

A photograph of three diverse individuals—two women and one man—smiling and looking at a screen together. The woman on the left has long dark hair and is wearing a bright yellow top. The man in the center is bald, wearing glasses and a dark blue shirt. The woman on the right has long dark hair and is wearing a black top. They appear to be in a collaborative work environment.

sage

Belong

Our Diversity, Equity, and Inclusion Strategy

FY22-FY24



Purpose

For Sage to be the company we want it to be, we need a bold, agile, and comprehensive Diversity, Equity, and Inclusion (DEI) strategy, which starts with our customers, drives innovation, enables all our colleagues to succeed, and knocks down barriers so everyone can thrive.

We know that increasing DEI across the business is the right thing to do, but it is also a strategic imperative for any organisation that is on a high growth or transformation journey, as effective delivery will increase productivity, profitability, and the pace of change. The purpose of the three-year DEI strategy is to clearly define a road map towards Sage becoming an industry leader in diversity, equity, and inclusion, so we can transform the way people think and work.

Overview

At Sage we are still at an early stage of our DEI journey but through subject matter expertise, bold decision making, and creating a sense of shared ownership of the DEI agenda, we are aiming to lead the market on DEI innovation during this three-year strategic cycle.

All strategic initiatives will be outcome led, values driven, and underpinned by data, ensuring we prioritise projects that will have the biggest impact across our colleagues, customers, and communities, as well as considering our suppliers. A 'global standards with local solutions' delivery model will allow for local flexibility of implementation, as well as consideration of local legislation, customs and practice, whilst maintaining global oversight and the sharing of best practice.

The strategy will be the roadmap that charts our DEI journey, but this will be underpinned by our vision statement and commitments (Appendix I), which will act as the compass that guides our behaviours along the way. At every step on the journey, we will have a culture of honesty, transparency, and accountability. The strategy is ambitious within a three-year cycle and contains market leading initiatives that will be delivered at pace, so leadership accountability will need to be a major component in achieving our vision for DEI at Sage.

Our Diversity, Equity, and Inclusion Vision

We are committed to knocking down barriers so everyone can thrive. That starts with our own teams. We know this is the right thing to do, and we also know that having varied perspectives fuels our innovation. It helps generate better ideas to serve our customers. We are global company, and we must reflect the diverse world we work in. We are committed to an inclusive workforce that fully represents the many different cultures, backgrounds, and viewpoints, of our customers, our partners, and our communities.

Our Diversity, Equity, and Inclusion Commitments

Our six diversity, equity, and inclusion commitments will help us advance diversity, equity, and inclusion at Sage, and foster a stronger sense of belonging. These commitments are for all our colleagues, customers, suppliers, partners, and communities. We have made them public, so you can hold us to account and help ensure our actions, values, and behaviours are at the standard you expect from us. We know we will not get everything right but that does not mean we should not try, and we will be open and honest about our successes and failures.

Our commitments to you all:

- We will have a zero-tolerance approach to discrimination of any kind. We will listen to our colleagues and communities, and act accordingly on what they tell us. We know it has never been acceptable to say or do nothing.
- We will work hard to make sure everyone is given an equal chance. Our workforce will reflect the diversity of the communities in which we work and live, at every level of our organisation.
- We will strive to create an inclusive culture which embraces wide ranging opinions. Our leaders will seek out alternative or conflicting perspectives, from people with differing viewpoints to their own.
- We know that everyone is different and that we all learn, develop, and respond to experiences differently. We will seek out and remove any barriers that we find, so we can give everyone the same opportunity for success.
- We will drive diversity, equity, and inclusion by educating ourselves on the world and the people around us, then asking questions, listening to the answers, and hearing what we are told.
- We will share our Diversity, Equity, and Inclusion strategy, and be open about where we are on our journey. Our progress will be ongoing, and we will hold ourselves accountable when we get things wrong, and celebrate when we get things right, but we will learn from both.

Strategic Principles

There are three interconnected pillars of the DEI strategy:



1 Diverse Teams

Ensure we have as wide a range of voices, backgrounds, and experiences as possible, so leaders can leverage differing perspectives to make the right decisions at pace, for our colleagues, customers, and communities.



2 Equitable Culture

Create an equitable and inclusive culture where everybody feels comfortable sharing their insights, ideas, and innovations, and are valued for being the unique individuals that we all are.



3 Inclusive Leadership

Build an intentionally inclusive leadership who are curious to learn, have the courage to experiment, and are comfortable knowing they don't have all the answers, whilst building teams that offer different perspectives and make sure the right questions are being asked.

