

NON-FINANCIAL STATEMENT 2025

Sage

Introduction

This annual overview outlines progress made against our FY25 Sustainability and Society commitments. It forms part of our wider financial and non-financial reporting ecosystem, which can be accessed [here](#).

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2025 reporting approach

GRI 2-3

This year marks a transition for how we report on sustainability. Following the developments associated with EU, US, and UK regulatory and voluntary reporting frameworks, as well as our own engagement with audiences on how they use sustainability content, we have updated our reporting approach to meet their evolving needs. Recognising the depth of compliance information required by some of our stakeholders and the need for a more engaging, visually appealing content that cuts through complexity required by others, this year we have focused on consolidation and integration, and have prioritised our most material topics to develop a more connected narrative.

This Non-Financial Statement offers a comprehensive overview of Sage's preparedness in relation to the EU Corporate Sustainability Reporting Directive (CSRD) as well as our continuous alignment with the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) for the Software and IT Services industry. Due to the approved CSRD delays earlier this year, as well as the proposed revisions to the European Sustainability Reporting Standards (ESRS), we have used the Standards only to inform the structure and the content of this document.

This Statement brings together content previously reported under our Sustainability and Society Report, Climate Report, and our ESG Databook. The structure follows the main pillars of Sage's Sustainability and Society strategy, namely Protect the Planet, Tech for Good and Human by Design. For the first time, we have fully integrated the underpinning pillar Sustainability by Design, within the content of the three main strategy pillars —demonstrating how we integrate sustainability into our operations, products, and culture. Additional gender and ethnicity pay gap data is available [here](#).

FY25 is our first year presenting sustainability information in this format and is crucial for laying the groundwork for Sage's future compliance and strengthened sustainability reporting. Sage is not currently required to comply with the EU CSRD and therefore this Non-Financial Statement follows good practice and guidance aligned to ESRS but does not yet comply. We see certain elements of CSRD as critical to enhance the transparency of our reporting practice, and we hope this Statement demonstrates our continuous commitment to staying at the forefront of global regulatory and voluntary reporting requirements.

THE MULTIPLIER EFFECT

Sage

2025 Impact Book

The Multiplier Effect—2025 Impact Book

Complementing this Non-Financial Statement is the Multiplier Effect—**Impact Book** which demonstrates the impact we create beyond Sage.



Summary Statement from Bureau Veritas UK Limited

GRI 2-5

Similar to last year, we have sought limited assurance over selected key metrics and have engaged our external assurance provider, Bureau Veritas, to verify selected key qualitative statements across both this Non-Financial Statement and the Multiplier Effect—Impact Book. The information and data reviewed in this assurance engagement covered the period 1 October 2024—30 September 2025. The full Independent Assurance Report, including Bureau Veritas's assurance conclusion, assessment standard, scope of work, summary of work, and exclusions and limitations, can be found in this Non-Financial Statement on pages 114 to 118.

Chair's introduction

GRI 2-22



“At Sage, we view sustainability reporting as a strategic tool that goes far beyond compliance.”

Transparency in corporate disclosures is fundamental to the integrity of global markets and the trust that underpins stakeholder relationships. In an increasingly complex and interconnected world, clear and credible reporting enables informed decision-making, supports regulatory confidence, and fosters long-term value creation for businesses and society. This is true for non-financial as well as financial disclosures. As expectations for openness continue to rise, transparency has become a strategic imperative for organisations committed to responsible growth.

Regulations play a pivotal role in ensuring transparency. However, sustainability reporting frameworks are still evolving, and the regulatory environment continues to be highly fragmented: while the European Union's Corporate Sustainability Reporting Directive (CSRD) offers one of the most comprehensive reporting frameworks, other regions are not aligned, with varying levels of enforcement. Meanwhile, standards developed by the International Sustainability Standards Board (ISSB) and emerging climate disclosure in the UK and North America, continue to develop. This evolving landscape presents both complexity and an opportunity for global organisations.

At Sage, we view sustainability reporting as a strategic tool that goes far beyond compliance. Our early alignment with CSRD through this Non-Financial Statement reflects our belief that robust reporting creates real business value by helping us embed sustainability into our operations, drive cross-functional collaboration, strengthen data quality, and ultimately, bolsters long-term resilience. The double materiality assessment conducted as part of CSRD alignment, for example, has not only clarified our impacts, risks, and opportunities, but also prompted us to review and improve our data and processes. While we are not yet required to comply with CSRD, starting this journey now ensures we will be ready to respond to the evolving regulatory requirements and builds greater transparency and trust with our stakeholders.

We recognise that high-quality data and robust reporting are ongoing commitments, and our Non-Financial Statement openly reflects both our progress and the areas where we continue to strengthen and improve. This Non-Financial Statement has also been prepared in line with leading voluntary standards including GRI Standards and SASB. I hope it provides our stakeholders with a clear view of progress made to date and our future ambitions.

The Board remains firmly committed to driving transparency and compliance in our sustainability reporting as a pathway to long-term value creation and competitive advantage. The global landscape for sustainability disclosures is complex and still evolving. Amidst this uncertainty, our pragmatic and proactive approach puts clarity and consistency first, with the aim of bringing confidence and transparency to our shareholders and other stakeholders.

A handwritten signature in black ink, appearing to read 'A. Duff'.

Andy Duff
Chair

18 November 2025

Highlights and recognition



Ranked in the top 100 from 5,000 global companies

The criteria included: climate commitments aligned with frameworks such as SBTi + diversity, talent development and the quality of sustainability reporting.



Winner

Winner: 2025 edie award for Sustainability Reporting & Communications.



Sage awarded CDP A-list for Climate Leadership

The criteria included: clear, transparent climate data and risk disclosure. Strong targets and measurable emission reductions. Leadership in climate action and innovation. Joining the A-list marks Sage's consistent improvement year-on-year since 2023 (B) and 2024 (A-).



Ranked top 30 for Europe's climate leaders

The listing recognises European companies that have met the climate emergency head-on by achieving the greatest reduction in GHG emissions.



Ecovadis Gold Top 5%

Maintaining Gold position. Showcases progress on environmental issues, labour and human rights concerns, ethics and, sustainable procurement.



Five-star rating

Sage was recognised as one of the world's greenest companies by Newsweek. Received a five-star rating which ranked 750 of the world's most sustainable publicly listed companies across 26 countries, following a rigorous review of more than 8,000 businesses worldwide.



Ranked 15th out of 500 companies

Results based on online survey of 20,000 employees in the UK that were part of a company that employs more than 250 people.



Sage awarded CDP A-List for Supplier Engagement

The criteria included: leadership on climate governance, targets, Scope 3 emissions, and value chain engagement in the CDP climate change questionnaire.

27.8% emissions reduction

against 2019 baseline

49% Sage Foundation Colleague Engagement Rate

against 21.6% industry average

1,767

sustainability learnings delivered to colleagues in FY25

\$850,466

raised to help our communities thrive

91%

of entrepreneurs who report an increase in their confidence to scale and grow their business

About the Statement

BP-1 GRI 2-2 GRI 2-3

Our annual Non-Financial Statement covers Sage's global operations and contains data for wholly owned companies and subsidiaries that are consolidated in The Sage Group plc. for the 2025 financial year (FY) 1 October 2024 to 30 September 2025. With large operations in Europe, Sage falls in scope of CSRD as per current thresholds, however isn't required to comply just yet. Reporting on a consolidated group level ensures consistency and completeness across both our annual and sustainability reporting.

Value chain coverage

This Statement includes information from Sage's value chain to support users to understand our material impacts, risks, and opportunities (IROs). This approach aligns with the findings of our Double Materiality Assessment (DMA), which we updated and finalised in March 2025. For the purpose of this Non-Financial Statement, we have considered our upstream and downstream value chain. This includes:

- Upstream—direct and indirect suppliers
- Downstream—customers, partners, and distribution channels.

Please refer to our value chain on page 18 for more information.

Use of exemptions

For metrics reported in our 2024 sustainability reporting suite, we include comparative data. However, for metrics not previously reported, we apply the exemption to omit comparatives.

Omission of information

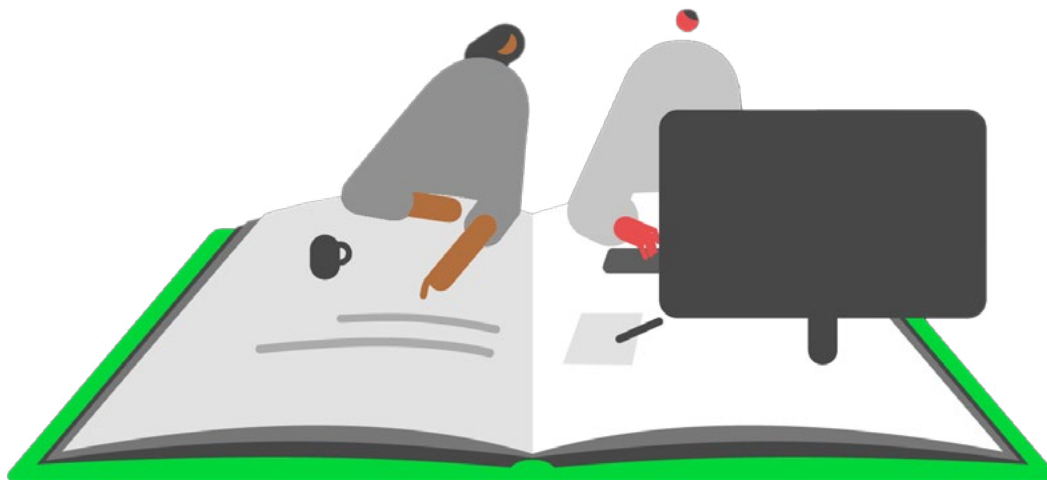
With regards to customer privacy disclosures related to substantiated complaints concerning breaches of customer privacy and losses of

customer data, we do not generally disclose this information due to customer and commercial confidentiality (unless required by law). To the extent that any relevant regulator should find fault with our data breach management and/or data security practices, they will publish their findings/sanctions. Across the rest of the disclosures, we have reported all pertinent information to ensure a comprehensive and transparent overview of our sustainability performance and practices.

