

# Annual General Meeting

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**21 June 2018**



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

If you are in any doubt as to the action you should take, we recommend you seek advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Saga plc, please send this document and the accompanying form of proxy/form of direction at once to the purchaser or transferee; or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

# About the AGM

**Please read the following information if you are planning to come to the AGM**

9.00am Doors to registration area open – tea and coffee available on arrival.

11.00am AGM begins.

**Please note that seating and parking will be limited due to the number of shareholders and admission will be restricted to the shareholders only. Guests are not entitled to attend the meeting as of right but they may be permitted entry at the absolute discretion of the Company. Registered shareholders wishing to bring a guest must notify us in advance.**

## Admission

You may be asked to provide proof of identity, as well as your attendance card from your form of proxy/form of direction. If you do not have your attendance card, you will be asked for proof of identity. If you have been appointed as proxy for a shareholder entitled to vote, please let the admission staff know. You should bring proof of identity with you and you will also be asked to confirm the details of the shareholder you are representing.

The safety of Saga's visitors, members and staff is of paramount importance to us. Therefore, in order to maximise safety precautions, we may introduce additional security measures as appropriate, including the search of bags which are brought into the AGM by visitors.

## Special arrangements

If you are attending the AGM and have special requests, please notify us in advance so suitable arrangements can be made. Contact details are on page 16 of this Notice.

## Cloakrooms

There will be a limited amount of space for coats to be stored. No responsibility will be taken by Saga for personal belongings and all items are left at your own risk.

## About the AGM

The resolutions set out on pages 3 to 5 will be considered at the AGM. You will be asked to vote on each of these resolutions. Voting on each resolution will be conducted by way of a poll.

## Questions

During the meeting, shareholders will have the opportunity to ask questions in an open forum session regarding AGM and resolution matters. The Directors and senior members of staff will also be available after the AGM for more informal discussions.

## Do you have any other questions about the AGM?

Call Saga Shareholder Services on 0800 015 5429 or write to us at Saga Shareholder Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

## HOW TO GET THERE

### By train

The nearest station is Folkestone West, about one mile from Enbrook Park. Shuttle buses will run constantly between the station and venue before and after the AGM.

**By car - PLEASE NOTE THAT PARKING WILL BE LIMITED AND ALLOCATED ON A FIRST COME, FIRST SERVED BASIS.**

- Postcode for navigation: CT20 3SE
- Leave the M20 at Junction 12 and exit the roundabout on the road signposted to Cheriton. Follow the road to the first set of traffic lights and turn right into Risborough Lane. Remain on this road until you arrive at a T-junction (Sandgate High Street). Turn left and then immediately left again into Enbrook Park.

### By bus

A number of bus routes stop at Sandgate War Memorial which is the nearest bus stop to Enbrook Park. For details of local bus routes please visit [www.stagecoachbus.com](http://www.stagecoachbus.com)

## KEY DATES

- |                            |  |
|----------------------------|--|
| 18 May 2018                | Record date for entitlement for the final dividend.                                |
| 4 June 2018                | Last day for DRIP election.  |
| 11am Mon<br>18 June 2018   | Deadline for receipt of online or postal forms of direction by our Registrars.     |
| 11am Tues<br>19 June 2018  | Deadline for receipt of online or postal forms of proxy by our Registrars.         |
| 11am Thurs<br>21 June 2018 | AGM at Enbrook Park, Folkestone.   |
| 29 June 2018               | Payment of the final dividend to holders of Ordinary Shares as at the record date. |

## AGM DOCUMENTS ON YOUR DEVICE

You can view, annotate and save the Annual Report and Accounts (and other important shareholder documents) on your iPad or tablet by downloading the Signal Documents App provided by Link Asset Services. This application is free of charge and found by searching for 'Signal Documents' on the App Store or Google Play (depending on your device).

If you are generally happy to view shareholder and company documents online, please update your communication preferences by contacting Saga Shareholder Services or via the Saga Shareholder Services Portal, [www.sagashareholder.co.uk](http://www.sagashareholder.co.uk).

## ACTION REQUIRED:

The attached notice includes the resolutions (the 'Resolutions') to be discussed at the AGM, together with a form of proxy ('Form of Proxy') or a form of direction ('Form of Direction'). You are requested to complete, sign and return the Form of Proxy/Direction as soon as possible, whether or not you intend to be present at the AGM. In any event, the Form of Proxy should reach the Company's Registrar by 11.00am on 19 June 2018 and the Form of Direction by 11.00am on 18 June 2018. Completion and return of the Form of Proxy/Direction will not preclude you from attending and voting in person at the AGM should you subsequently decide to do so.

# Notice of Annual General Meeting

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Notice is hereby given that the fourth annual general meeting ('AGM') of Saga plc (the 'Company') will be held at Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE on 21 June 2018 at 11.00am.

You will be asked to consider and vote on the Resolutions below. Resolutions 1 to 15 will be proposed as ordinary resolutions and Resolutions 16 to 19 will be proposed as special resolutions. The Directors believe that the resolutions to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole and they unanimously recommend that you vote in favour of them, as the Directors propose to do so in respect of their own shareholdings.

