

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

Introduction

At Acromas Insurance Company Limited ("AICL"), we are committed to carrying on our business operations responsibly and to acting ethically and with integrity in all business dealings and relationships. We are committed to implementing and enforcing effective systems and controls to ensure slavery and human trafficking do not take place in our own business or in any of our supply chains.

About AICL

AICL is an insurance company authorised pursuant to the laws of Gibraltar to effect and carry out contracts of insurance which are sold to customers through intermediaries within the Saga Group, the AA plc group and the RAC. AICL underwrites products to include motor, home, pet and breakdown.

AICL employs over 40 people who are largely based in Folkestone Kent.

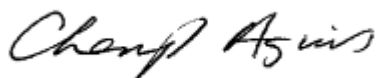
As a business we buy a wide range of things, from claims management services, claims services suppliers (including vehicle repair, hire car, legal, claims investigation, loss adjusting and surveying), audit and consultancy services, reinsurance and IT systems. Some of these things we use in our own business and others we use as part of the services we provide to our customers.

As a member of the Saga Group, AICL complies with, and is subject to, all policies and processes that Saga plc has in place. AICL's employees have to complete the same mandatory training as Saga employees. In addition, AICL is included within Saga's wider audit and compliance activity to ensure we comply with both the law and Saga's internal governance.

Modern Slavery Act 2015

As a result of the above, our statement includes the statement by Saga plc, which is set out in the appendix below. This describes the steps that AICL and Saga plc have taken to prevent acts of modern slavery and human trafficking occurring in our own businesses and in any of our supply chains.

Our statement covers 01 February 2019 to 31 January 2020.



Cheryl Agius

Chief Executive Officer of Insurance

July 2020

Modern Slavery and Human Trafficking Statement – July 2020

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 2020 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 4,245 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

We previously implemented a risk assessment process in respect of all our existing suppliers across the Saga Group in 2016. As part of our ongoing monitoring of our modern slavery risk, in 2019 we began the process of re-examining all our existing suppliers across the Saga Group to assess the potential for any residual modern slavery risk. This process is 96% complete and our holidays and cruise operations were again identified as carrying a higher modern slavery risk due to the vast number of locations in which we procure goods and services. All other areas were identified as low

risk from a modern slavery perspective and therefore no further action was required in respect of those existing suppliers.

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

4. Due Diligence Questionnaires

Any supplier identified as high risk (as outlined above) is subject to further due diligence procedures, including the completion of a due diligence questionnaire designed to further assess the level of risk and the steps required to monitor and manage that risk.

In respect of our holidays and cruise suppliers identified as high-risk, our due diligence questionnaire is distributed and completed via a web portal operated by our Travel Customer Health and Safety department. 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. As noted above, our non-holidays and cruise related operations (principally in the financial services sector) have been identified as low risk; however, should further due diligence be required, procedures are also in place to put these suppliers through our due diligence processes including providing them with a similar due diligence questionnaire.

We remain committed to working with our suppliers to ensure business is conducted ethically and honestly. In particular, in respect of those holidays and cruise suppliers identified as high-risk from a modern slavery perspective, our Customer Health and Safety team together with Product Managers have been working with those suppliers who have failed our due diligence questionnaire. This has involved first checking that suppliers have understood the questions and answered them correctly followed by, if required, working with them to implement corrective action plans to rectify areas of non-compliance. This is an ongoing process.

Regular meetings are held at a senior level to discuss any suppliers that have either failed to co-operate with our due diligence procedures or comply with any corrective action plans. 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 previous statements, in respect of our holidays 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. These were reviewed in 2019 and enhanced where it was felt necessary.

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.

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 2019 to 31 January 2020 and has been approved by the Board of Saga plc.



Euan Sutherland
Group Chief Executive Officer

July 2020

Appendix 1 – Subsidiaries*

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| 1. Saga plc | 19. PEC Services Limited |
| 2. Saga Mid-Co Limited | 20. Saga Membership Limited |
| 3. Saga Holdings Limited | 21. Driveline Group Limited |
| 4. Saga 200 Limited | <u>Travel and Shipping Companies:</u> |
| 5. Saga 300 Limited | 22. Saga Crewing Services Limited |
| 6. Saga 400 Limited | 23. Saffron Maritime Limited (Guernsey) |
| 7. Acromas Insurance Company Limited | 24. Saga Cruises Limited |
| 8. Saga Properties Limited | 25. Saga Cruises IV Limited |
| 9. Saga Leisure Limited | 26. Saga Cruises V Limited |
| 10. CHMC Holdings Limited | 27. Saga Cruises VI Limited |
| 11. CHMC Limited | 28. Saga Cruises GmbH (Germany) |
| 12. Saga Group Limited | 29. ST&H Group Limited |
| 13. Saga Publishing Limited | 30. ST&H Limited |
| 14. Metromail Limited | 31. ST&H Transport Limited |
| 15. Saga Personal Finance Limited | 32. Saga Transport Limited |
| 16. Saga Investment Services Limited | 33. Titan Travel (UK) Limited |
| 17. Saga Services Limited | 34. Titan Transport (UK) Limited |
| 18. Saga Healthcare Limited | 35. Destinology Limited |

* Please note the above list does not include dormant companies