We have omitted all the disclosure requirements in the following topical standards, as these were deemed immaterial in our DMA: E2 Pollution; E3 Water and marine resources; E4 Biodiversity and ecosystems; E5 Circular economy; S2 Workers in the value chain; S3 Affected communities. For ESRS S1 Own workforce, S4 Customers and end-users and G1 Business conduct, there are also some Disclosure Requirements (DRs) that were deemed not material. For more information on our DMA see pages 16 to 19.

Target setting

Many of our three-year targets were set when we created our Sustainability and Society strategy in FY22 and ended in FY25. For many areas of our strategy, FY26 is a transition year. During this period, we will model scenarios; set interim milestones; engage stakeholders; and continue to report progress. By dedicating FY26 to these foundational activities, we will be better positioned to set and achieve meaningful long-term sustainability targets in subsequent years.



Definitions and assumptions

BP-2

Time horizons

Sage’s Non-Financial Statement uses the following definition of short-, medium- and long-term horizons: short-term 5 years; medium-term 5-15 years; long-term 15-30 years. We have selected time horizons that align with national and international climate policy and goals, including the 2015 International Paris Agreement and our Task Force on Climate-related Financial Disclosures (TCFD) analysis.

We have integrated our IROs into our Enterprise Risk Management (ERM) system, which also holds our Principal Risks and related sub-risks. This includes the climate resilience analysis we conducted in FY25, which used scenario-based modelling to identify climate-related risks and opportunities. The time horizons considered for scenario analysis and assessing climate-related risks and opportunities are short-term (5 years) and medium-term (10 years) for transition risks; for physical risks, we have a long-term horizon of 2040. These are longer than the time horizon provided by ESRS,¹ as climate risk for Sage is expected to materialise on a longer timeline than the CSRD time horizons.

Emissions and assumptions

GRI 2-4

The preparation of this Non-Financial Statement involved a degree of estimation and assumptions, impacting reported data. Calculating financial risks and opportunities in all areas material to Sage carries inherent uncertainties. Despite our efforts to ensure the accuracy and reliability of the information presented in this Statement, the metrics are subject to uncertainties, due to limitations in data collection and measurement methods. Thus, the precision of various techniques may vary. Please refer to our Basis of Reporting (pages 89 to 113) for information on our indirect sources.

This Non-Financial Statement incorporates data from external sources or third parties wherever possible. We use actual data, and in cases where information is incomplete, we may employ assumptions and estimates. This approach is most significant for environmental metrics, such as Scope 3 greenhouse gas (GHG) emissions. Where third-party information, estimates, judgements, and assumptions have been used, these are detailed on pages 90 to 104 (Basis of Reporting) for the respective metric. For these metrics we aim to improve accuracy in the future through the increased use of activity-based data for Scope 3 emissions, Category 1,2,4, commuting, home-working and Category 11.

1. ESRS timelines are: short-term time horizon—the length of the period adopted for its financial statements; medium-term time horizon—from the end of the short-term period up to five years; and long-term time horizon—more than five years.

As this Statement marks the first year that we are presenting sustainability information in a format intended to follow the ESRS structure and methodology, it may affect comparability to our previous reports. Sage does not have material errors from prior periods; therefore, no corrections for prior years’ errors have been made.

Reference to Annual Report and Accounts

GRI 2-4

Disclosure	Data point(s)	Paragraph	Location	Page
GOV-1	5(a)-(b)	Role and expertise of its leadership (administrative, management, and supervisory bodies) in overseeing business conduct	Annual Report and Accounts—Corporate Governance Report	80 to 81
	21(a)	Number of executive/non-executive members	Annual Report and Accounts—Corporate Governance Report	74 to 79
	21(b)	Information about representation of employees and other workers	Annual Report and Accounts—Stakeholder Engagement	91
	21(c)	Information about member’s experience relevant to sectors, products, and geographic locations of undertaking	Annual Report and Accounts—Corporate Governance Report	75 to 76
GOV-5	36(a)-(e)	Risk management and internal controls over sustainability reporting	Annual Report and Accounts—Risk Management	56 to 59
SBM-1	40(a)	Key elements of its general strategy that relate to or affect sustainability matters	Annual Report and Accounts—Strategic Report	15 to 18 and 30 to 31
SBM-2	45(a)c(d);	Interests and views of stakeholders	Annual Report and Accounts—Stakeholder Engagement	46 to 47 and 90 to 97

Our strategy: The Multiplier Effect.

SBM-1 GRI 2-6

Purpose-driven business model

Our purpose is 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, colleagues, banks, and governments, the Sage Platform connects Small Medium-sized Businesses (SMBs), removing friction and delivering insights.

For further information on our products, business strategy, and model, please refer to the Annual Report and Accounts. For information on employee headcount by geographical area, please refer to the Human by Design—DEI section on page 61.

Inputs

Customer base

The breadth of our customer base around the world gives us a unique insight into the needs of SMBs.

Trusted advisor

Sage is a trusted brand providing award-winning customer service, which generates loyalty and advocacy among customers.

People

Caring and engaged colleagues are committed to driving success for our customers.

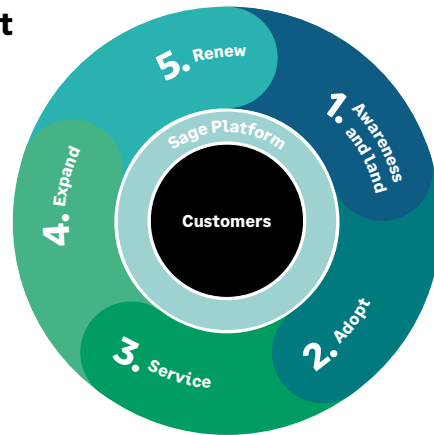
Platform

The Sage Platform is our foundational technology infrastructure that accelerates the delivery of AI-powered innovation.

Ecosystem

We expand Sage's scale and reach through our ecosystem of accountants, resellers, and technology partners.

How we attract and retain customers



1. Awareness and land

Attract new customers to Sage through brand awareness, targeted campaigns, the sage.com website, referrals and partners. Offer guides and trials to prospective customers.

2. Adopt

Sign up new customers to Sage products on subscription. For some solutions, Sage or our partners provide training and onboarding to get customers started.

3. Service

Provide digital and human customer support to enhance customer experience, offering regular check-ins and conducting feedback surveys.

4. Expand

Enable Sage customers to benefit from our expanding portfolio of cloud-based solutions and AI-powered services. This increases the value of our product portfolio and enables Sage to deepen customer relationships.

5. Renew

Create a seamless experience for customers that drives higher satisfaction, helps to retain customers, and increases adoption of Sage solutions. Recommendations also help attract new customers to the network.

Our enablers

More customers

Adding customers, end users, and ecosystem participants drives the network effect and allows us to scale new value propositions. Ecosystem participants (attracted by customer volumes) amplify the network effect.

More data

With more data and data types from network participants, we can capture data flows and transactions both within and outside the network.

More insight

Data drives the development of AI-powered solutions through a combination of understanding customer problems and deploying data science capabilities. This is enabled by our culture of experimentation and innovation.

More value

These solutions enhance the customer experience and create value for customers and Sage.

A culture of innovation and experimentation

Our relentless ambition to help SMBs thrive drives continuous innovation. We encourage our colleagues to adopt an experimental mindset, helping to ensure our workforce remains fit for to an evolving technological landscape.

See page 58 to learn more about our culture

Our Values

We do the right thing and deliver on our promises.

- Being **Human** through empathy, care, and strong connections.
- Being **Bold** by being curious, courageous, ambitious, and creative.
- Creating **Trust** by delivering our promises.
- **Simplify**ing by stripping away complexity.

Outputs

Customers

101%
renewal by value

Colleagues

76
employee satisfaction (eSAT)

Community

80,036
Sage Foundation volunteer hours spent helping our communities

Shareholders

18%
underlying basic EPS growth

21.85p

total dividend for the year

£300m

share buyback announced

See page 8 to 10 to learn more about our stakeholders

Our strategy: The Multiplier Effect continued

Our Sustainability and Society strategy—The Multiplier Effect—supports our purpose and business model. It also represents our commitment to serve all our stakeholders, including communities and the planet. Over the past year, we have evaluated its effectiveness and reviewed how we might adapt it to meet stakeholder expectations, responded to macro changes and aligned it with our evolving business strategic direction, DMA and the resulting material IROs. Working with an external provider, we undertook a benchmarking exercise, reviewed our material issues and interviewed key stakeholders. As a result, we have further prioritised and sharpened our focus around our material issues.