The Board looks forward to meeting as many of you as possible at our AGM and thanks you for your continued support.

Capitalised terms used but not defined herein have the meanings set out in the glossary section at the end of this Notice.

## Ordinary Resolutions

### **Resolution 1:**

To receive and adopt the Company's annual report and accounts for the financial year ended 31 January 2018 together with the Directors' Report and the Auditor's Report on those accounts.

### **Resolution 2:**

To receive and approve the Directors' Remuneration Report, as set out on pages 83 to 111 of the 2018 Annual Report and Accounts.

### **Resolution 3:**

To receive and approve the Directors' Remuneration Policy, as set out on pages 112 to 121 of the 2018 Annual Report and Accounts, which takes effect immediately after the end of the AGM on 21 June 2018.

### **Resolution 4:**

To declare a final dividend for the financial year ended 31 January 2018 of 6p per ordinary share in the capital of the Company recommended by the Directors.

### **Resolution 5:**

To re-elect Lance Batchelor as a director of the Company.

### **Resolution 6:**

To re-elect Jonathan Hill as a director of the Company.

### **Resolution 7:**

To re-elect Ray King as a director of the Company.

### **Resolution 8:**

To re-elect Bridget McIntyre as a director of the Company.

### **Resolution 9:**

To re-elect Orna NiChionna as a director of the Company.

### **Resolution 10:**

To re-elect Gareth Williams as a director of the Company.

### **Resolution 11:**

To elect Patrick O'Sullivan as a director of the Company.

### **Resolution 12:**

To re-appoint KPMG LLP as the Company's auditors to hold office from the conclusion of the AGM until the conclusion of the next general meeting at which accounts are laid before the shareholders.

### **Resolution 13:**

To authorise the Audit Committee to agree KPMG LLP's remuneration as the Company's auditors.

### **Resolution 14:**

That the Company and all companies that are its subsidiaries at any time up to the end of the next annual general meeting of the Company to be held in 2019, be authorised to:

- 1) make political donations to political parties and/or independent election candidates not exceeding £100,000 in aggregate;
- 2) make political donations to political organisations other than political parties not exceeding £100,000 in aggregate; and
- 3) incur political expenditure not exceeding £100,000 in aggregate,

provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000 during the period commencing on the date of this Resolution and ending on the conclusion of the Company's next annual general meeting after the date on which this Resolution is passed.

For the purposes of the authority to be granted by such ordinary resolution, the terms 'political donations', 'political parties', 'independent election candidates', 'political organisations' and 'political expenditure' have the meanings given by sections 363 to 365 of the Companies Act 2006 (the 'Act').

**Resolution 15:**

That:

- (a) the Directors of the Company be generally and unconditionally authorised for the purposes of section 551 of the Act to:
- (i) allot shares in the Company, and to grant rights to subscribe for or to convert any security into shares in the Company:
    - (A) up to an aggregate nominal amount of £3,730,583; and
    - (B) comprising equity securities (as defined in the Act) up to an aggregate nominal amount of £7,461,167 (including within such limit any shares issued or rights granted under paragraph (a)(i)(A) above) in connection with an offer by way of a rights issue:
      - (I) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
      - (II) to people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities;and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter;
- for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the next annual general meeting of the Company after the date on which this Resolution is passed (or, if earlier, at the close of business on 31 July 2019); and
- (ii) make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or convert any security into shares to be granted, after expiry of this authority and the Directors may allot shares and grant rights in pursuance of that offer or agreement as if this authority had not expired;
- (b) subject to paragraph (c) below, all existing authorities given to the Directors pursuant to section 551 of the Act be revoked by this Resolution; and
- (c) paragraph (b) above shall be without prejudice to the continuing authority of the Directors to allot shares, or grant rights to subscribe for or convert any security into shares, pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made.

**Special Resolutions**

**Resolution 16:**

That, subject to the passing of Resolution 15 above, the Directors be generally empowered pursuant to sections 570 and 573 of the Act to allot equity securities (as defined in section 560 of the Act) of the Company wholly for cash pursuant to the authority of the Directors under section 551 of the Act conferred by Resolution 15 above, and/or by way of a sale of treasury shares for cash, in each case as if section 561(1) of the Act did not apply to any such allotment or sale provided that:

- (a) the power conferred by this Resolution shall be limited to:
- (i) the allotment of equity securities in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under Resolution 15(a)(i)(B), by way of a rights issue only):
    - (A) to holders of ordinary shares in the capital of the Company in proportion (as nearly as may be practicable) to their existing respective holdings; and
    - (B) to holders of any other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,but subject to such exclusions, restrictions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems arising under the laws or requirements of any territory or any other matter; and
  - (ii) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to sub-paragraph (a) above) up to an aggregate nominal amount of £560,147.70; and

- (b) the power conferred by this Resolution shall expire (unless previously revoked, varied or extended by the Company in general meeting) at the end of the next annual general meeting of the Company after the date on which this Resolution is passed (or, if earlier, at the close of business on 31 July 2019) except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted (or treasury shares to be sold) after such expiry and the Directors may allot equity securities (or sell treasury shares) in pursuance of such an offer or agreement as if this power had not expired.

