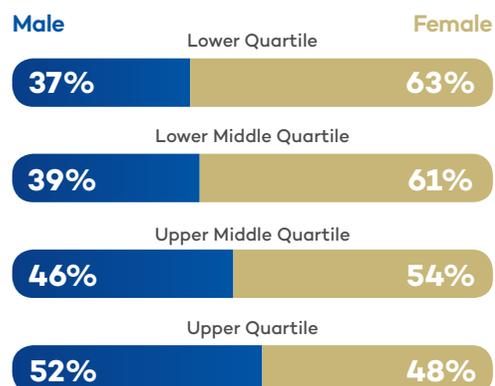
Facts & Figures

As Saga is made up of smaller business units, each with their own legal employing entities, we are required to disclose the gender pay gap for each entity with more than 250 colleagues. To see the specific gender pay gap for each employing entity please see below:

Saga Services Ltd

	Median	Mean
SS Ltd Pay Gap vs 2019	8.2% -3.2%	15.5% -3.3%
Saga Overall Pay Gap vs 2019	13.6% +4.6%	21.4% +0.5%
National Average vs 2019	15.5% -0.7%	17.3% -1.1%
Bonus Pay Gap vs 2019	24.3% -4.1%	26.8% +3.4%

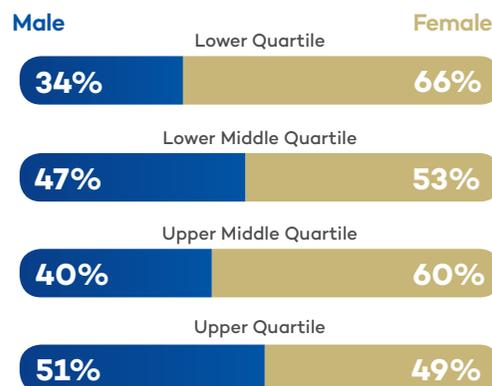
Gender distribution in each pay quartile



Saga Travel & Holidays Ltd

	Median	Mean
ST&H Ltd Pay Gap vs 2019	4.9% +10.5%	18.9% +8.3%
Saga Overall Pay Gap vs 2019	13.6% +4.6%	21.4% +0.5%
National Average vs 2019	15.5% -0.7%	17.3% -1.1%
Bonus Pay Gap vs 2019	12.1% -2.5%	38.3% +20.8%

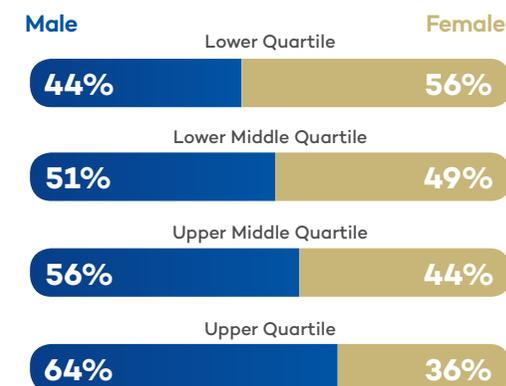
Gender distribution in each pay quartile



Saga Group Ltd

	Median	Mean
SG Ltd Pay Gap vs 2019	17.2% +2.2%	10.7% -4.3%
Saga Overall Pay Gap vs 2019	13.6% +4.6%	21.4% +0.5%
National Average vs 2019	15.5% -0.7%	17.3% -1.1%
Bonus Pay Gap vs 2019	18.9% -14.1%	22.8% +23.1%

Gender distribution in each pay quartile



Our Commitments and Action Plan

In 2020 we started a movement to make Saga's culture a place where everyone can be themselves, by formalising our strategy for diversity, inclusion and belonging.

When we started our journey, we took the time to speak to our colleagues about what inclusion means for them at Saga and through a series of forums, sponsored by our Executive Leadership Team, we really got to the heart of what key things need our attention in 2021. As part of this work, we also have a much clearer understanding of our diversity demographics and areas where we need to focus our activities.

For our female colleagues, ensuring that they recognise Saga as a place where they will be treated fairly and have ample opportunity to perform, learn and grow is the key to narrowing our gender pay gap.

From our colleague forums we know that there are four key areas we need to address to support our female talent; these are flexibility, reward, specialist career conversations and management support. In 2021 we've committed to directly tackling these areas head on, and will regularly engage with our colleagues to see whether they're working.

We are confident that with the targeted strategies we have planned we will be able to make real progress with our gender pay gap. We know this is a long term agenda and we will not be able to resolve this in the next 12 months alone, but we are committed to taking action in 2021 that will benefit our colleagues, our community and our customers.

Jane Storm,
Chief People Officer



Flexibility

Whether you're caring for dependants young or old, or just want time to dedicate to the things that make you, you, our flexible working approach is designed to support all colleagues into getting the work/life balance they need.



Reward

Ensuring our colleagues feel fairly rewarded for the work that they do is integral to colleague happiness. In 2021, we will continue to review our pay and reward principles to ensure they are simple, equitable and fair for all.



Career Development

Addressing the representation of senior women in our leadership levels is an ongoing priority for Saga. To help our exceptional internal talent develop we partner with the 30% Club for cross company mentoring opportunities and ensure that our attraction and talent processes are free from blockers and bias.



Support

Whether it's the menopause, mental health or gender reassignment, our people leaders will be able to support our colleagues with empathy and guide them to the benefits, tools and policies in place to support them during the times in their career when they might need a bit more help.