

LABOUR STANDARDS AND HUMAN RIGHTS POLICY

December 2021

The landscape of employment is changing fast. There is a broad mix of full-time, part-time and 'gig economy' contracts in use across a number of industries today. Increasing automation and digitisation affect the demand for workers and types of employment. The disruption by the pandemic¹ has also led to new perspectives on the world of work. In a sustainable society in future, people have access to health, participatory processes, education, and justice. There are many ways labour standards and human rights are part of the day-to-day at Saga plc.

Purpose

Saga plc (the **Company**) recognises that its colleagues are its principal asset and is committed to treating them with fairness, respect and integrity. Through this policy, Saga plc commits to the following principles-based outcomes:

- A safe and healthy working environment.
- Operating in compliance with all relevant laws in the countries in which it operates including the law of the sea, as applicable.
- A workplace free of discrimination (however unintentional) with equal opportunity at all levels of the company on matters such as sex, gender, gender reassignment, pregnancy and maternity, marital status, race, colour, religious beliefs, ethnic or national origin, age, disability, sexual orientation, economic deprivation, social status or trade union membership.
- Zero tolerance and zero occurrence of unacceptable treatment of colleagues, such as physical punishment, abuse of colleagues, slavery, or other forms of abuse including the exploitation of children.
- Remuneration that at the very least is sufficient to cover colleagues' basic needs and provide them with the opportunity to improve their skills and capabilities.
- Accessible and timely information for colleagues on the progress of the business and its strategy, and of any major changes which might affect them as a group or individually.
- Access to representations from colleagues through national or international works councils, recognised trade unions or other recognised groups where appropriate.
- A set of clear grievance and appeal procedures in each business, which are justly applied and clearly communicated.

In countries or territories where international opinion believes there to be a generally low labour standards or transgressions of human rights, then the Company would put in place appropriate additional management processes to ensure that the principles described in this document are accounted for and embodied in decisions and actions in such territories.

Commitments

We are committed to working responsibly and with integrity, as set out in our Personal Standards and Ethics Policy. This Labour Standards Policy complements our existing suite of policies.

This Policy commits to delivering decisions and actions that uphold the right **to freedom of association** and **collective bargaining**. Our core values, revised in 2020, represent the foundation for colleagues' rights whereby the Company expects colleagues in all operations to respect colleagues' rights to join or not to join a legally recognised trade union, or any other body representing their collective interests, guided by, and compliant with local laws and the law of the sea, as applicable. This includes the right to enter into constructive dialogue and bargain in good faith with trade unions or representative bodies on employment conditions, labour management relations, and matters of mutual concern with due regard to extents of practicability, taking national laws into consideration. This includes the right to participate in activities of such bodies and/or to become an official of the union and allow colleagues reasonable time off in order to carry out official

¹ www.ituc-csi.org/2021-global-rights-index

duties or to undergo relevant training in connection with trade union activities. This is in line with Article 11 of the UK Human Rights Act², the UN Guiding Principles on Business and Human Rights, and with [ILO core conventions](#).

This Policy commits to decisions and actions that lead to the reduction and **elimination of excessive working hours**. The Company expects all colleagues to respect colleagues' right to reasonable a work-life balance in compliance with local law and the law of the sea, as applicable, on working hours and overtime. Where instances of excess are detected, we commit to understanding the root cause and providing an appropriate response and resolution. As stated on pages 3 and 10 of our 2021 Gender Pay Report, we encourage family-friendly practices, and we encourage flexible and remote working.

This Policy commits to decisions and actions that lead to the provision of a **living wage** at a minimum wherever we operate. Pay must be (at the very least) sufficient to cover colleagues' basic needs and provide them with the opportunity to improve their skills, capabilities, or additional economic prosperity. We operate remuneration and reward policies and practices to ensure colleagues are fairly rewarded for the work that they do, and we regularly monitor this through regular in year reporting, reviewing all colleagues pay annually, as well as our annual Gender Pay Report (www.saga.co.uk/gender-pay-review).

This Policy commits to decisions and actions that provide **employee engagement** mechanisms that allow employee representatives to engage with company management. Company policy on labour standards is communicated globally to colleagues via our website and via internal communications channels such as our intranet and Workplace communication tool. The information is currently provided in English only. Amongst its other responsibilities, our Board states that it formally encourages innovation to meet the needs of our stakeholders, including colleagues (as referenced on page 58 of our 2021 Annual Report and Accounts). Other examples of openness and engagement include our 'Speak Up' Policy which embraces whistleblowing and an 'open-door' culture, the appointment of our Audit Committee Chair as a 'Speak Up Champion', the formation of our People Committee and subsequent People Forums (per page 54 of our 2021 Annual Report and Accounts), Tell Euan About (TEA) sessions, our Inclusion forums and our Equal Opportunities Policy.

This Policy commits us to review **affiliations and support of initiatives and frameworks** on labour standards. Whilst no formal affiliations exist at the time of writing, we are involved in mental health initiatives such as Unmind (an app) and those promoting greater diversity in the workplace such as the Tech Talent Charter, Race at Work Charter, 30% Club (as referenced on page 10 of our 2021 Gender Pay Report) and the Menopause Friendly Accreditation Programme. We are also a Disability Confident employer.

