

STRICTLY PRIVATE & CONFIDENTIAL

[Name]
[Address]

..... 2019

Dear [Name],

APPOINTMENT AS NON-EXECUTIVE DIRECTOR OF SAGA plc ('the Company').

I am delighted to offer you the position of non-executive director of Saga plc with effect from [Date] ("the Commencement date"). This offer is subject to references. This letter outlines the terms of this appointment.

1. Appointment

- 1.1 The Company hereby appoints you to the office of non-executive director of the Company (and any such Group Companies as you and the Company may agree from time to time) and you hereby accept such appointment, subject to the terms and conditions set out in this letter.
- 1.2 You may be requested by the board of the Company ("the Board") to serve as a member or chair of committees of the Board.
- 1.3 Your appointment will be for a further term of three years following your initial term unless terminated earlier:
 - 1.3.1 By either party giving to the other not less than three months' written notice (provided always that, as indicated in paragraph 2.4, you shall not be entitled to any further fee and/or damages after the date of termination if the Company terminates your appointment before the expiry of such notice);
 - 1.3.2 At any time by the Company in accordance with the Company's Articles of Association or the Companies Act 2006 for the time being in force or otherwise by law; or
 - 1.3.3 In accordance with paragraphs 1.5 or 6 below.
- 1.4 Consistent with the UK Corporate Governance Code, continuation of your appointment is conditional on satisfactory performance and re-election at AGMs.

- 1.5 During any notice period the Company shall be entitled to require you to perform any duties under this letter or attend any meetings, whether of the Board or otherwise, or not to perform any of your duties or attend any meetings, whether of the Board or otherwise. If the Board exercises its power to require you not to perform any duties or attend any meetings during your notice period, it may require you forthwith to resign your directorship of the Company and of any other Group Company. The Company Secretary or any director is irrevocably authorised to act as your attorney and sign a letter of resignation (or any such other documents as may be required to affect such resignation) on your behalf if you fail to do so.

2. **Fee**

- 2.1 You will be entitled to receive a director's fee at the rate of £63,672 per annum [together with an additional fee of [•] per annum for [•]]. All fees are subject to deductions as required by law. Your fee will be payable in 12 equal instalments in arrears. No further fees shall be payable to you by the Company or any other Group Company unless approved by the Board.
- 2.2 As a non-executive director, you will not participate in any share, bonus or pension schemes.
- 2.3 On the termination of your appointment you shall only be entitled to accrued fees as at the date of termination together with the reimbursement of any expenses properly incurred prior to that date. You shall not be entitled to any damages for loss of office and no fee will be payable in respect of any unexpired portion of the term of your appointment.
- 2.4 Any obligation of the Company or any other Group Company under this letter and any other arrangement relating to the remuneration from which you benefit or enter into after becoming a non-executive director of the Company shall be subject to and conditional on the approval by the Company's shareholders in a general meeting of a policy on directors' remuneration in accordance with the relevant legislation. If that approval is not obtained, you will not be entitled to compensation or damages in respect of any loss or damage suffered as a result.

3. **Expenses**

Subject always to the Group's expenses policies from time to time, you will be fully reimbursed for all out of pocket expenses which you may properly, reasonably and necessarily incur during your duties on production of receipts or other supporting documentation satisfactory to the Company (in accordance with the Company's normal procedures).

4. **Insurance and indemnity arrangements**

- 4.1 The Group currently has directors' and officers' liability insurance and intends to maintain appropriate cover for the full term of your appointment pursuant to this letter. Full details are available from the Company Secretary.
- 4.2 The Company will grant a deed of indemnity (being a qualifying third-party indemnity for the purposes of the Companies Act 2006) in your favour immediately following commencement of your appointment.

5. **Independent legal advice**

- 5.1 During carrying out your duties to the Company you may from time to time require professional advice and guidance. You will always have open access to the services of the Company Secretary. Your ability to seek external advice at the Company's expense about issues arising from your directorship is governed by the Company's current procedure in engaging external advisors.

6. **Termination**

- 6.1 Notwithstanding the foregoing, your appointment will terminate automatically without any entitlement to compensation upon:

- 6.1.1 your vacating office pursuant to the Articles of Association of the Company or otherwise by law;
- 6.1.2 your being removed from office as a director by any resolution duly proposed and resolved by the members of the Company.

