

Saga plc (the Company)
Terms of Reference of the Nomination Committee (the Committee)
of the Board of Directors of the Company (the Board)
adopted by the Board on 4 September 2020

Constitution	The following are the terms of reference of the Nomination Committee of Saga plc and its subsidiaries (together, the “Group”), save to the extent that the subsidiaries have their own nomination committees.
Reports to	Saga plc Board of Directors (at each Board meeting, via the Committee Chair (the Chair) and Chief People Officer).
Purpose	The principal role of the Committee is to assist the Board in meeting its responsibilities for ensuring that the Board retains an appropriate balance of skills to support the strategic objectives of the Group, has a formal rigorous and transparent approach to the appointment of directors and oversees development of a diverse and high quality pipeline for executive succession. This includes formulating plans for succession for both executive and non-executive directors and in particular for the key roles of the Chairman of the Board and the Chief Executive Officer.
Membership	<ul style="list-style-type: none"> • At least three members, • A majority of the members of the Committee shall be independent non-executive directors. If the Board decides that a member of the Committee is no longer independent and as a result a majority of the members of the Committee are not independent non-executive directors, that member will cease to be a member of the Committee. • Members of the Committee shall be appointed by the Board. • Appointments to the Committee shall be for a period of up to three years, extendable for up to two further periods of up to three years, provided that the majority of the Committee members remain independent.
Chair	<ul style="list-style-type: none"> • The Board shall appoint the chair of the Committee who shall be an independent non-executive director. • In the absence of the Chair and/or appointed deputy, the remaining members present shall elect one of themselves to chair the meeting . • The Chairman of the Board shall not be Chair of the Committee if they were not considered independent on appointment. • The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship. • The Chair shall attend the AGM of the Company prepared to respond to any shareholder questions on the Committee’s activities and responsibilities. • The Chair should seek engagement with shareholders on significant matters related to the Committee’s areas of responsibility.
Secretary	The Company Secretary (the “Secretary”), or their nominee, shall act as secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

<p>Quorum</p>	<ul style="list-style-type: none"> • Two members of the Committee(both of whom must be independent non-executive directors). • All Committee members may participate in a meeting of the Committee via a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A member of the Committee so participating shall be deemed to be present in person at the meeting and shall be entitled to fully participate and be counted in the quorum accordingly.
<p>Attendance</p>	<p>Only Committee members have the right to attend and vote at Committee meetings. However, the Committee may invite any directors or other executives of the Company, including the Group Chief Executive Officer, Chief People Officer or any external professional advisors to attend all or part of any meetings as and when appropriate. An executive will not attend when their own nomination or performance is under discussion.</p>
<p>Frequency</p>	<p>The Committee shall meet at least twice a year and at such other times as required.</p>
<p>Notice</p>	<ul style="list-style-type: none"> • Meetings of the Committee shall be convened by the Secretary at the request of the Chair or any of its members. • Unless otherwise agreed by all Committee members, notice of each meeting confirming the venue, time and date and dial in details (if required) of the meeting, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and to other attendees as appropriate and all other non-executive directors as soon as practicable, and in any event no later than five working days before the date of the meeting.
<p>Minutes</p>	<ul style="list-style-type: none"> • The Secretary, or his or her nominee, shall minute the proceedings of all meetings of the Committee, including recording the names and job titles of those present and in attendance. • Draft minutes of Committee meetings shall be circulated promptly to the Chair and, once agreed, to all members of the Committee and to all other members of the Board, unless in the opinion of the Chair it would be inappropriate to do so.
<p>Review</p>	<p>At least annually, review performance and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary.</p>