**Resolution 17:**

That, subject to the passing of Resolution 15, the Directors be generally empowered pursuant to sections 570 and 573 of the Act, in addition to any authority granted under Resolution 16, to allot equity securities (as defined in section 560 of the Act) of the Company wholly for cash pursuant to the authority of the Directors under section 551 of the Act conferred by Resolution 15 above, and/or by way of a sale of treasury shares for cash, in each case as if section 561(1) of the Act did not apply to any such allotment or sale provided that:

- (a) the power conferred by this Resolution shall be:
- (i) limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £560,147.70; and
  - (ii) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice, and
- (b) the power conferred by this Resolution shall expire (unless previously revoked, varied or extended by the Company in general meeting) at the end of the next annual general meeting of the Company after the date on which this Resolution is passed (or, if earlier, at the close of business on 31 July 2019) except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if this power had not expired.

**Resolution 18:**

That the Company be and is hereby generally and unconditionally authorised for the purposes of Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of its ordinary shares of 1p each ('Ordinary Shares') provided that:

- (a) the maximum aggregate nominal value of Ordinary Shares authorised to be purchased is £1,120,295.41 (representing 10% of the issued share capital);
- (b) the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is 1p;
- (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is an amount equal to the higher of:
- (i) 105% of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that Ordinary Share is contracted to be purchased; and
  - (ii) the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the exchange where the purchase is carried out as derived from the London Stock Exchange Trading System ('SETS');
- (d) this authority shall, unless previously renewed, revoked, varied or extended, expire at the conclusion of the next annual general meeting of the Company; and
- (e) the Company may enter into any contract for the purchase of Ordinary Shares under this authority before the expiry of this authority which would or might be completed wholly or partly after the expiry of this authority.

**Resolution 19:**

That a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice.

**By order of the Board**



**Vicki Haynes, Company Secretary**

**11 May 2018**

Registered Office:

Enbrook Park

Sandgate

Folkestone

Kent CT20 3SE.

Registered in England and Wales No. 8804263.

# Explanatory Notes to the Resolutions

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The notes on the following pages explain the proposed Resolutions.

Resolutions 1 to 15 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 16 to 19 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three quarters of the votes cast must be in favour of the resolution.

## **Resolution 1 – Annual Report and Accounts:**

Under section 437 of the Act, the Directors of the Company are required to lay before the Company in general meeting its annual accounts and reports for the financial year ended 31 January 2018. The report of the Directors, the accounts, and the report of the Company's auditors on the accounts and on those parts of the Directors' Remuneration Report that are capable of being audited are contained within the 2018 Annual Report and Accounts.

## **Resolution 2 – Directors' Remuneration Report:**

In accordance with section 439 of the Act, shareholders are requested to approve the Directors' Remuneration Report. The Directors' Remuneration Report, which is set out on pages 83 to 111 of the 2018 Annual Report and Accounts, gives details of Directors' remuneration for the financial year ended 31 January 2018 and sets out the way in which the Company will implement its policy on Directors' remuneration. The Company's auditors, KPMG LLP, have audited those parts of the Directors' Remuneration Report capable of being audited (as set out on pages 85, 96, 106 and 108 to 110 of the 2018 Annual Report and Accounts). The vote on the Directors' Remuneration Report is advisory in nature in that payments made or promised to Directors will not have to be repaid, reduced or withheld in the event that this Resolution is not passed.

## **Resolution 3 – Directors' Remuneration Policy:**

The Company proposes an ordinary resolution to approve the Directors' Remuneration Policy contained in the Directors' Remuneration Report as set out on pages 112 to 121 of the 2018 Annual Report and Accounts. This Resolution is required to be put to shareholders in accordance with section 439A of the Act. The vote is binding in nature in that the Company may not make a remuneration payment or payment for loss of office to a person who is, is to be, or has been a director of the Company unless that payment is consistent with the approved Directors' Remuneration Policy, or has otherwise been approved by a resolution of members. If Resolution 3 is passed, the Directors' Remuneration Policy will take effect immediately after the end of the AGM on 21 June 2018. Shareholder approval for the remuneration policy must be sought at least every three years. Shareholder approval must additionally be sought if the Directors wish to change the remuneration policy within such three-year period. The previous Directors' Remuneration Policy was approved by the shareholders at the AGM held on 23 June 2015.

## **Resolution 4 – Declaration of Final Dividend:**

A final dividend can only be paid after the shareholders have approved it at a general meeting. If approved, the dividend will be paid on 29 June 2018 to shareholders on the register of members of the Company at the close of business on 18 May 2018.

## **Resolutions 5 to 11 – Election of Directors:**

Resolutions 5 to 10 propose the re-election of Directors and Resolution 11 proposes the election of an additional Director appointed to the Board on 1 May 2018. In accordance with the UK Corporate Governance Code, all Directors will submit themselves for re-election or election at this annual general meeting. If re-elected/elected, the re-elections/election of Directors will take effect at the conclusion of the Company's AGM.

The Company is committed to high levels of corporate governance in accordance with the UK Corporate Governance Code. The UK Corporate Governance Code recommends that all directors of FTSE 350 companies should be subject to annual election by shareholders. The Company has decided to adopt this requirement of best corporate governance practice, on a voluntary basis, and all Directors will therefore seek annual re-election at future annual general meetings of the Company.