Our three strategic pillars are:

- **Protect the Planet:** We will take action within our business, with our customers, and with our suppliers to tackle climate change.
- **Tech for Good:** We will support SMBs to thrive by building a trusted and inclusive digital network and solutions.
- **Human by Design:** We will scale and grow sustainably, through a diverse, high-performing, and human culture.

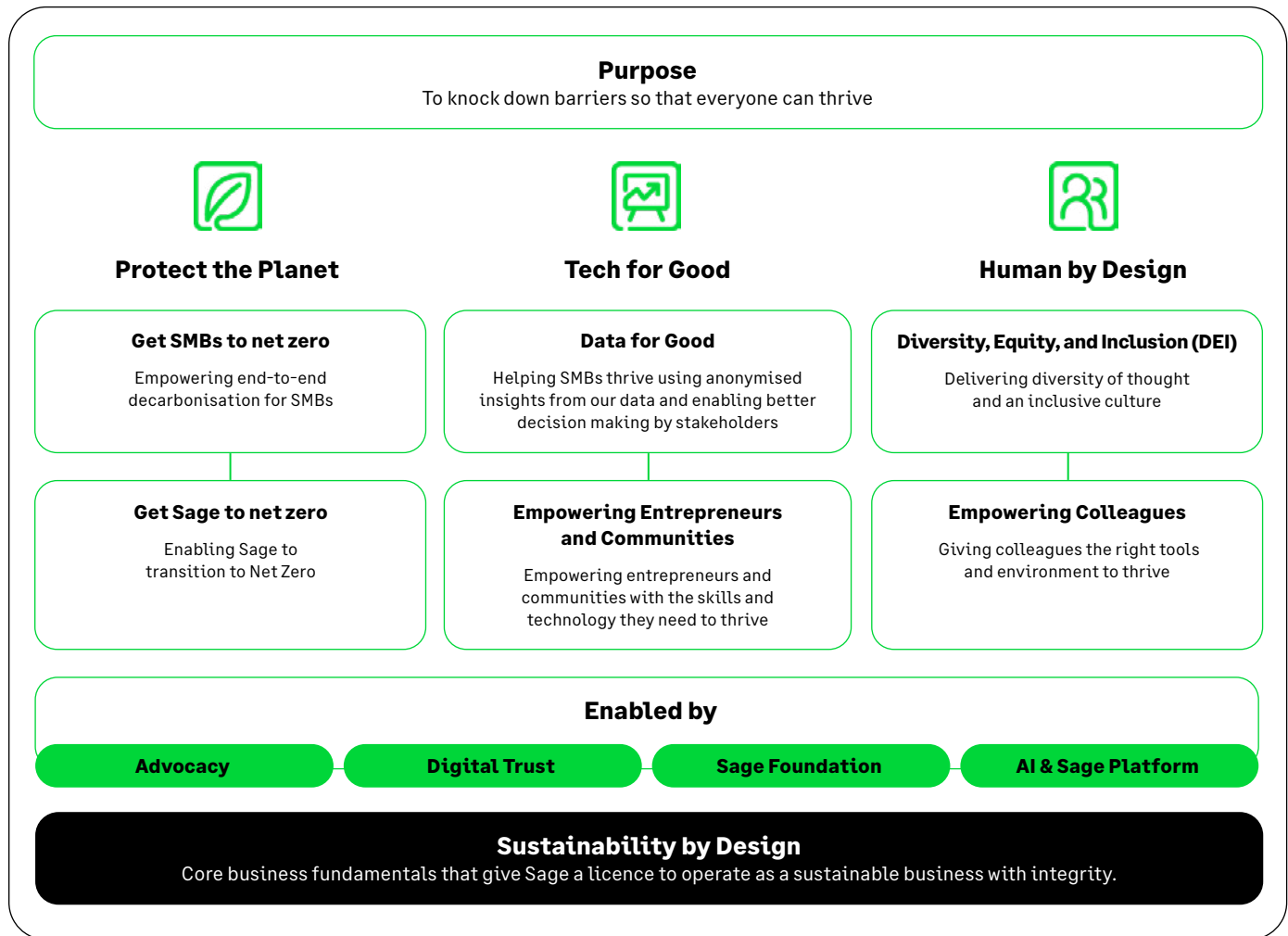
Our three strategic pillars are underpinned by several enablers that support the delivery of our strategy. These include:

- **Advocacy:** Creating an enabling policy environment that will support small businesses to thrive.
- **Digital Trust:** Ensuring stakeholders trust that Sage meets their needs in AI, data security, regulatory compliance, and ethics.
- **Sage Foundation:** Empowering the entrepreneurs of today, and tomorrow, to do great things and change the world.
- **AI and Sage Platform:** Making smarter, faster decisions with Sage AI and connecting accounting systems worldwide through Sage Platform.

In FY25, we continued to integrate sustainability into our operations, products, and culture through our commitment to Sustainability by Design. We also updated several policies to align with our focused strategy and ESRS requirements.

From FY26, we will increase our focus on three areas of differentiation that will advance value creation and drive positive impact:

- **Get SMBs to net zero:** With our technology and expertise, Sage is in a position to make an impact far beyond our own operations. By driving adoption of our carbon accounting software—Sage Earth Carbon Accounting—integrating it into suites alongside sustainability learning, our offerings have the potential to support SMBs around the world to reach net zero.



- **Data for Good:** Accurate and comprehensive data, analytics, and data-driven solutions can help to address some of the world's biggest environmental and societal challenges. We are building on the success of our Small Business Tracker, transforming our rich data into actionable insights that can drive positive change by enabling better decision making for businesses and policy makers alike.

- **Empowering Entrepreneurs and Communities:** Through the Sage Foundation we are able to use partnerships, skills, and technology to help entrepreneurs and communities to thrive. The Sage Impact Entrepreneurship Programme is supporting impact-driven scale-up businesses to address some of the world's most pressing sustainability issues.

Our stakeholder engagement

S1-2 SBM-2 GOV-1 GOV-2 GRI 2-29

Key stakeholder considerations are integrated into Sage’s Board papers, so our Board has a well-rounded view of stakeholder interests and proactively considers these as part of its informed decision making. We recognise that situations can arise with competing stakeholder interests but believe that maintaining a balanced perspective is key to achieving equitable and sustainable outcomes. Refer to our stakeholder engagement section in our Annual Report on pages 90 to 97 for more information on how we engage with stakeholders, why they matter to Sage and what matters to them.

The table below outlines how we engage with stakeholders from a sustainability perspective.

Stakeholder engagement		
Stakeholder	Why they matter to Sage	Main channels for engagement on sustainability
Executive Leadership Team (ELT) and senior leaders	The ELT plays a critical role in setting Sage’s business strategic direction. The ELT is accountable for the delivery of Sage’s performance, including our social and environmental performance, and the delivery on our commitments to all our stakeholders: customers, partners, colleagues, shareholders, and society.	<p>Quarterly Sustainability, AI and Data Ethics (SAIDE) Committee meetings</p> <p>These ensure senior leadership, including the CEO, has oversight of the direction and progress of our Sustainability and Society strategy and ongoing adherence and developments to the AI and Data Ethics Principles. The Committee is authorised to recommend, endorse, advise, and approve sustainability and society-related programmes and initiatives to ensure the strategy and deliverables are adequately resourced. Our Non-executive Director and Board Sponsor for ESG, Maggie Chan Jones, also attends SAIDE meetings to gain further insight into our strategy progress.</p> <p>Engagements</p> <p>The Sustainability and Society team engages regularly with the ELT depending on topics. In FY25, the Sustainability and Society team presented the evolved Sage Foundation strategy and in FY24, the ELT was engaged on our climate strategy and net zero plans.</p> <p>1:1 engagement</p> <p>For our DMA process, 14 senior leaders (including all ELT members) had 1:1 interviews. Our ELT also reviewed and fed back on the Sustainability and Society strategy through 1:1 engagement sessions.</p>
Customers	We put customers at the heart of everything we do, helping businesses thrive. SMBs are the growth engine of the global economy and accountants are the professionals who rely on us to help them deliver a great service to their clients, whatever their size. We recognise our customers are a diverse and dynamic group, and we endeavour to build every experience for them with human insight and ingenuity.	<p>We interviewed selected customers through one-to-one interviews for our DMA. In order to gain insights from a wider sample of customers, we supplemented these interviews with research from Datamaran, an AI system, into ESG topics identified by our customers by looking into publicly available reports.</p> <p>Online hubs and resources</p> <ul style="list-style-type: none"> Customer trust and security hub explains Sage’s approach to AI and Data Ethics, including how we manage bias in our AI models. Customers can raise queries through a “contact us” link, which goes to the Data Governance team to review and respond. Net Zero Hub provides access to resources for our customers, including articles from Sage Advice, Member Masterclass, Sage University and Sage Earth—so our customers have actionable steps to get started on emissions reduction. This is supported by Sage Earth. A dedicated page on sage.com outlines our approach to accessibility. Through this page customers can join our Product Feedback panel to help Sage shape and test our products. <p>Responding to customer requests for</p> <ul style="list-style-type: none"> We respond to requests from potential customers on sustainability and Foundation-related topics—from details on our strategy, to our policies and our approach to human rights assessment and management. We have integrated sustainability FAQs into our sales platform, supporting our colleagues and partners to address sustainability-related customer queries during tenders and pitches. In June 2025, we hosted our annual Company-wide event Sage Future in Atlanta, Georgia, and demonstrated how our expertise, insights, and AI-powered solutions help organisations work smarter, save time and accelerate sustainable growth. Within the event’s expo area, we featured a dedicated Sustainability Lounge—a space designed to deepen engagement around sustainability and translate commitments into meaningful action. We also delivered a workshop focused on practical sustainability strategies.