Key Initiatives



Remove Bias from and Drive Equity across the Candidate/ Colleague/ Leaver and Reward Lifecycle

Analyse and prioritise all 102 touch points of the candidate/colleague/leaver lifecycle, to identify any systemic bias, and risk of implicit or unconscious bias from human interactions, which might impact negatively on individual or underrepresented demographics. Then design human, process, technology, or artificial intelligence led interventions, which will remove or mitigate this bias and drive equity. As well as working with the reward team to help design and deliver an inclusive and equitable reward strategy, with a market leading global minimum standard that will help us to become the employer of choice, across all geographical locations.

Increase Diversity in Leadership

Increase diversity at all leadership levels, through the expansion of our existing mentoring to create a four-stage Inclusive Mentoring Programme, which begins with Reverse Mentoring, through the creation of a Talent Bench, into Career Mentoring, and Active Sponsorship. The programme also creates a framework for decision makers and senior leadership to make more informed business decisions, by utilising the unique insight of our underrepresented groups ahead of the increase in diversity across all levels of Sage.

Expand Educational Outreach to Attract Diverse Talent

Drive social mobility and increase the global talent pool from underrepresented and neurodiverse groups by creating a more unified and intentional educational engagement strategy. Providing a fully connected and high impact approach to educational outreach that can scale over time and increase diversity within the technology industry. This will bring together all the existing infrastructure, such as the Talent Acquisition Team, Sage Foundation, Government Liaison, and other educational programmes, to drive them forward in a joined up and strategic way. Before scaling, and evolving the programme by partnering with our customers, suppliers, partners, and bringing together our competitors into the initiative, to amplify Sage's impact and provide measurable outcomes that will contribute to this key pillar of our sustainability and society strategy and provide key metrics in the reporting of our progress.

Focused Delivery on Specific Dimensions of Diversity

We will work hard across all areas of diversity at all times but as much as we wish we could, we cannot deliver everything all at once. In this three-year cycle we will focus on four dimensions of diversity (Ethnicity, LGBTQ+, Ability/ Disability, Gender), and two more that intersect all dimensions of diversity (Social Mobility and Neurodiversity).

Key Initiatives *continued*

This will help to deliver maximum impact and provide support at a global level whilst allowing local definition, prioritisation, and focus at a regional and national level. Each dimension will have an Executive Committee member who will act as an ambassador for this group, with the support of the Global Belong Team, the Colleague Success Network, and their Sponsors. External expertise will provide additional support and global best practice, as well as providing an external benchmark to track our progress.

Targeted DEI Learning and Development

Provide education and training to Board, ExCo, ELT, ET, and all senior leaders across the business, as well as all colleagues who have hiring, performance, or promotion responsibilities, to make sure they have the skills and knowledge to understand the unique challenges faced by colleagues from underrepresented groups. Particularly those who intersect multiple dimensions of diversity. To enable them to be intentionally inclusive leaders, and allies who understand how to create equity, and enable them to speak knowledgeably about DEI.

Increase Data Capture Participation

Increase participation in the All About Us data capture project, then share insights through an annual impact report. We will use this data insight to prioritise DEI projects and initiatives to ensure we can make the biggest difference in the shortest possible time, as well as using the data to extend our gender pay gap reporting and create an ethnicity pay gap report, to further highlight key areas of focus.

Sage Wide Collaboration to Maximise Delivery and Impact

We can only deliver the company wide inclusive culture change that is required, by creating a sense of shared ownership and responsibility for the delivery of the DEI strategy. To achieve this, we will need to expand the reach of our Colleague Success Networks and recruit volunteer DEI Champions within individual functions, then empower them to deliver local change and co-create national, regional, and global solutions. We will bring the Colleague Success Network leaders and DEI champions together on an annual basis for a networking and ideas sharing session, and for an Executive Committee sponsored celebration event that recognises all their discretionary hard work and achievements.





Governance Structure

The DEI strategy will ultimately be governed by the Vision Statement and our Commitments, but delivery will rest with the VP of Sage Belong and oversight will be provided by the Extended Leadership Team, chaired by the CEO. This will be supported by an Advisory Board, chaired by the Chief People Officer, and consisting of the Executive Committee Ambassadors, the EVP of Talent Capability and Culture, with additional insight and expertise provided by a panel of External Advisors and Colleague Success Network leads, who will attend on a rotating basis to provide maximum participation.