Jonathan Hill will formally resign as a director of the Company in September 2018. It is necessary to seek approval for his appointment for the period from the date of the AGM to September 2018.

Biographical details of each of the Directors standing for election or re-election follow.

## Board of Directors

### **Lance Batchelor, Group Chief Executive Officer**

**Appointed:** Group Chief Executive Officer in March 2014.

**Skills, competencies and experience:** Lance has worked in consumer-facing businesses and brand-centric roles throughout his career, focusing on creating products that are tailored to the customer. He holds an MBA from Harvard Business School and began his career as a Royal Navy submarine officer. He went on to hold senior marketing positions at Procter & Gamble, Amazon.com and Vodafone, before becoming CEO of Tesco Mobile between 2008 and 2011 and CEO of Domino's Pizza Group plc between 2011 and 2014. Lance brings a wealth of senior operational experience in listed companies to his role at Saga. Since he joined as Group Chief Executive Officer in 2014, the business has grown its underlying core profits, invested in the growth of passengers and policies, commissioned the build of two new cruise ships, introduced a motor broking panel, launched its membership programme, Saga Possibilities, and replaced most of its key IT systems.

**Other roles:** Lance is a Trustee of the National Gallery and White Ensign Association. He is also a Vice Patron for the Royal Navy & Royal Marines Charity.

**Committee membership:** Executive.

### **Jonathan Hill, Group Chief Financial Officer**

**Appointed:** Group Chief Financial Officer in April 2015.

**Skills, competencies and experience:** Jonathan is a Chartered Accountant with over 26 years' experience across multiple market industry sectors, including senior roles within TUI Travel and Centrica. Jonathan, who joined Saga from Bovis Homes Group plc where he was Group Finance Director, has a significant amount of experience in strategic planning and development, and delivery of large corporate projects. He brings this and a wealth of senior financial, operational and listed company experience to his role and the Board at Saga. Jonathan resigned from his position in March 2018 and will work six months' notice. A search for his successor has commenced.

**Committee membership:** Executive.

### **Ray King, Independent Non-Executive Director**

**Appointed:** Non-Executive Director in May 2014.

**Skills, competencies and experience:** Ray has a strong background in business and financial management. He has led a business similar to Saga, as Group Chief Executive of Bupa from 2008-2012 and as Chief Financial Officer from 2001-2008. His earlier executive roles included Director of Group Finance and Control at Diageo plc, Group Finance Director of Southern Water plc and senior roles at ICI plc. Ray has previously been a Non-Executive Director of the Financial Reporting Council, Infinis Energy plc and Friends Provident plc and a Reporting Panel Member of the Competition and Markets Authority. Ray's significant financial experience and his Non-Executive Director experiences (including that of chairing audit committees), are all immensely helpful and valued by the Board.

**Other roles:** Ray is currently a Non-Executive Director of Rothesay Holdco UK Ltd and of its regulated subsidiary, Rothesay Life plc.

**Committee membership:** Audit (Chair), Nomination, Remuneration and Risk.

### **Bridget McIntyre, Independent Non-Executive Director**

**Appointed:** Non-Executive Director in January 2016.

**Skills, competencies and experience:** Bridget brings to the Board a wealth of insurance experience coupled with considerable general and financial experience gained from her previous roles as Chief Executive of the RSA UK business, Director of RSA Insurance Group plc, and a variety of senior roles at Aviva (and pre-merger Norwich Union). Bridget, who is an associate with the Chartered Institute of Management Accountants, has a strong understanding of how retail businesses work and a track record in improving business performance. Her contributions to Saga and the Board, drawn from her previous experiences, are valued immensely.

**Other roles:** Bridget is currently a Non-Executive Director of Adnams plc and Jarrold & Sons Limited and is founder of her own social enterprise organisation 'Dream On', a Suffolk-based community interest company focused on improving the lives of women.

**Committee membership:** Audit, Nomination, Remuneration and Risk.

### **Orna NiChionna, Senior Independent Non-Executive Director**

**Appointed:** Senior Independent Non-Executive Director in March 2017, Non-Executive Director in May 2014.

**Skills, competencies and experience:** Orna, who has significant experience in strategy and new concept development and launch, business turnaround, logistics redesign and supply change management, joined the Company in May 2014, on listing. She was subsequently appointed as Senior Independent Non-Executive Director for Saga in March 2017. Previously, Orna was Senior Independent Non-Executive Director of HMV plc, Northern Foods plc and Bupa and a Non-Executive Director of the Bank of Ireland UK Holdings plc and Bristol & West plc. She was a former Partner at McKinsey & Company, where her client portfolio included many consumer-facing clients. Orna brings a wealth of varied and valued skills to the Board along with her considerable experience in other Non-Executive Director roles.

**Other roles:** Orna is currently Senior Independent Non-Executive Director and Chair of the Remuneration Committee of Royal Mail plc, Deputy Chair of the National Trust, Trustee of Sir John Soane's Museum and Chair of Client Service at Eden McCallum. In January 2018, Orna was appointed to Burberry plc as a Non-Executive Director.