- 6.2 Notwithstanding the foregoing, the Company may also terminate your appointment immediately on written notice and without any entitlement to compensation if you:

- 6.2.1 commit a serious or fundamental breach of any of your obligations under this letter; or
- 6.2.2 fail or refuse after a written warning to carry out the duties reasonably and properly required of you under this letter; or
- 6.2.3 are guilty of any fraud or dishonesty or acted in any manner which, in the opinion of the Board, brings or is likely to bring you or the Company into disrepute or is materially averse to the interests of the Company; or
- 6.2.4 are declared bankrupt or arrange with or for the benefit of your creditors, or if you have a county court administration order made against you under the County Court Act 1984; or
- 6.2.5 are disqualified from acting as a director under any legislation; or
- 6.2.6 are guilty of a serious breach of the rules and regulations of such regulatory body, the Company's corporate governance procedures as amended from time to time or of any other compliance procedures or code of conduct of the Company or any company in the Group which applies to you from time to time; or
- 6.2.7 engage in any conduct which has or may have the effect of materially prejudicing the reputation of the Company or any Group Company, including, but not limited to, any breach of any of the Company's anti-corruption and bribery policies and related procedures and codes of conduct.

7. **Consequences of termination**

- 7.1 On termination of your appointment for any reason, whether lawful or unlawful, or otherwise as provided for by this letter:

- 7.1.1 the Board may require you to resign your directorship of the Company or any Group Company forthwith. If the appropriate resignation shall not be signed and delivered by you within 7 (seven) days after such request, you agree that the Company Secretary or any other director of the Company is irrevocably authorised to act as your attorney to sign such notice of resignation for you and on your behalf and in your name for such purpose; and

- 7.1.2 you will return all property of the Company or of the Group in your possession, custody or control by your position as a non-executive director, immediately on the expiry or termination of your appointment for whatever reason.

8. **Time commitment**

- 8.1 Whilst the time commitment anticipated for the plc role is 25 days per annum you will be expected to devote such additional time as is necessary for the proper performance of your duties as a non-executive director. Personal attendance will be required at Board meetings and committee meetings, unless otherwise agreed with the Chairman/Chairs.
- 8.2 By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role.
- 8.3 It is important that the directors of the Company keep up to date and continue to develop themselves in relation to a wide range of issues relevant to their role. You will therefore be expected to undertake continuing training and development through participation in relevant courses, seminars, workshops etc. The Company will provide you with every encouragement and will meet your reasonable expenditure. You will also be expected to discuss your training needs from time to time with the Company Secretary and others as appropriate.

9. **Non-executive directors' role**

- 9.1 Non-executive directors have the same general legal responsibilities to the Company as any other Director. The Board is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The Board:
- 9.1.1 provides leadership of the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;
- 9.1.2 works with management to define the Company's strategic aims and to ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- 9.1.3 reviews management performance; and
- 9.1.4 sets the Company's values and standards and ensures that its obligations to its customers, employees, shareholders and others are understood and met.
- 9.2 We also expect you to: -
- 9.2.1 question intelligently, debate constructively, challenge rigorously and decide dispassionately;
- 9.2.2 listen sensitively to the views of others, inside and outside the Board;
- 9.2.3 gain the trust and respect of other Board members;
- 9.2.4 promote high standards of corporate governance; and
- 9.2.5 not at any time make any untrue or misleading statement relating to the Company.

10. **Review process**

The performance of individual directors and the whole Board and its committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role, you should discuss them with the Chairman as soon as is practicable.

11. **Independence**

You are considered to be an independent non-executive director and will be identified as such in any annual report and other documentation.

12. **Obligations during appointment**

12.1 During the continuance of your appointment you shall:

12.1.1 have regard to the key elements of the non-executive director's role, that is:

- **Strategy** – to constructively challenge and help develop proposals on strategy;
- **Performance** – to scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance, particularly in respect of the return on, and protection of, capital;
- **Risk** – to satisfy yourself on the integrity and accuracy of financial information and that financial controls and systems of risk management are robust and defensible;
- **Regulatory and legislative framework** – review and advise the Board on the Company's compliance with relevant legislation and best practice (existing and anticipated);
- **People** – to advise, as required, on appropriate levels of remuneration of directors, and have a prime role in appointing, and where necessary removing, directors and in succession planning.