Risk assessment approach

The Board set the Group's risk appetites and Risk Policy. The effectiveness of the Group's risk management and internal control systems was reviewed during 2021. The Risk Committee was responsible for monitoring the Group's overall risk appetite, tolerance, strategy and risk assessment processes, effectiveness of the Group's risk management and the Group's capability to identify and manage new and emerging risks and deal with any material breaches of risk limits (as referenced on pages 55 and 66 of our 2021 Annual Report and Accounts). Assessment regarding exposure to risk from negative impacts relating to labour standards is carried out for new, as well as existing operations or projects. Examples include labour-related risk factors relating to COVID-19, culture and capability, and an increased focus on talent management (as referenced on page 28 of our 2021 Annual Report and Accounts). Engagement is part of this risk identification process as referenced on pages 26-27 of our 2021 Annual Report and Accounts. Our Internal Control audits cover labour practices such as employee wellbeing during the pandemic, with further information on page 66 of our 2021 Annual Report and Accounts.

The People Committee (as referenced on pages 18-20 and 80 of our 2021 Annual Report and Accounts) was set up in 2019 with the aim of gathering the views and opinions of all colleagues and providing feedback to the Board. The People Committee is regularly attended by a Board member and for 2021, this was the People Champion, Eva Eisenschimmel, Chair of the Remuneration

² www.equalityhumanrights.com/en/human-rights-act/article-11-freedom-assembly-and-association

Committee. This provides an important link to the Board, communicating the views of colleagues and demonstrating the alignment between labour standards topics and the Company's strategic priorities as referenced on pages 51-54 of our 2021 Annual Report and Accounts. Other sources of risk informant can be found within our principal risks and uncertainties on pages 28-29 of our 2021 Annual Report and Accounts), our Audit Committee Report on pages 70-73 and our Risk Committee Report on pages 74-76.

Human rights

As part of our ongoing monitoring of our modern slavery risk, in 2019 we began the process of re-examining our existing suppliers across the Saga Group to assess the potential for any residual modern slavery risk. Again, our Tour Operations and Cruise operations were identified as carrying a higher modern slavery risk due to the vast number of locations in which we procure goods and services. All other areas were identified as low risk. The risk assessment process also applies to new suppliers and it remains our policy to require new suppliers to be risk-assessed.

The Company supports the rights of all people as set out in The Universal Declaration of Human Rights (UDHR). We acknowledge the responsibility of businesses to respect human rights, by acting with due diligence to avoid infringing on the rights of others and to address any transgressions.

We aim to inculcate the following Human Rights Principles into the behaviours of our colleagues as in line with our core values. To achieve this aim, we require our colleagues to respect the rights of, and deal fairly with, all other colleagues and parties with whom they work.

- **Anti-corruption:** The Company will not permit any act by any Saga plc business or colleague that is considered to be corrupt, either under relevant law or by reference to good business practice.
- **Respecting the human rights of our colleagues:** As stated above, the Company will treat all colleagues and other individuals with dignity and respect and will comply with relevant laws and regulations to ensure a discrimination-free environment for all. The Company has zero tolerance of intimidating, hostile or offensive conduct by its colleagues.
- The Company will not make use of **forced labour** and will not employ colleagues that are **below the legal minimum age** regulations in the countries in which it operates. Furthermore, the Company upholds children's rights in line with the Children's Rights and Business Principles³ and commits to comply with all regulations in relation to the prevention of child labour.
- Respecting the **human rights of our business partners:** The Company monitors suppliers that operate in countries that may not have standards consistent with the Company's expectations. Any 'red flag' cases are formally assessed to review social, ethical and environmental practices, in line with the good practice such as compliance with the UDHR. Where a breach is found, an appropriate response is implemented, such as corrective actions, engagement, or even termination of supply contract.
- Respecting the human rights **in the countries where we operate:** The Company will not tolerate any connection with human rights abuse through business relationships. In circumstances where the Company may be able to effectively influence respect for human rights, it will seek to do so.
- **Monitoring the effectiveness** of our human rights approach: The Company requires its business leaders to be responsible for enforcing our human rights approach, including ensuring that all colleagues within their business areas are aware of their own responsibilities. See our Risk Policy, Equal Opportunities Policy and Speak Up Policy.

Our Modern Slavery Statement provides further detail on risk, due diligence, policies, training and audit, and can be found at www.corporate.saga.co.uk/modern-slavery-statement/.

Additionally, our approach to labour standards and human rights is designed to support the communities in which we operate, including through the employment of those from under-privileged groups, or deprived backgrounds, with poor social status or no formal education or qualifications. Under-privileged groups are beneficiaries in our ESG programmes such as charitable giving and we monitor and respond to the concerns of key groups who are affected by the

³ www.childrenandbusiness.org/

Company's activities (as referenced on pages 26-27 of our 2021 Annual Report and Accounts, including reference to s172 disclosure and risk factors on pages 23 and 26).

Additional information

Should you have any questions about the content of this policy, and you are a colleague at Saga, please speak to your line manager or the People Services team. If you are not a colleague at Saga please contact us via the details below.

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Policy ownership and approval

This policy will be reviewed annually and is owned by the People Team.

Version control

Version Number	Purpose / Change	Author	Date
1.0	Initial approval	The People Team	December 2021
2.0	Annual Review and Updates	The People Team	December 2022