**Committee membership:** Risk (Chair), Nomination (Chair), Audit and Remuneration.

### **Gareth Williams, Independent Non-Executive Director**

**Appointed:** Non-Executive Director in May 2014.

**Skills, competencies and experience:** Gareth's expertise is in all aspects of human resource and people strategy which he gained from his previous positions including Human Resources Director of Diageo plc (where he also had oversight responsibility for corporate relations) and a series of key positions in human resources at Grand Metropolitan plc. Gareth's contributions to the Board and its Committees bring a unique perspective to discussions, drawn from his experience of working at Director level in a consumer-facing organisation and his knowledge of corporate relations, management development and resourcing.

**Other roles:** Gareth is currently a Non-Executive Director of WNS (Holdings) Limited.

**Committee membership:** Remuneration (Chair), Audit, Nomination and Risk.

### **Patrick O'Sullivan, Chairman**

**Appointed:** Chairman with effect from 1 May 2018.

**Skills, competencies and experience:** Patrick has a wealth of experience in the financial and insurance industry gained from a number of senior roles he held at the Bank of America, Goldman Sachs, Financial Guaranty Insurance Company and Barclays/BZW. Patrick spent twelve years at Zurich Insurance Group, where he held positions including CEO of Eagle Star Insurance Company, CEO of UK General Insurance, Group Chief Financial Officer, and Vice Chairman of the Management Board. Previous non-executive roles have included Chairman of the UK's Shareholder Executive, Deputy Governor of the Bank of Ireland, Senior Independent Director at Man Group plc and Chairman of the Audit Committee at Collins Stewart plc and Cofra Group AG. Patrick is an experienced chairman having been Chairman of the UK's Shareholder Executive and is current Chairman of the FTSE 100 diversified financial services conglomerate, Old Mutual plc.

**Other roles:** Patrick will continue in his role as Chairman of Old Mutual plc until the separation process has concluded. He is also Chairman of ERS (syndicate 218), a Lloyd's market specialist motor insurer.

The Company has determined that each of the four independent non-executive directors being proposed for re-election (being Ray King, Bridget McIntyre, Orna NiChionna and Gareth Williams) (together 'the Independent Directors') and the Chairman being proposed for election (being Patrick O'Sullivan) meet the independence criteria prescribed in the UK Corporate Governance Code. The Company confirms that there have been no previous or existing relationships, transactions or arrangements between each of the Independent Directors, the Chairman and the Company or any of its directors. All of the Independent Directors and the Chairman are experienced and have a broad knowledge of the sectors in which the Company operates. In light of their career experience and knowledge, the Board considers that each Independent Director and the Chairman bring valuable skills to the Board and provide an impartial viewpoint.

A full evaluation of the Board, its committees and its individual Directors took place during the year. This was an externally-facilitated review conducted by Independent Audit Limited. A full explanation of the evaluation exercise can be found on page 65 of the 2018 Annual Report and Accounts. The Chairman confirms that each of the Directors being proposed for re-election continues to be effective and to demonstrate commitment to the role and has sufficient time to meet his or her commitments to the Company.

### **Resolutions 12 and 13 – Auditor:**

The Company is required to appoint or re-appoint an auditor at each general meeting at which accounts are presented to shareholders. It is also normal practice for the Audit Committee to be authorised to determine the level of the auditor's remuneration for the ensuing year. The current appointment of KPMG LLP as the Company's auditors will end at the

conclusion of the AGM and they have advised of their willingness to stand for re-appointment. Resolution 12 proposes the re-appointment of KPMG LLP until the conclusion of the next general meeting of the Company at which accounts are laid. Resolution 13 grants authority to the Company's Audit Committee to determine the auditors' remuneration.

**Resolution 14 – Political Donations:**

The purpose of Resolution 14 is to authorise the Company and/or its subsidiaries to make limited political donations or incur limited political expenditure, within the meaning of such expressions as contained in the Act. Authority is sought to a maximum amount of £100,000, in total. It is not proposed or intended to alter the Company's policy of not making political donations, within the normal meaning of such expressions.

However, given the breadth of the relevant sections in the Act, it may be that some of the Company's activities could fall within the potentially wide definitions of political donations and political expenditure under the Act and, without the necessary authorisation, the Company's ability to communicate its views effectively to, for example, interest groups or lobbying organisations could be inhibited.

Accordingly, the Company believes that the authority contained in this Resolution is necessary to allow it and its subsidiaries to fund activities in relation to which it is in the interests of shareholders that the Company should support.

Such authority will enable the Company and its subsidiaries to be sure that they do not, because of any uncertainty as to the bodies or the activities covered by the Act, unintentionally commit a technical breach of the relevant sections of the Act. Any donations or expenditure, which may be made or incurred under the authority of Resolution 14, will be disclosed in next year's annual report.