12.1.2 abide by your statutory fiduciary and common law duties as a director of the Company;

12.1.3 diligently perform your duties and use your reasonable endeavours to promote, protect, develop and extend the business of the Company;

12.1.4 immediately report to the Chairman your own wrongdoing or the wrongdoing or anticipated wrongdoing of any employee to the Board or other director of the Company or of any other Group Company of which you become aware;

12.1.5 comply with the Bribery Act 2010 and any anti-corruption and bribery policy and any related procedures issued by the Company from time to time;

12.1.6 promptly declare to the Chairman, so far as you are aware, the nature of any interest whether direct or indirect, you may have in any contract or proposed contract entered into by any member of the Group and fully disclose all other circumstances in respect of which there is, or there might be, a conflict of interest between you and the Company, or you and any Group Company;

12.1.7 not at any time make any untrue or misleading statement relating to the Company or to any other Group Company;

- 12.1.8 comply where relevant with any rule of law or regulation of any competent authority or of the Company, that apply to the Company and/or to any other Group Company from time to time (including, but not limited to (i) any relevant regulations as may be issued by the FCA and UK Listing Authority as amended and/or replaced from time to time and Market Abuse Regulation, (ii) any relevant regulations issued by the London Stock Exchange plc as amended and/or replaced from time to time and (iii) any regulations or rules made by the Board;
- 12.1.9 comply with all reasonable requests, instructions and regulations made or given by the Board (or by any duly authorised committee thereof) and give to the Board such explanations, information and assistance as the Board may reasonably require;
- 12.1.10 observe the rules and provisions of The City Code on Take-Overs and Mergers and the Listing Rules to the extent they may be applicable;
- 12.1.11 use your best endeavours to promote and extend the interests and reputation of the Company;
- 12.1.12 if you have concerns which cannot be resolved about the way in which the Company is being run or about a course of action being proposed by the Board, raise these concerns at a meeting of the Board and request that they are recorded in the minutes of the relevant Board meeting; and
- 12.1.13 at all times comply with the Articles of Association of the Company.

13. **Directors' duties**

- 13.1 All directors have a duty to take decisions objectively in the interests of the Company, complying with directors' statutory general and other duties as set out in the Companies Act 2006. More particularly, notwithstanding notifications or approvals of outside appointments, all directors have a specific duty to ensure that any conflicts of interest that they have are addressed in an appropriate manner and all directors must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members. In doing so, as a director, you must have regard (among other matters) to:
 - 13.1.1 the likely consequences of any decision in the long term;
 - 13.1.2 the interests of the Company's employees;
 - 13.1.3 the need to foster the Company's business relationships with suppliers, customers and others;
 - 13.1.4 the impact of the Company's operations on the community and the environment;
 - 13.1.5 the desirability of the Company maintaining a reputation for high standards of business conduct; and
 - 13.1.6 the need to act fairly between the members of the Company.
- 13.2 You must also comply with any conflict of interest policy adopted by the Board from time to time.

14. **Outside interests**

- 14.1 The Company acknowledges that you have business interests other than this Appointment and that you have declared any conflicts that are apparent at present. While you hold office in the Company, save with written consent of the Board or by way of shareholdings for investment purposes not exceeding 5% of the share capital of the relevant company (provided such company does not compete with the Company or any Group Company), you agree not to become a director of any company, business entity or organisation, or to own or be interested (directly or indirectly) in any shares in any company, which competes with the Company or any Group Company.

15. **Confidential information**

- 15.1.1 You will not at any time make use for your own benefit or for that of any party other than the Company of information which is divulged to you as a director and which is described by the Company or the party divulging it as being of a confidential nature and/or which by reason of its nature or the circumstances or manner in which it comes to your knowledge is apparently of such a nature, or disclose such information to any other person firm or company, other than with the authority of the Company, provided always that information shall not be or shall cease to be confidential if and to the extent that it comes to be in the public domain other than as a result of your act or default.
- 15.2 Your attention is also drawn to the requirements under both legislation and regulations as to the disclosure of price sensitive information. Consequently, you should avoid making any statements that might risk a breach of these requirements without prior clearance from the Company Secretary.