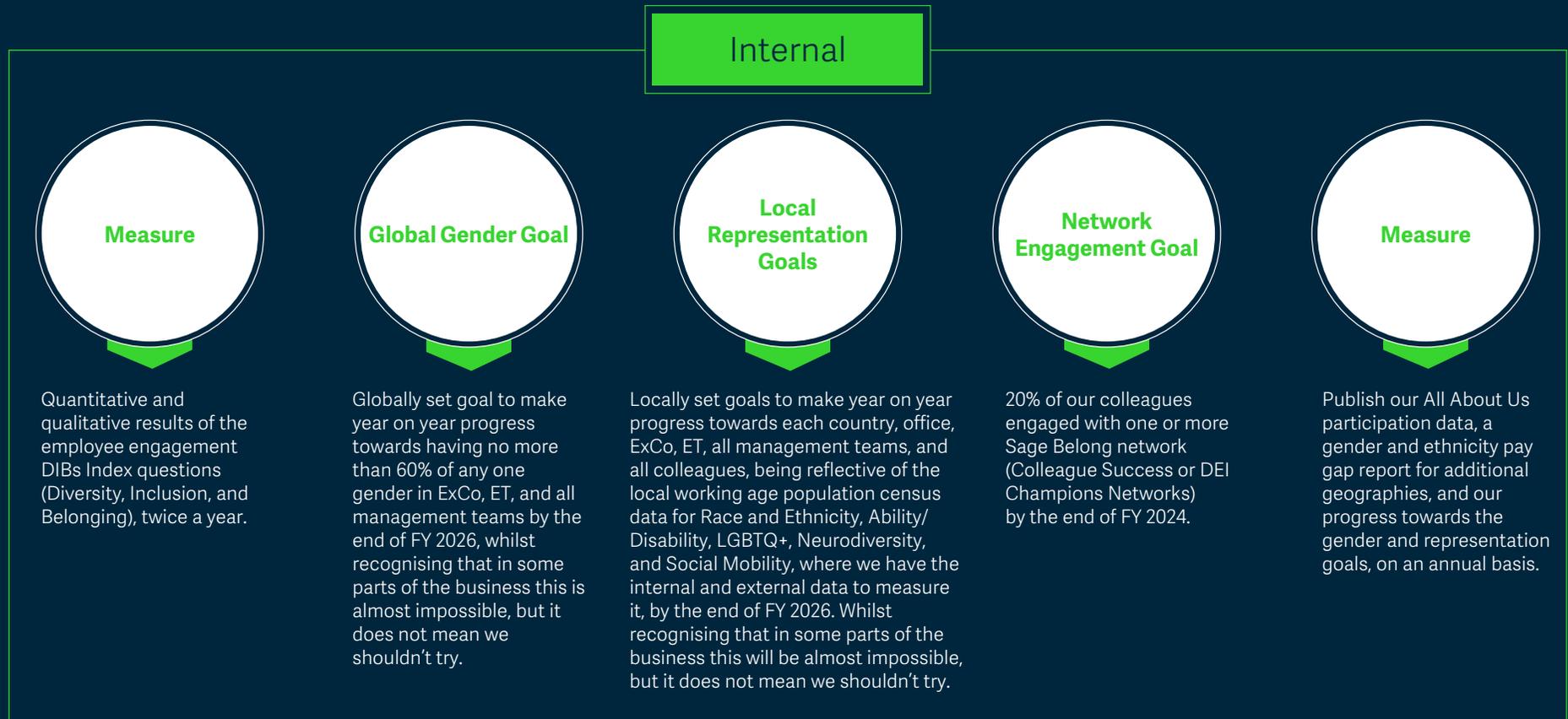
The United Kingdom and Ireland, and North America regional DEI strategies will be led by a regional director with responsibility for delivering local solutions to the global standards. Individual countries will have an appointed DEI lead where appropriate, and this wider DEI family will be supported by the central team to ensure the ongoing sharing of global best practice.

Colleague Success Networks and functional DEI Champions will have a fully interlinked global, regional, and national, matrix structure, to maximise their impact and delivery capability.

"At Sage, it is our ambition for our workforce to reflect the diversity of our customers and our partners."

Andrew Duff
Chair of the Board

Performance Measurements and Goals



Performance Measurements and Goals *continued*



Dependencies for Success

All of the following six key dependencies will need to happen, in order for the three-year strategy to be delivered.



1

Direct link to the business strategy.

2

Exco and senior leader sponsorship.

3

Full buy in from regions, segments, and functions.

4

All the hard work carried out by the Sage Belong Team.

5

Delivery is business as usual with no extra work for busy leaders and managers.

6

Create a sense of ownership, accountability, and responsibility across all of Sage.

Sage exists to knock down barriers so everyone can thrive, starting with the millions of small and mid-sized businesses served by us, our partners and accountants. Customers trust our finance, HR and payroll software to make work and money flow.

By digitising business processes and relationships with customers, suppliers, employees, banks and governments, our digital network connects SMBs, removing friction and delivering insights. Knocking down barriers also means we use our time, technology and experience to tackle digital inequality, economic inequality and the climate crisis.

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