**Resolution 15 – Directors' Authority to Allot Shares:**

The Directors may only allot shares or grant rights to subscribe for, or convert any security into, shares if authorised to do so by shareholders. The authority conferred on the Directors on 22 June 2017 under section 551 of the Act to allot shares expires on the date of the forthcoming AGM. Accordingly, this Resolution seeks to grant a new authority under section 551 of the Act to authorise the Directors to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company and will expire at the conclusion of the next AGM of the Company in 2019. Paragraph (A) of Resolution 15 will, if passed, authorise the Directors to allot shares or grant rights to subscribe for, or to convert any security into, such shares in the Company up to a maximum nominal amount of £3,730,583. This amount represents 33.3% of the Company's existing issued ordinary share capital (the Company has no treasury shares) as at 4 May 2018 (being the latest practicable date prior to publication of this Notice). Paragraph (B) of Resolution 15 authorises the Directors to allot, including the shares referred to in (A), further of the Company's unissued shares up to an aggregate nominal amount of £7,461,167, representing 66.6% of the Company's existing issued ordinary share capital (the Company has no treasury shares) as at 4 May 2018 (being the latest practicable date prior to publication of this Notice) in connection with a pre-emptive offer to existing shareholders by way of a rights issue (with exclusions to deal with fractional entitlements to shares and overseas shareholders to whom the rights issue cannot be made due to legal and practical problems). This is in accordance with the latest guidelines published by the Investment Association.

This authority will expire on the conclusion of the annual general meeting of the Company next year. The Board has no present intention to exercise this authority. However, it is considered prudent to maintain the flexibility that this authority provides. The Directors intend to renew this authority annually. The Company currently holds no shares in treasury.

**Resolutions 16 and 17 – Disapplication of Pre-emption Rights:**

Under section 561(1) of the Act, if the Directors wish to allot ordinary shares, or grant rights to subscribe for, or convert securities into, ordinary shares, or sell treasury shares for cash (other than pursuant to an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the Directors need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights. Resolution 16 asks the shareholders to do this and, apart from rights issues or any other pre-emptive offer concerning equity securities, the authority contained in this Resolution will be limited to the issue of shares for cash up to an aggregate nominal value of £560,147.70 (which includes the sale on a non pre-emptive basis of any shares held in treasury), which represents approximately 5% of the Company's issued ordinary share capital as at 4 May 2018 (being the latest practicable date prior to the publication of this Notice).

This Resolution seeks a disapplication of the pre-emption rights on a rights issue so as to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas shareholders. This authority expires at the end of the next annual general meeting of the Company after the date on which this Resolution is passed (or, if earlier, at the close of business on 31 July 2019).

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles, as updated in March 2015, and to not allot shares for cash on a non pre-emptive basis pursuant to the authority in Resolution 16: (i) in excess of an amount equal to 5% of the total issued ordinary share capital of the Company excluding treasury shares; or (ii) in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company excluding treasury shares within a rolling three-year period, without prior consultation with shareholders, in each case other than in connection with an acquisition or specified capital investment.

In addition to Resolution 16, Resolution 17 asks the shareholders to waive their pre-emption rights for additional 5% for transactions which the Directors determine to be an acquisition or other capital investment as defined in the Pre-emption Group's Statement of Principles. This Resolution will be limited to the issue of shares for cash up to an aggregate nominal value of £560,147.70 (which includes the sale on a non pre-emptive basis of any shares held in treasury), which represents approximately 5% of the Company's issued ordinary share capital as at 4 May 2018 (being the latest practicable date prior to the publication of this Notice). In accordance with the Pre-emption Group's Statement of Principles, the Directors confirm that they intend to use the authority sought in Resolution 17 only in connection with such an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue, and will provide shareholders with information regarding the transaction if the authority is used.

The Company may hold any shares it buys back 'in treasury' and then sell them at a later date for cash rather than simply cancelling them. Any such sales are required to be made on a pre-emptive, pro-rata basis to existing shareholders unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued ordinary shares on a non-pre-emptive basis, Resolutions 16 and 17 will also give the Directors power to sell ordinary shares held in treasury on a non-pre-emptive basis, subject always to the limitations noted above. The Company does not currently hold any shares in treasury.

The Directors consider that the power proposed to be granted by Resolutions 16 and 17 is necessary to retain flexibility, although they do not have any intention at the present time of exercising such power. The Directors intend to renew this authority annually.

#### **Resolution 18 – Purchase of Own Shares:**

This Resolution authorises the Directors to make market purchases of the Company's shares up to an aggregate nominal value of £1,120,295.41, representing 10% of the issued share capital of the Company as at 4 May 2018, being the latest practicable date before the publication of this Notice. Shares so purchased may be cancelled or held as treasury shares. This authority expires on the conclusion of the next annual general meeting of the Company. The Directors intend to seek renewal of this authority at subsequent annual general meetings of the Company.

The Directors have no current intention to exercise the authority sought by this Resolution, but will keep the matter under review. The Directors will use this authority with discretion, when they consider such purchase to be in the best interests of the Company. In reaching a decision to purchase shares of the Company the Directors would take account of the Company's business and any impact on earnings per share and net tangible assets per share, as well as all other relevant factors. The decision as to whether such shares bought back will be cancelled or held in treasury will be made by the Directors on the same basis at the time of purchase. Any impact on earnings per share will, for the purposes of any incentive award, be adjusted to take account of the exercise of the share purchase authority.