Our stakeholder engagement continued

Stakeholder	Why they matter to Sage	Main channels for engagement on sustainability
<p>Colleagues</p>	<p>We break down barriers, unlocking potential for our people, our customers, and the communities in which we operate. By fostering trusted connections and collaborations, Sage aims to create an environment where everyone is empowered to succeed. Our commitment to doing the right thing is backed by an inclusive, high-performing, and human-centred culture that supports each colleague to reach their full potential.</p>	<p>Online DMA survey We surveyed a sample of Sage colleagues. 154 colleagues responded anonymously.</p> <p>Pulse Surveys Twice a year through our Pulse surveys on the Glint platform, we gather feedback on our Sustainability and Society strategy, how we collaborate, opportunities for improvement, and colleague perspectives on our sustainability training.</p> <p>Sustainability Week Our annual Sustainability Week aims to inspire colleagues to find their “thing”—one meaningful action they can take to contribute to a more sustainable future. Through a mix of awareness, education, and engagement, we set to empower colleagues to act while showcasing Sage’s sustainability progress and how this contributes to our overarching commitments.</p> <p>Training</p> <ul style="list-style-type: none"> • Human Rights: In FY25, we integrated human rights into Sage’s mandatory Code of Conduct training. Colleagues take the training every two years. • Data Protection: We run mandatory training for all colleagues to ensure basic understanding of data privacy, including how data privacy impacts colleagues and support available to ensure adherence to data protection regulations. The global Data Privacy Director is responsible for this training. • AI and Data Ethics: In FY25, we developed our first AI and data ethics training to help colleagues understand and apply ethics in the context of their work, as we collaborate with partners, support SMBs, and contribute positively to our communities. • Greenwashing: In FY24, we delivered sustainability claims training to our Marketing and Corporate Affairs teams. The sessions provided guidance on how to avoid greenwashing, using the UK Government’s Green Claims Code, and included real-life examples from other companies. In FY25, we upskilled our Legal team on the regulatory risks of greenwashing through a one-hour training session with an external provider. <p>Platforms, courses, and events We encourage our colleagues to enhance their knowledge and skills in sustainability through initiatives including online courses, in-person training sessions, the Deedster platform (Climate Action and Carbon Calculator for Sustainable Businesses), and workplace activities such as Sustainability Week.</p>
<p>Shareholders</p>	<p>Our shareholders’ insights and feedback help to shape our strategic direction, guide our investment decisions, and ensure we stay aligned with our shared vision for success.</p>	<p>One-to-one DMA interviews We interviewed investors for our DMA through one-to-one interviews and then incorporated insights into our Sustainability and Society strategy. From further detail and granularity requirements on our net zero strategy, to the challenges the sector experiences, and Sage’s approach and direction on attracting and retaining talent; these were all topics that we continued to build on. Using the DMA results, we respond to investor queries.</p> <p>ESG investor queries We actively respond to shareholder ESG requests. In FY25, we received interest in our human rights approach, and we ran a human rights training session for one of our largest shareholders. We have also had requests for information on our Net Zero Transition Plan and DEI-related activities.</p>

Our stakeholder engagement continued

Stakeholder	Why they matter to Sage	Main channels for engagement on sustainability
Suppliers and partners	Suppliers and partners are important external stakeholders for Sage. Suppliers provide the goods and services we need to operate, while partners collaborate strategically with Sage to help us achieve shared goals, such as expanding markets or developing new products.	<p>EcoVadis platform We leverage the EcoVadis platform to assess and monitor the sustainability performance of our suppliers across four key themes: Environment; Labour & Human Rights; Ethics; Sustainable Procurement. We expect our suppliers to complete the EcoVadis assessment; maintain a valid scorecard throughout their contract period; and demonstrate continuous improvement, with year-on-year score increases.</p> <p>CDP We participate in the CDP Supply Chain programme to drive climate-related transparency and action across our supplier base. Through this initiative, selected suppliers are invited to disclose their climate-related data via CDP. We review submissions for completeness and quality. Suppliers are expected to improve the accuracy and depth of their disclosures annually, aligning with global climate reporting standards. Suppliers with lower maturity levels are encouraged to develop corrective action plans. We track progress over time and integrate ESG performance into supplier relationship management and contract renewal discussions.</p>
Communities	Communities are directly impacted by Sage’s business operations.	<p>Local community programmes Through Sage Foundation, we break down barriers to digital and economic inequality while supporting environmental sustainability, through global partnerships, volunteering, and fundraising. By empowering underserved entrepreneurs and equipping communities with essential digital and AI skills, we aim to build a more inclusive and sustainable future.</p>
NGOs and regulators	Non-governmental organisations (NGOs) and regulators are key stakeholders for Sage. NGOs advocate for social and environmental causes, and regulators enforce laws and standards to ensure compliance and accountability.	<p>DMA—engagement with external research We use a range of proxy research sources representing regulatory and “civil society” stakeholders including reports from the World Business Council for Sustainable Development (WBCSD) and the World Economic Forum (WEF).</p> <p>External forums We are an active member of Slave Free Alliance and engage with other stakeholders on human rights issues through working groups.</p> <p>Partnering with global institutions to drive change at scale Sage is an active participant in the annual Conference of the Parties (COP) events, partnering with the International Chamber of Commerce (ICC) and others to bring research and insight into the green growth opportunity and unlocking sustainable finance for SMBs. Sage has joined OECD’s multistakeholder dialogue on SMB sustainability reporting, helping to shape a unified standard for SMBs.</p> <p>Moreover, a key focus for Sage is lowering barriers for SMBs to engage with their Product Carbon Footprint framework and exchanging standardised product carbon footprint data. To do this we have supported in the review and delivery of the new Partnership for Carbon Transparency (PACT) V3 methodology by participating in PACT’s methodology and technical working groups. This includes being active in the development of the new biogenic and land sector emissions section. Furthermore, we have been supporting with the World Business Council for Sustainable Development’s (WBCSD’s) response to the GHG Protocol review process, as well as sitting on their working group to respond to the (Science Based Targets initiative’s) SBTi’s Corporate Net Zero Standard consultation.</p>

Governance and business conduct

GOV-1 GOV-2 GRI 2-9 GRI 2-12 GRI 2-13 GRI 2-14 GRI 2-17 GRI 2-19

Overall accountability

Sage’s CEO and ELT hold ultimate responsibility for sustainability issues, delegating related matters to appropriate Committees. Our Policy Governance Forum (PGF) approves key policies, which are then ratified by the Board as appropriate. Amy Lawson, Sage’s Chief Brand and Corporate Affairs Officer, is the executive sponsor for our Sustainability and Society strategy. She collaborates closely with Maggie Chan Jones, Non-executive Director and Board Sponsor for ESG. The Executive Vice President (EVP) Sustainability and Foundation, Elisa Moscolin, is accountable and responsible for the design and execution of the Sustainability and Society strategy.

Sage’s Board

The Sage Board oversees the Sustainability and Society strategy, progress against commitments, and approves relevant policies, as appropriate, with actions delegated to the SAIDE Committee as required. The Board is ultimately accountable for maintaining robust risk management. It delegates authority to the Audit and Risk Committee to evaluate the effectiveness of internal controls and risk mitigation strategies, and ensure appropriate oversight of our ESG risks.

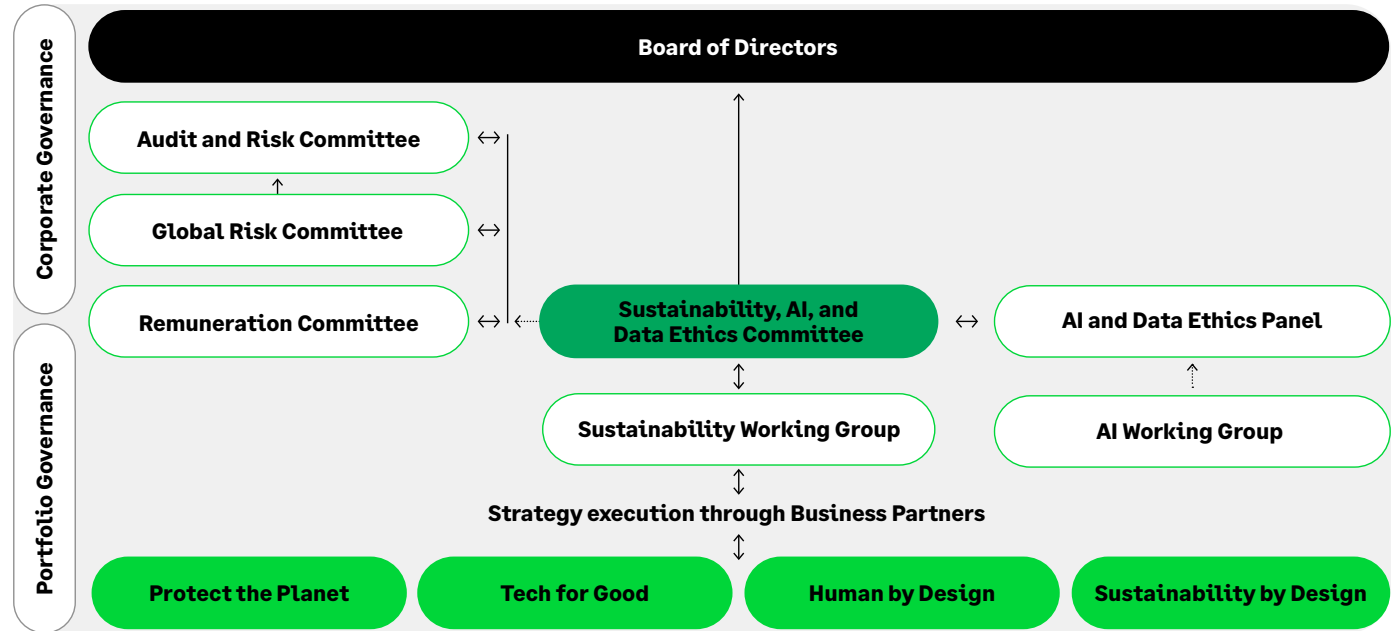
Audit and Risk Committee

The Audit and Risk Committee aids the Board in monitoring our internal control and risk management systems, reviewing their effectiveness. This includes monitoring and reviewing the adequacy and effectiveness of all material controls, including financial, operational, reporting and compliance controls. In collaboration with the Risk team, the Sustainability and Society team developed a governance structure for sustainability IROs as well as, integrating our IROs into our ERM.