16. **Authority**

As a non-executive director of the Company, you should note that you do not have authority to commit the Company in any way without prior express authorisation of the Board, nor to make any public statement either during or after termination which might risk a breach of statutory or regulatory requirements save with the prior written consent of the Board.

17. **Data protection**

- 17.1 By signing this letter, you acknowledge that the Company will hold and process information about you at any time (whether before, during or after the Appointment) for the following purposes:
- 17.1.1 performing its obligations in respect of the Appointment including remuneration, payroll, pension, insurance and other benefits, tax and social security (including national insurance) obligations;
 - 17.1.2 the legitimate interests of the Company and any Group Company including any Company policy applicable to you, investigating your acts or defaults (or alleged or suspected acts or defaults), security, management forecasting or planning and negotiations with you;
 - 17.1.3 processing in connection with any merger, sale or acquisition of a company or business in which the Company or any Group Company is involved; and
 - 17.1.4 transferring data to countries outside the European Economic Area for the purposes of maintaining comprehensive records and conducting analyses of the Group-wide workforce, in particular in the United States of America

- 17.2 You further explicitly acknowledge that the Company may process your sensitive personal data (within the meaning of the Data Protection Act 2018) including, as appropriate:
- 17.2.1 where the sensitive personal data relates to your health, any processing in connection with the operation of the Company's (or any Group Company's) sickness policy or monitoring absence or compliance with announcement obligations;
 - 17.2.2 where the personal data relates to an offence committed, or allegedly committed, by you or any related proceedings, processing for the purpose of disciplinary investigation and/or action by the Company or any Group Company;
 - 17.2.3 for all sensitive personal data, any processing in the legitimate interests of the Company or any Group Company.
- 17.3 The Company may make such information available to any Group Company, those who provide products or services to the Company (such as advisers and payroll administrators), regulatory authorities, potential purchasers of the Company, or to any other person or entity as required by law.

18. **Miscellaneous**

- 18.1 Nothing in this letter shall be taken to exclude or vary the terms of any of the Company's Articles of Association as they respectively apply to you as a director of the Company.
- 18.2 These terms of appointment are, to the extent relevant, governed by the laws of England and Wales. The parties submit to the exclusive jurisdiction of the English courts.
- 18.3 Save in respect of any rights conferred by this letter on any Group Company, the Contracts (Rights of Third Parties) Act 1999 shall not apply to this letter. No person other than you and the Company (and any other Group Company) shall have any rights under this letter and the terms of this letter shall not be enforceable by any person other than you and the Company.
- 18.4 This letter may be executed in any number of counterparts, each of which, when executed, shall be an original, and all the counterparts together shall constitute one and the same instrument.
- 18.5 Notice given to a party under this letter shall be in writing in the English language and, save in relation to notice by email, signed by or on behalf of the party giving it. It shall be delivered by hand or sent to the party at the address (including email address) given in this letter or as otherwise notified in writing to the other party. Any such notice shall be deemed to have been received;
- 18.5.1 if delivered by hand, at the time the notice is left at the address or given to the addressee;
 - 18.5.2 in the case of pre-paid first-class UK post or other next working day delivery service, at midday on the second business day after posting or at the time recorded by the delivery service;
 - 18.5.3 in the case of fax, at the time of successful transmission; or
 - 18.5.4 in the case of email, at the time of transmission (unless the sender receives an automated response which indicates that the notice in question was not received by the intended recipient, in which case such notice shall not be deemed to have been received).

18.6 For the purposes of this letter:

18.6.1 **"Board"** means the Board of Directors of the Company;

18.6.2 **"Group Company"** or **"Group"** means the Company, any holding company of the Company or any subsidiary or subsidiary undertaking of the Company or any such holding company within the meanings ascribed to those terms by sections 1159 and 1162 of the Companies Act 2006.

SIGNED by)
a Director duly authorized)
for and on behalf of)
SAGA plc

EXECUTED AS A DEED and)
DELIVERED by **[Name]**)

in the presence of: -

..... Witness Signature

..... Full Name

..... Address

.....
..... Occupation