The minimum price that can be paid for an Ordinary Share is 1p being the nominal value of an Ordinary Share. The maximum price that can be paid shall be the higher of (i) 5% over the average of the middle market prices for an Ordinary Share, derived from the Daily Official List of the London Stock Exchange, for the five business days immediately before the day on which the share is contracted to be purchased; and (ii) the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the market where the purchase is carried out as derived from the SETS.

Any purchases of Ordinary Shares would be by means of market purchases through the London Stock Exchange. Any shares purchased under this authority may either be cancelled or held as treasury shares. Treasury shares may subsequently be cancelled, sold for cash or used to satisfy options issued to employees pursuant to the Company's employee share schemes.

As at 4 May 2018, being the latest practicable date before publication of this Notice, there were outstanding options under the Company's discretionary share incentive plans and employee share savings schemes in respect of 13,789,405 Ordinary Shares, representing 1.23% of the Company's issued ordinary share capital (there are no treasury shares) at that date. If the authority under this Resolution to purchase the Ordinary Shares was exercised in full, the proportion of Ordinary Shares subject to such options would represent 1.37% of the Company's issued ordinary share capital as at 4 May 2018, being the latest practicable date before publication of this Notice. There are no warrants outstanding.

#### **Resolution 19 – Notice of Meetings other than Annual General Meetings:**

The Act sets the notice period required for general meetings of the Company at 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. This Resolution seeks such approval. Whilst the Company's Articles of Association already provide for a minimum notice period of 14 days for general meetings, the Act (as amended by the EU Shareholder Rights Directive) requires that the Company requests Shareholders to authorise this minimum notice period at every annual general meeting in order to be able to take advantage of this provision. The approval will be effective until the Company's next annual general meeting, at which it is intended a similar resolution will be proposed. The Directors' intention is to only call general meetings on less than 21 days' notice where such shorter notice period is merited by the business of the meeting or thought to be in the interests of shareholders as a whole.

# Notes to the Notice of Annual General Meeting

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1. Only those members entered on the register of members of the Company as at 11am on 19 June 2018 (or if the AGM is adjourned, close of business on the date which is 48 hours before the time fixed for the adjourned AGM excluding any UK non-working days) shall be entitled to attend and vote at the above meeting and a member may vote in respect of the number of Ordinary Shares registered in the member's name at that time. In each case changes to entries in the register of members after such time shall be disregarded in determining the rights of any person to attend and vote at the AGM. These requirements reflect Part 13 of the Act and Regulation 41 of The Uncertificated Securities Regulations 2001 (as amended).
2. A member of the Company who wishes to attend the meeting in person should arrive at Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE in good time before the meeting, which will commence at 11.00am. In order to gain admittance to the meeting, members may be required to prove their identity.
3. A member may appoint a proxy (who need not be a member of the Company) to exercise all or any of their rights to attend, speak and vote at the AGM. You can appoint the Chairman of the meeting or anyone else to be your proxy at the AGM. You can also, if you wish, appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by you. A proxy need not be a member but must attend the AGM in order to represent you, and must vote in accordance with your instructions. A Form of Proxy is enclosed. The notes to the Form of Proxy include instructions on how to appoint the Chairman of the AGM or any other person as proxy.
4. **To be valid, the Form of Proxy and any authority under which it was executed (or a notarially certified copy of such authority) must be deposited with the Company's Registrars, Link Asset Services, in accordance with the instructions set out on the Form of Proxy by no later than 11.00am on 19 June 2018** (or if the AGM is adjourned, 48 hours before the time fixed for the adjourned AGM, excluding any UK non-working days). Completion of the enclosed Form of Proxy will not preclude shareholders from attending and voting at the meeting in person (although voting in person at the AGM will terminate the proxy appointment).

Members who prefer to vote online can do so through the Saga Shareholder Services Portal [www.sagashareholder.co.uk](http://www.sagashareholder.co.uk) where full instructions on the procedure are given. The Investor Code (IVC) printed on the Form of Proxy will be required in order to use the online voting facility. Alternatively, members who have already registered with Saga Shareholder Services Portal can vote online by logging on to their portfolio at [www.sagashareholder.co.uk](http://www.sagashareholder.co.uk) and clicking on the link to vote.

A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 11.00am on 19 June 2018.

5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on 21 June 2018 and any adjournment(s) thereof by using the procedures described in the CREST Manual (available at [www.euroclear.com](http://www.euroclear.com)).

CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('EUI') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 11.00am on 19 June 2018. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

6. **If you hold your shares within the Saga Shareholder Account ('SSA') your shares are held on your behalf in the name of Link Market Services Trustees (Nominees) Limited, a wholly owned subsidiary of the administrators of the SSA, Link Market Services Trustees Limited. Link Market Services Trustees (Nominees) Limited is the registered shareholder but you can tell them how you want the votes in respect of your shares to be cast at the AGM by completing the Form of Direction sent with this Notice. Please complete this form and return it to the Registrar or vote online at [www.sagashareholder.co.uk](http://www.sagashareholder.co.uk) by 11.00am on 18 June 2018** (or if the AGM is adjourned, 72 hours before the time fixed for the adjourned AGM, excluding any UK non-working days). The Investor Code (IVC) printed on the Form of Direction will be required in order to log in to the system. Voting online will not preclude you from attending and voting at the meeting in person. Notes 3 to 5 above do not apply to you.