Global Risk Committee

The Global Risk Committee (GRC) is tasked with overseeing internal controls and the Enterprise Risk Management (ERM) Framework, ensuring their rigour. It identifies and assesses risk exposures at both regional and functional levels. The GRC reviews progress against Sage’s ESG Principal Risk on a quarterly basis and has the authority to make changes to Sage’s Principal Risks, including ESG, and to accept or make recommendations to the business for the mitigation of the ESG principal sub-risks, when these are scored as high priority.

Sustainability and Society strategy governance framework



Sustainability, AI, and Data Ethics (SAIDE) Committee

SAIDE provides strategic direction and ensures that our policies, actions, metrics and targets adopted to address IROs remain relevant, ambitious, and on track for delivery. It also has ultimate oversight of Sage’s IROs. Chaired by the Chief Brand and Corporate Affairs Officer, its other members and regular attendees include the CEO, EVP for Sustainability and Foundation (Deputy Chair), EVP Chief Risk Officer, VP AI and Data Governance, General Counsel and Company Secretary, Chief Product Officer, Chief People Officer, and Chief Technology Officer. In FY24, we merged the AI and Data Ethics Council with our Sustainability and Society Committee, to create the SAIDE Committee. The SAIDE Committee meets quarterly, with annual updates to the Board.

In preparation for the quarterly Committees, the Sustainability and Society team partners with functions across the business to track and record progress against our sustainability targets. Performance is shared with SAIDE via a dedicated dashboard and a Committee paper. In FY25, SAIDE approved changes to our material topics (discussed in the DMA section on page 16) and reviewed and signed off on our material IROs.

The Sustainability and Society leadership team reviews the management of IROs on a quarterly basis. If an IRO needs to be reviewed or updated it is raised at the SAIDE Committee. SAIDE Committee members—who have expertise in sustainability, climate change, cyber security, AI, DEI, and community investment—have responsibility over accepting, monitoring, and mitigating IROs.

Governance and business conduct continued

Sustainability Working Group

Our monthly Sustainability Working Group (SWG) comprises the Sustainability leadership team, bringing in stakeholders from across the business as required. The SWG addresses operational challenges to strategic delivery and implementation of sustainability initiatives, reducing the volume of decisions raised to the quarterly SAIDE Committee and enabling SAIDE members to focus on resolving escalated risks and providing strategic oversight and direction.

Remuneration schemes

GOV-3 GRI 2-19

Working alongside the Remuneration Committee, we have integrated sustainability-related climate performance measures into Executive Director and ELT rewards to incentivise continued progress towards our Sustainability and Society strategy, including our climate objectives. These strategic non-financial measures in executives' incentives ensure that sustainability-related priorities, inclusive of climate action, have leadership accountability, are embedded across the organisation, and that functions are appropriately engaged in working towards our targets. We first introduced ESG-related performance measures into our Performance Share Plan in FY22, and they have evolved to align with our Sustainability and Society strategy and priorities. ESG measures comprise metrics linked to reducing carbon emissions against our SBTi-approved Net Zero Transition Plan (5%), and enabling customers on their net zero journey through accounting functionality via Sage suites (5%). For more information about our Directors' Remuneration Policy see [here](#).

An interconnected approach to risk management

GOV-5

We consider risks both individually and collectively to fully understand our risk landscape. By analysing the correlation between risks, we can identify those that have the potential to cause, affect, or increase another risk. This exercise informs our scenario analysis, particularly the combined scenario used in the Viability Statement. Please refer to our Risk Management Framework for more information on our Risk Management and Controls in the Annual Report and Accounts on page 56 to 60.

Working closely with the Risk function: In FY25, the Sustainability team worked closely with the Risk and Controls function to review and incorporate the material IROs within Sage's risk management platform which stores our Principal Risks. The process is now in line with our Principal Risk management, and we have also developed a risk management escalation process, embedding our IROs, so they can be escalated to the SAIDE Committee as necessary. We will review our material topics and IROs annually and engage the SAIDE Committee to review and approve any further changes. This brings consistency, allows for an audit trail, and supports the mature management of the IROs.

Using Datamaran to monitor our IROs: We use Datamaran, an external AI-driven platform, to monitor the evolution of our IROs (including our non-material IROs). The DMA methodology uses benchmarking to compare our data with peers, helping us identify which topics to prioritise and any new topics we haven't covered yet. IRO benchmarking allows us to explore IROs published by companies in their latest CSRD reports, so we can better research existing IROs in our industry.

Continuously monitoring the external reporting environment: Sustainability reporting is evolving at pace and we work with a number of external providers to monitor the landscape, understand implications for Sage and the geographies in which we operate, as well as potential consequences for our customers.

Refer to page 56 to 60 in the Annual Report for more detail on our risk management system as well as our Principal Risks which are outlined on page 61 to 66.

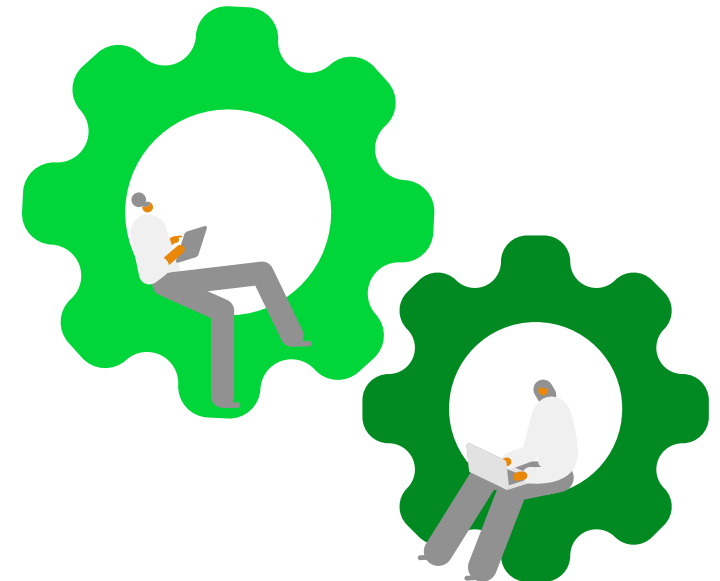
Embedding legal oversight into our reporting

The Sustainability team, with support from the legal team, continues to validate annually the sustainability claims made by Sage. The team provides internal verification over a sample of qualitative claims we make in this Non-Financial Statement and in the Multiplier Effect Impact Book. Statements are gathered and reviewed using the same platform used for the verification of the Annual Report and Accounts. Together with the Legal team, the Sustainability Reporting team provided training to Subject Matter Experts in advance of collecting content and data. The training has been useful to help prevent greenwashing. Additionally, the Sustainability and Society team engaged with the Legal function on the mandatory Code of Conduct training to include the topic of human rights.

Strengthening sustainability reporting governance through Internal Audit

This year, Sage Assurance (Internal Audit) provided assurance readiness of our value chain and DMA. Through this review we were able to leverage their organisational knowledge and synergies with other functions to support the completeness and accuracy of our value chain and DMA. This control has enabled us to strengthen the integrity and credibility of our sustainability reporting.

Additionally, the Sustainability and Society team engaged the Internal Audit function to perform a review on the reporting internal and external governance mechanisms to ensure a rigorous and transparent process is in place. As part of this review, the process of claims verification was assessed as well as reporting sign-off mechanisms and accountability.



Governance and business conduct continued

Due diligence

- G1-1
- GOV-4
- MDR-P
- GRI 2-16
- GRI 2-24
- GRI 2-25
- GRI 2-26

In FY24, we completed our first Human Rights Saliency Assessment to better understand human rights risks and impacts across our value chain (including operations and cross-functional relationships, upstream and downstream). We used this assessment to support our IRO identification and scoring, and it also fed into our due diligence approach. In FY25, we further embedded sustainability into our policies and into our ongoing due diligence processes for suppliers. We have strengthened how we communicate our human rights approach, based on the findings of our Human Rights Saliency Assessment and how we are supporting our colleagues' understanding on a range of sustainability topics. Our due diligence processes are detailed in our **Modern Slavery Statement**. Details on all our policies are included in the Appendix on pages 85 to 88.