<p>Duties</p>	<p>The Committee shall:</p> <ol style="list-style-type: none"> 1.1 Regularly review the structure, size and composition (including the skills, knowledge, independence and experience and diversity) of the Board and make recommendations to the Board with regard to any changes. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed as deemed appropriate. 1.2 Give full consideration to succession planning for directors and other senior executives in the course of the work of the Committee, taking into account the challenges and opportunities facing the Company and the Group, and the skills and expertise that will, therefore, be needed on the Board in the future, to ensure progressive refreshing of the Board. 1.3 Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace. 1.4 Keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates. 1.5 Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise. 1.6 Before an appointment is made by the Board, evaluate the balance of skills, knowledge, independence and experience and diversity of perspective including gender, social and ethnic backgrounds on the Board, and, in light of this evaluation prepare a description of the role and capabilities required for a particular appointment and time commitment expected. 1.7 Before the appointment of a Chairman of the Board, assess a proposed Chairman's other significant commitments and satisfy itself that the candidate would have sufficient time to devote to the role, even in the event of a crisis or unexpected event requiring substantial board attention. 1.8 Require the Chairman to disclose any new role outside the Group before acceptance of it, so that the Committee can satisfy itself that such roles do not interfere with the Chairman's capacity to fulfil his or her duties as Chairman of the Board. 1.9 Require existing directors and proposed appointees to the Board to disclose any other business interests that may result in a conflict of interest and require them to report any future business interests that could result in a conflict of interest. 1.10 Ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings. A proposed non-executive director's other significant commitments should be disclosed to the Board before appointment, with a broad indication of the time involved and the Board should be informed of subsequent changes as they arise.
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	<p>1.11 Review the time required from non-executive directors annually. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties.</p> <p>1.12 Ensure that the terms and conditions of the appointment of a non-executive director shall be made available for inspection at the Company's offices during normal business hours and at the Company's annual general meeting.</p> <p>1.13 Review the results of the Board performance evaluation process that relate to the composition of the Board.</p> <p>1.14 Ensure that the evaluation of the Board is externally facilitated at least every three years. The external facilitator shall be identified in the annual report and a statement made as to whether the external facilitator has any other connections with the Group.</p> <p>1.15 Make recommendations to the Board concerning:</p> <p>1.15.1 formulating plans for succession for both executive and non-executive directors and in particular for the key roles of the Chairman of the Board and the Chief Executive Officer;</p> <p>1.15.2 any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;</p> <p>1.15.3 suitable candidates for the role of senior independent director;</p> <p>1.1.1 membership of the Audit Committee, the Remuneration Committee, the Risk Committee and any other Board committees as appropriate, in consultation with the chair of those committees;</p> <p>1.1.2 the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;</p> <p>1.1.3 the re-election by shareholders of any director under the annual re-election provisions of the UK Corporate Governance Code (the "Code") having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years); and</p> <p>1.1.4 any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract.</p> <p>11.4 Ensure the Chief People Officer has direct access to the Board Chairman, Committee Chair and Committee.</p>
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<p>Procedure for appointing Directors</p>	<ul style="list-style-type: none"> • In identifying suitable candidates, the Committee shall: <ul style="list-style-type: none"> ○ use open advertising or the services of external advisers to facilitate the search; ○ consider candidates from a wide range of backgrounds; and ○ consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to that position, and with due regard to the benefits of diversity on the Board, including gender. • A short list of candidates will be provided to members of the Committee and the Group Chief Executive Officer (and other directors if appropriate), for their comments and to enable them to suggest other candidates. • The Chair, and an appropriate number of Committee members and the Group Chief Executive Officer, where appropriate, will meet short listed candidates selected by the Committee. • The Committee will decide whether to recommend a candidate to the Board for appointment.
<p>Reporting to plc Board</p>	<ul style="list-style-type: none"> • The Chair shall report (verbally or otherwise) to the Board on the Committee's proceedings after each meeting on all matters within its duties and responsibilities. • The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed. Adequate time should be made available for Board discussion where necessary. • Any recommendation of the Committee shall take effect only if approved by the Board. • Any other matters that are reserved for the Board (as defined in the Matters Reserved for the Board) as amended from time to time.
<p>Annual Report</p>	<p>The Committee shall produce a report to be included in the Company's annual report and accounts about:</p> <ul style="list-style-type: none"> • its activities, the process used to make appointments, its approach to succession planning and how both support developing a diverse and robust pipeline; • an explanation if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company; • how the Board evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and individual directors, the outcomes and actions taken, and how it has influenced or will influence board composition; • the policy on diversity and inclusion, its objectives and linkage to Company strategy, how it has been implemented and progress on achieving the objectives; and • the gender balance of those in senior management and their direct reports. <p>The report should include a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.</p>

<p>Authority</p>	<p>The Committee is authorised by the Board:</p> <ul style="list-style-type: none"> • to undertake any activity within its terms of reference; • to seek any information it requires from any colleague/director of the Group in order to perform its duties; • to obtain, at the Company’s expense (within the limits authorised by the Board of the Company from time to time), external legal or other professional advice on any matter within its terms of reference where required and invite persons giving such advice to attend Committee meetings; • to call any Group colleague or contractor to be questioned at a meeting of the Committee as and when required; and • to delegate any of its powers to one or more of its members or the Secretary.
<p>Conflicts of Interest</p>	<ul style="list-style-type: none"> • All members of the Committee shall, at the beginning of each meeting, declare the existence of any conflicts of interest arising and the Secretary, or his or her nominee, shall minute them accordingly. • Any member declaring an interest in a matter may speak and be counted in the quorum for that business at the Chair’s discretion (and subject to the Company’s Articles of Association).
<p>Governance and Process</p>	<p>The Committee shall</p> <ul style="list-style-type: none"> • Have access to sufficient resources to carry out its duties, including access to the Company Secretary and other Group functions for assistance as required. • Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members, and if a member wishes to attend specific training, the member may notify the Company Secretary. • Give due consideration to laws and regulations, the provisions of the Code and the requirements of the Financial Conduct Authority’s Listing, Prospectus and Disclosure and Transparency Rules sourcebook and any other applicable Rules, as appropriate. • Work and liaise as necessary with all other Board committees .
<p>Standing Agenda</p>	<ul style="list-style-type: none"> • Welcome/Declaration of Interests • Board and Committee composition • Talent Development and Succession Planning • Minutes of last meeting(s)/matters arising • Any other business • Board feedback