An electronic vote will not be valid if sent to any address other than those provided or if received after 11.00am on 18 June 2018.

7. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
8. The Directors' service contracts, the Non-Executive Directors' letters of appointment, the Terms of Reference of the sub-committees of the Board of Directors and a copy of the Company's Articles of Association will be available for inspection during normal business hours on any weekday (Saturday, Sunday or public holidays excluded) at the registered office of the Company from the date of this Notice until the completion of the AGM and at the place of the meeting for at least 15 minutes prior to and during the meeting.
9. If you are a person who has been nominated by a member under section 146 of the Act to enjoy information rights in accordance with section 146 of the Act, Notes 3 to 7 above do not apply to you (as the rights described in those Notes can only be exercised by members of the Company) but you may have a right under an agreement between you and the member by whom you were nominated to be appointed or to have someone else appointed, as a proxy for the AGM. If you have no such right or do not wish to exercise it, you may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
10. As at 4 May 2018 (being the latest practicable date before publication of this Notice) the Company's issued share capital consists of 1,120,295,419 Ordinary Shares, carrying one vote each. No shares were held in treasury. Therefore, the total voting rights in the Company as at 4 May 2018 is 1,120,295,419.
11. This Notice of AGM together with the information listed below, is available on the Company's website [www.corporate.saga.co.uk](http://www.corporate.saga.co.uk)
- (a) the matters set out in this Notice of AGM;
  - (b) the total number of:
    - (i) shares in the Company, and
    - (ii) shares of each class, in respect of which members are entitled to exercise voting rights at the AGM;
  - (c) the totals of the voting rights that members are entitled to exercise at the AGM in respect of the shares of each class; and
  - (d) members' statements, members' resolutions and members' matters of business received by the Company after the first date on which notice of the AGM is given.
12. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; the answer has already been given on its website in the form of an answer to a question; or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
13. It is possible that, pursuant to requests made by members of the Company under section 527 of the Act (Members' power to require website publication of audit concerns), the Company may be required to publish on its website a statement setting out any matter relating to the audit of the Company's accounts (including the Auditor's Report and the Conduct of the Audit) that are to be laid before the AGM.

The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act (Requirements as to website availability). Where the Company is required to place a statement on its website under section 527 of the Act, it must forward the statement to the Company's auditor no later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM will include discussion regarding any statement that the Company has been required under section 527 of the Act to publish on its website.

14. A member that is a company or other organisation not having a physical presence can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 3 to 5 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's Articles of Association and the relevant provisions of the Act. Corporate representatives may exercise on its behalf all of the powers of a shareholder, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.
15. You may not use any electronic address provided either in this Notice of AGM or any related documents (including the Form of Proxy/Direction) to communicate with the Company for any purpose other than those expressly stated.
16. The results of voting at the AGM will be announced through a Regulatory Information Service and will appear on our website [www.corporate.saga.co.uk](http://www.corporate.saga.co.uk) as soon as they are available.
17. You can view, annotate and save the Annual Report and Accounts (and other important shareholder documents) on your iPad or tablet by downloading the Signal Documents App provided by Link Asset Services. This application is free of charge and found by searching for 'Signal Documents' on the App Store or Google Play (depending on your device).

If you are generally happy to view shareholder and company documents online, please update your communication preferences by contacting Saga Shareholder Services or via the Saga Shareholder Services Portal, [www.sagashareholder.co.uk](http://www.sagashareholder.co.uk).

# Glossary

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<b>2018 Annual Report and Accounts</b>	the Company's annual report and accounts for the financial year ended 31 January 2018.
<b>Act</b>	the Companies Act 2006.
<b>AGM</b>	the annual general meeting of Saga plc to be held at Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE on 21 June 2018 at 11.00am.
<b>Board</b>	board of directors of Saga plc.
<b>Committee(s)</b>	committees of the Board of Saga plc.
<b>Company</b>	Saga plc.
<b>Directors</b>	directors of the Company.
<b>Directors' Remuneration Policy</b>	directors' remuneration policy as set out on pages 112 to 121 of the 2018 Annual Report and Accounts.
<b>Directors' Remuneration Report</b>	includes the annual statement by the Chair of the Remuneration Committee as set out on pages 83 to 87 and the directors' remuneration report as set out on pages 88 to 111 of the 2018 Annual Report and Accounts other than the part containing the Directors' Remuneration Policy.
<b>Ordinary Shares</b>	the ordinary shares of 1p each in the capital of the Company.
<b>Resolutions</b>	ordinary resolutions 1 to 15 and special resolutions 16 to 19 as specified in this Notice of AGM on pages 3 to 5.
<b>SETS</b>	Stock Exchange Trading System.



**Registered office:**

**Saga plc**

Enbrook Park  
Sandgate  
Folkestone  
Kent  
CT20 3SE

**Registrar Shareholder Enquiries**

Saga Shareholder Services  
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Email: [enquiries@sagashareholder.co.uk](mailto:enquiries@sagashareholder.co.uk)

**Investor relations**

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Email: [mark.watkins@saga.co.uk](mailto:mark.watkins@saga.co.uk)

**Shareholder queries**

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