Core Elements of Due Diligence	Data point(s)*
Embedding due diligence in governance, strategy and business model	SBM-1, SBM-2, SBM-3, E1, S1
Engaging with affected stakeholders in all key steps of the due diligence	SBM-2
Identifying and assessing adverse impacts	IRO-1 and in specific topical and entity-specific standards
Efforts to mitigate adverse impacts	Specific topical and entity-specific standards
Tracking and communicating the effectiveness of these efforts	Specific topical and entity-specific standards

* These are ESRS Disclosure Requirement references and further detail is provided on pages 119 and 120 in the Appendix.

Sustainable supply chain

- **Engaging with suppliers:** We aim to mitigate supply chain ESG risk by setting clear expectations through our Supplier Code of Conduct. All new suppliers with projected spend above a minimum financial threshold are screened via a third-party platform, where sufficient data is available. Where a supplier scores below the minimum threshold, we issue an ESG questionnaire. For strategic suppliers managed by Sage's Procurement team, we also conduct ESG maturity assessments on our suppliers at contracting stage (new contract, request for proposal, and renewal). These suppliers are also asked to (1) complete an EcoVadis assessment, which assesses topics such as environment, labour and human rights, ethics and sustainable procurement, (2) calculate their own carbon emissions and share emissions data with Sage via CDP and (3) commit to setting a science-based target approved by the SBTi.
- **Upskilling the Procurement team:** In FY25, we created a new Sustainable Procurement Director role within our Procurement team. The role is a senior leadership role dedicated to progressing our sustainable procurement journey, with a particular focus on carbon emissions reduction and mitigation of human rights risk. All Procurement colleagues have completed the Chartered Institute of Procurement and Supply (CIPS) Ethical Procurement and Supply e-Learning, including all new joiners in FY25. In addition, all Procurement team members completed an online training module on identifying modern slavery, provided by the Slave Free Alliance.
- **Achievements:** As of October 2025, 184 of our FY25 suppliers (representing 53% of supply chain emissions) have a valid EcoVadis certificate and have achieved a score of at least 50/100. The overall score for Sage's EcoVadis assessment increased from 74/100 to 79/100. The Sustainable Procurement score for Sage's EcoVadis assessment increased from 70/100 to 72/100. We received primary GHG emissions data via CDP for 57 suppliers, representing 89% of supply chain emissions. 263 of Sage's suppliers, representing 51% of supply chain emissions have committed to or already set science-based targets via the SBTi. Following the most recent assessment, we achieved an overall CDP Supplier Engagement rating of A, an improvement from A- the previous year.

Mergers & acquisitions (M&A)

We have embedded ESG considerations in our M&A due diligence process to mitigate sustainability-related risks and realise opportunities and impact. Our Sustainability team conducts ESG due diligence on all target companies during the M&A process and afterwards during integration.

Policies

MDR-P

- **Third-Party Due Diligence Policy:** Sets out circumstances in which we carry out due diligence checks on third parties to promote strong compliance practices. Where due diligence reveals potential risks or concerns, we may reach out to customers, suppliers, and partners (and other third parties) for assurances or further information. A dedicated Business Due Diligence team supports colleagues in fulfilling their third-party due diligence obligations. We take a risk-based approach to our due diligence on customers, suppliers, and partners and we use industry data to support this process.
- **Anti-Bribery and Corruption Policy:** Details our zero-tolerance approach to all forms of bribery and corruption. We also require our partners to adopt our position on bribery and corruption and clearly set out our expectations in our Partner Code of Conduct. We are committed to providing our colleagues with training on anti-bribery and corruption. The level and frequency of this training depend on each colleague's role. Our Anti-Bribery and Corruption Policy is supported by our Gifts & Hospitality Policy and Conflicts of Interest Policy, along with their respective declaration and approval processes, procedures, as well as periodic audits and colleague reminders.
- **Codes of Conduct, Whistleblowing Policy, whistleblowing procedures and grievance mechanisms:** Encourage colleagues, partners, suppliers, and other third parties to report any instances of misconduct to an appropriate person within Sage, or to our independent external whistleblowing service. We investigate all whistleblowing reports that we receive.

Governance and business conduct continued

Policies overview

Sage has a range of policies to manage sustainability matters. The table below outlines which policies are relevant to each of our material topics. The descriptions of each of these policies is outlined on pages 85 to 88.

MDR-P GRI 2-23

Policies			
Strategic pillar	Topic	Sustainability matter	Key policies and documents
Protect the Planet	Climate change	Climate change mitigation	Environmental Policy
		Climate change adaptation	
		Energy	
Tech for Good	Innovation to empower customers and SMBs	Entity-specific*	Environmental Policy Secure Software Development Policy
		Political engagement and lobbying activities	Anti-Bribery and Corruption Policy Third-Party Due Diligence Policy Whistleblowing Policy Code of Conduct
	Cyber security and data privacy	Entity-specific*	Data Classification and Handling Policy Secure Software Development Policy Information Security Policy Digital Infrastructure Security Policy Data and AI Ethics Policy Personal Data Protection Policy Acceptable Use Policy
		AI and data ethics	Entity-specific*
Human by Design	Diversity, Equity, and Inclusion (DEI)	Equal treatment and opportunities for all—Diversity	Diversity, Equity, and Inclusion Policy Human Rights Charter Anti-Bullying, Discrimination and Harassment Policy
		Social inclusion of consumers and/or end-users—Access to products and services	
	Colleague development and retention	Equal treatment and opportunities for all—Training and skill development	Talent and Learning Policy
	Local community investment and support	Entity-specific*	Sage Foundation Policy

* Entity-specific matters—as per ESRS, when a material sustainability matter is not covered by an ESRS or is covered with insufficient granularity, the business should introduce it as an entity-specific matter.

Governance and business conduct continued

Business conduct

Communication and training about anti-corruption policies and procedures

GRI 205-2 GRI 3-3

In FY25, Sage’s Anti-Bribery and Corruption Policy was made available to all colleagues, including the Board, via Sage’s colleague intranet.

Disclosure	Unit	2023	2024	2025
Employees who the organisation’s anti-corruption policies and procedures have been communicated to, and employees who have received training on anti-corruption, broken down by region				
Africa and Middle East				
Total number	#	1,067	1,021	1,018
Percentage	%	100%	100%	100%
Asia and Australia				
Total number	#	722	617	549
Percentage	%	100%	100.0%	100%
Central Europe				
Total number	#	780	789	812
Percentage	%	100%	100%	100%
North America				
Total number	#	2,485	2,322	2,495
Percentage	%	100%	100%	100%
Northern Europe				
Total number	#	3,541	3,403	3,476
Percentage	%	100%	100%	100%
Southern Europe				
Total number	#	2,740	2,555	2,736
Percentage	%	100%	100%	100%
Total		11,335	10,707	11,086

Note: The data relates to colleagues to whom Sage’s Anti-Bribery and Corruption Policy was made available via the employee intranet, and does not relate to the receipt of anti-corruption training. The Code of Conduct eLearning, which includes an anti-bribery and corruption module, is mandatory for employees on joining and at regular intervals thereafter. The most recent iterations of the eLearning were launched in FY23 and FY26.

Confirmed incidents of corruption and actions taken

GRI 205-3

Sage has an Anti-Bribery and Corruption Policy, together with associated whistleblowing procedures and grievance mechanisms. We do not report quantitative information on corruption incidents. Further detail on anti-bribery and corruption can be found in the Annual Report and Accounts.

Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices

GRI 206-1

Disclosure	Unit	2023	2024	2025
Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant				
	#	0	0	0

Double Materiality Assessment

IRO-1 SBM-1 SBM-3 GRI 2-12 GRI 3-1

Sage conducted its first DMA in 2023—please see our detailed methodology published [here](#). This included detailed stakeholder engagement to map and understand Sage’s IROs universe. Since then, we have continued to monitor and evolve, ensuring our material topics remain relevant for the business and aligning to the most recent guidance from the European Financial Reporting Advisory Group (EFRAG).

In 2024, additional guidance around DMA and value chain was published by EFRAG. Following good practice materiality review, Sage believed it would be beneficial to review the DMA performed in 2023 in line with the new information outlined in the finalised guidance. In 2024, Sage also updated its strategic business direction placing more emphasis on the role of AI and, therefore, reviewing the DMA seemed suitable.



Evolving material topics

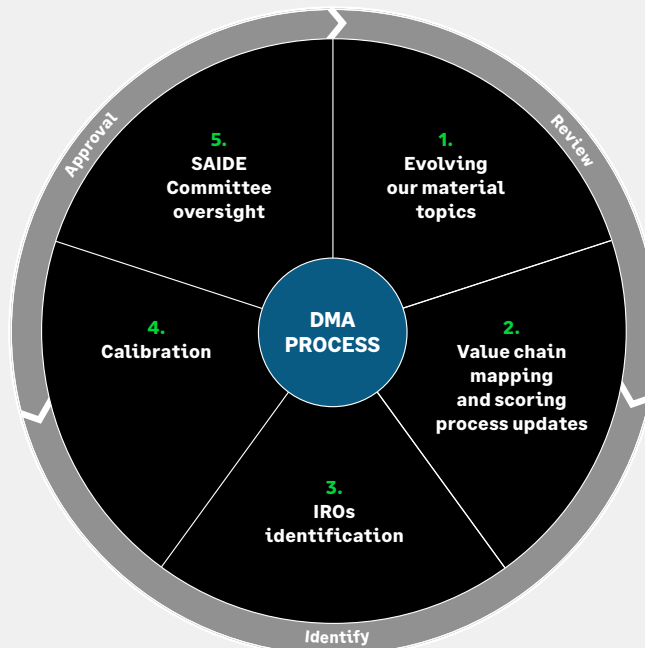
As a result of our FY23 DMA, our non-financial reporting focused on eight strategically significant and very important material topics. These were identified through a rigorous process that considered our impact on society and the environment, as well as the risks and opportunities they present. Material topics included: Climate change, Cyber security and data privacy, Innovation to empower customers and SMBs, DEI, Colleague development and retention, Local community investment and support, AI and Data Ethics, and Digital equality. In FY24, considering global macro trends, our focused business direction, and further CSRD developments, we reviewed these topics and made the following changes:

- **AI and data ethics**—taking into consideration Sage’s business strategy, this topic was classified as strategically significant for the business.
- **Innovation to support customers and SMBs**—we updated the definition for this material topic to better reflect our contributions. It is important to note that this is a material topic that cuts across our three strategic pillars and enablers. Within this topic is our public policy and advocacy work which follows the ESRS topic Political engagement and lobbying activities under S4 (Consumers and end-users).
- **Digital equality**—this topic initially included promoting digital equality to ensure the benefits of digitisation are realised across all levels of society and ensuring our products are accessible, supporting people with disabilities and removing barriers. These aspects were merged respectively with material topics: Local community investment and support, and DEI.

As part of our DMA, we identified several foundational or emerging topics. While these are not included in our reporting scope, we continue to monitor the evolution of global regulations around these topics and our sector’s approach, and engage the business in assessing these topics to ensure we capture valuable insights on an ongoing basis. In FY25, we advanced our analysis to better understand the implications of these topics for our business. More context around these is included throughout this Non-Financial Statement. Additionally, we have reviewed the foundational topics of Governance effectiveness and Tax in the light of this DMA, ESRS requirements, and our IROs. These operational management topics are an essential part of how we do business on an ongoing basis, and we have combined their relevant sustainability aspects (e.g. in relation to regulatory compliance) with Business Conduct to bring more clarity and align better with the ESRS matters.

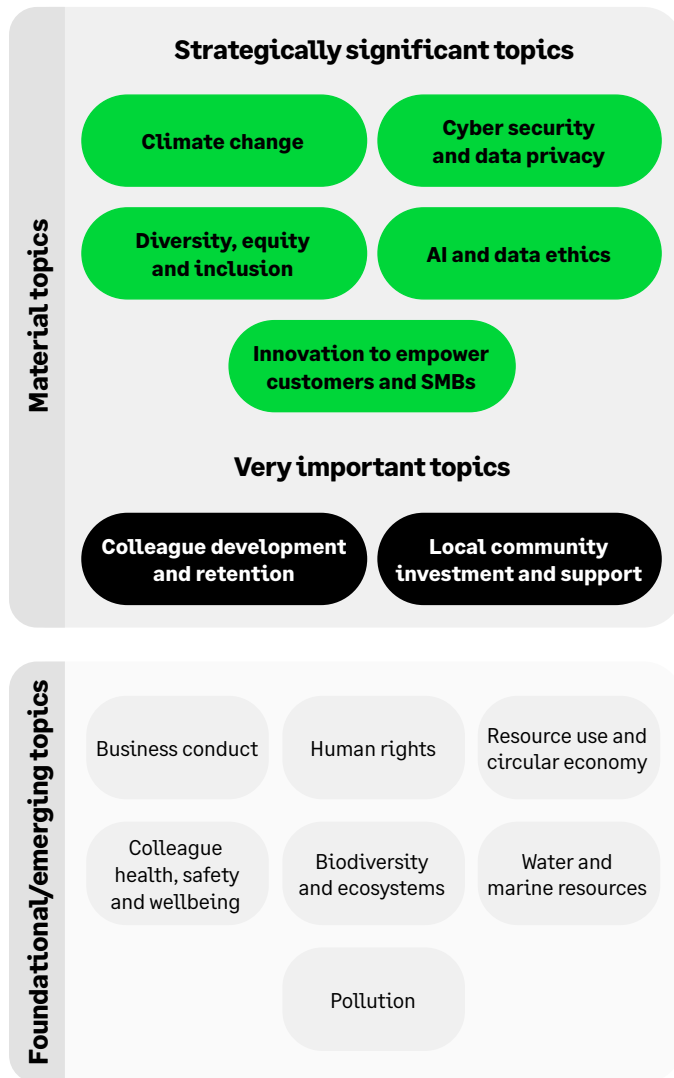
The 2024/2025 review was focused on the following areas:

1. **Evolving our material topics**—we reviewed and updated our material topics based on business strategic direction.
2. **Value chain mapping and scoring process updates**—we initially mapped our value chain in 2023 and have since included further detail. Our Internal Audit function reviewed the final output in FY25. We also updated the scoring process to align with EFRAG guidance, which includes scoring risks on an inherent basis, updating impact scoring criteria, and ensuring human rights negative impacts are weighted correctly.
3. **IRO identification**—we reviewed the 2023 IROs list based on updated EFRAG guidance. This long list was scored by respective SMEs.
4. **Calibration**—the Sustainability and Risk teams, as well as ELT members, reviewed the IROs scoring. Minor changes to the language were made.
5. **SAIDE Committee oversight**—finally, the SAIDE Committee was presented with the material IROs for approval and to ensure alignment with Sage’s strategy.



Double Materiality Assessment continued

IRO-1 GRI 3-1 GRI 3-2



FY25 material topics definitions

Climate change: Managing physical climate-related risks and minimising Sage’s carbon footprint and opportunities to reduce greenhouse gas emissions across the value chain, hence seeking to manage climate transition risk. In addition, helping customers reduce carbon emissions associated with the use of Sage products by providing energy-efficient software and carbon accounting solutions.

Cyber security and data privacy: Managing and mitigating risks related to the use of customer data and the collection, retention, and use of sensitive, confidential user data. Issues can arise from incidents such as data breaches involving personally identifiable information.

Innovation to empower customers and SMBs: Developing products and services that will advance positive social and environmental outcomes and increase the value we deliver for Sage’s customers.

DEI: Ensuring zero tolerance for discrimination of any kind across Sage’s business and creating opportunities for colleagues and communities. This includes supporting people with disabilities and removing barriers through our business and the accessibility of our products.

AI and data ethics: Managing ethical issues surrounding data and AI to ensure that biases within algorithms are reduced and data is used to support positive environmental and social outcomes. This includes designing products and services that help tackle inequality in technology.

Local community, investment and support: Leveraging Sage Foundation to engage with, and support, local communities in which Sage operates. This includes charitable giving, partnerships, or volunteering programmes to foster social, digital, and financial inclusion, and mobility.

Colleague development and retention: Attracting, engaging and retaining a highly talented workforce, by providing the right conditions for Sage’s colleagues to carry out their work to the highest standard.



Double Materiality Assessment continued

Value chain mapping

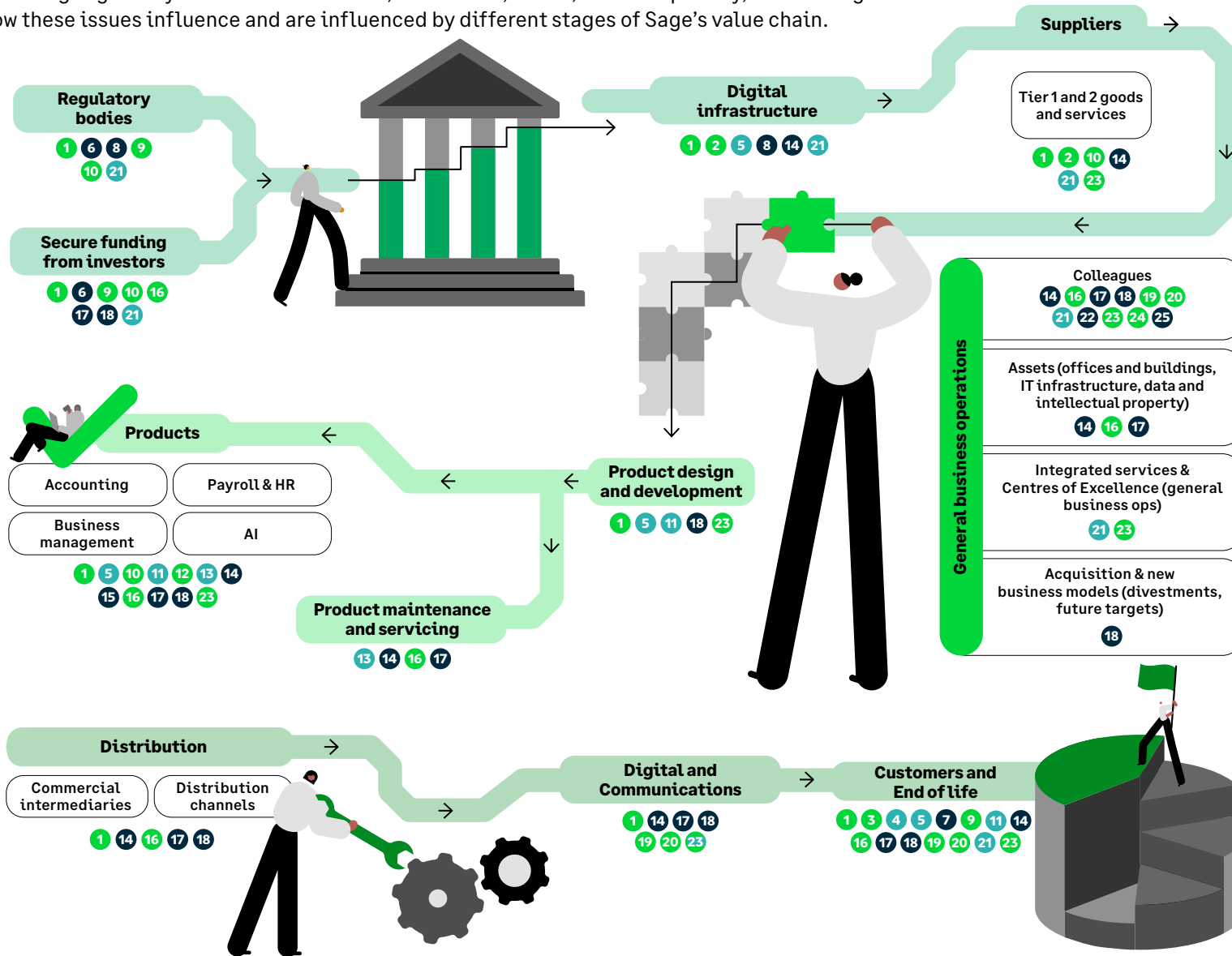
IRO-1 SBM-1 GRI 2-6 GRI 3-1

Our IROs intersect across Sage’s upstream, operational, and downstream activities. The value chain highlights key areas such as climate, innovation, talent, and data privacy, illustrating how these issues influence and are influenced by different stages of Sage’s value chain.

Upstream

Own operations

Downstream



● Impact ● Risk ● Opportunity

Climate change

- 1 Increased indirect energy consumption and GHG emissions
- 2 Increased emissions from upstream supplied goods and services
- 3 Increased emissions from the downstream use of sold products
- 4 Increased market opportunity for Sage
- 5 Develop products and services that help our customers tackle the challenges of climate change
- 6 The cost of carbon-related operational services increases
- 7 An increase in global disruption due to climate change could reduce economic activity and lead to a lower demand for Sage services
- 8 Risk that Sage will not meet its climate targets

Innovation to empower customers and SMBs

- 9 Enabling SMBs to achieve net zero
- 10 Advocating on behalf of SMBs for simplified sustainability reporting standards
- 11 Enable sustainability across SMBs, creating greater need for Sage’s wider product ecosystem

AI and data ethics

- 12 Leveraging AI for social good and fostering inclusive technological development
- 13 Enhance customer and employee experiences and continue to build trust in Sage
- 14 Risk of inconsistent data management and governance
- 15 Risk that Sage fails to manage bias from the algorithms in AI technology it uses

Cyber security and data privacy

- 16 The potential data privacy impacts of any exposure to a data breach incident
- 17 Risk of an external attack leading to compromise of a Sage product
- 18 Risk that new products, services, and/or systems do not consider the impacts or risks to personal data and individuals’ data protection rights

Local community investment and support

- 19 Amplifying the impact of global non-profits by offering time, skills, and funding
- 20 Empowering underserved entrepreneurs and contributing to skills development
- 21 Strengthen Sage’s role as a trusted partner in the community

DEI

- 22 Risk that by not having a diverse workforce, Sage risks being disconnected from our customer, colleague, and external stakeholder base
- 23 Improving product accessibility to create greater inclusion in the workplace and marketplace

Colleague development and retention

- 24 Preparing the workforce of the future
- 25 Risk of failing to ensure we engage colleagues with the critical skills, capabilities, and capacity we need to deliver on our strategy.

Double Materiality Assessment continued

GRI 3-1

Material IROs identification, resilience of strategy and business model

FY25 is the first year we have identified and disclosed material IROs. Across our seven material topics, we have identified 25 material IROs. The visualisation on page 18 outlines our material topics and associated IROs, as well as where they are on the value chain. Our strategy section on pages 6 and 7 further outlines the interconnection between our IROs, our Sustainability and Society strategy and Sage's business model.

IROs identification and assessment

As part of our updated scoring process, we took an inherent approach (excluding considerations of mitigation measures in the scoring rationale).

Risks and opportunities

We aligned our risks and opportunities to our existing ERM. These were assessed across likelihood and potential magnitude of financial effects caused by a sustainability matter. The potential magnitude was assessed across the following categories: financial, customer, legal and regulatory, brand and reputation, and colleague impact.

Impacts

For impacts, we developed a separate framework based on ESRS guidance. We built on our previous approach to assess the materiality of sustainability-related matters, as well as using recent studies, benchmark reports, and internal projects. As per ESRS guidance, we used "scale", "scope", and "irremediable character" parameters to score the 'severity' of our impacts. In alignment with our ERM, we also included "likelihood". Scale reflects the gravity of the impact, particularly in terms of how significantly it affects fundamental needs or rights. Scope considers the number of stakeholders impacted, while irremediability assesses how difficult the negative impact is to resolve or reverse.

Likelihood for both impact materiality and financial materiality is based on the chance of occurring, and we applied same thresholds for both financial and impact assessment. We used feedback from our 2023 stakeholder engagement to support prioritisation and have aligned our risks to our Principal Risks to ensure integration. By analysing the correlation between IROs, we were able to understand their connection and develop a complete list.

Material risks and opportunities

Through our DMA process, we have identified nine material risks and five opportunities. They are not currently having a financial impact on our business, and we do not anticipate any material adjustments within the upcoming annual reporting period. As a tech company, our risks are mainly concentrated on Climate change, Cyber security, Data privacy, and AI and data ethics. As part of our assessment, we have linked identified material risks and opportunities to existing Sage Principal Risks, strengthening the link to ERM. Our opportunities span a range of topics, focusing on how our offerings contribute to the transition to a green economy, and how our work through Sage Foundation and with our customers has the potential to strengthen our brand and build trust.

Over the past four years, we have refined and improved our understanding of our climate risks and opportunities using a combination of regulatory guidance, risk management processes, TCFD best practice examples, and internal expert judgement. In FY25, we strengthened our approach by reviewing climate change by adding the lens of environmental and societal impacts. In line with previous TCFD disclosures, we did not identify that climate is a financially material risk to Sage in the short, medium or long term. Please refer to pages 35 to 44 of our Annual Report and Accounts for more information on our climate-related risks. We will continue to support risk owners to manage climate-related risks, opportunities, and impacts and horizon scan for new and emerging climate-related IROs.

Material impacts

Our identified material impacts are both positive and negative. Our positive impacts are primarily centred around our Sage Foundation initiatives and our support for SMBs. Conversely, our negative impacts are predominantly related to climate change, particularly within our value chain.

IROs across the value chain

Overall, our material IROs primarily pertain to our own operations, while some of our climate-related IROs are concentrated in our value chain. IROs both have an on impact on and are impacted by our customers, colleagues, and our key relationships, which are integral to our strategy and business model. We have greater control over management and mitigation of IROs directly related to our strategy and business model (such as those IROs concerning our workforce, and data privacy and security). However, many environmental IROs identified in our upstream and downstream value chain are outside our control, requiring a partnership

approach, and we recognise that it is more challenging to influence any mitigating action.

Decision-making process

To ensure the accuracy of the results of our DMA, we validated our IROs with internal stakeholders including Subject Matter Experts, procurement, and risk. The Sustainability Reporting team facilitated the identification, allocation of accountability, and documentation of material IROs, in collaboration with the Risk team. Our senior management team also engaged with the DMA methodology, thresholds, and results before finalising the material IROs and DMA. The material IROs were signed off by the SAIDE Committee.

For further details on our risk management and internal control systems, risk-informed decision-making process, and Principal Risks and uncertainties, refer to pages 61 to 66 of the Annual Report and Accounts.

Resources that have supported our Subject Matter Experts in identifying and developing IROs included:

- Company reports relevant to the undertakings' value chain, i.e. for peers/competitors, suppliers, and corporate customers;
- Regulations representing the legal and regulatory landscape for regulators relevant to the undertakings' value chain profile;
- Voluntary initiatives for policy makers such as NGOs, industry associations, stock exchanges, international organisations, standard setters relevant to the undertakings' value chain profile;
- Online news for general public opinion relevant to the undertakings' value chain.

IROs ongoing management

For our material IROs, we have begun to establish controls such as policies and mitigation actions. Additionally, through our Sustainability and Society strategy we are advancing our positive impacts and opportunities through focusing on AI, supporting SMBs, and further climate analysis. By embedding our IROs into our existing Risk Management Systems, our resilience is considered high, based on the analysis provided by our Subject Matter Experts through the DMA process.

PROTECT THE PLANET

We are driving a faster global transition to net zero by cutting down our own emissions and empowering SMBs to take climate action.

In 2025, the increased frequency of extreme weather events and record-breaking global temperatures underscored the continued critical need to address climate change. We remain steadfast in our commitment to reducing our own emissions and empowering SMBs to take climate action.

We deliver on our own ambitions through two commitments: Get Sage to net zero and SMBs to zet zero.

Material topics covered:

Climate change

Innovation to empower customers and SMBs

Foundational topics:

Water and marine Resources, Resource use and circular economy, Pollution, Biodiversity and ecosystems

ESRS disclosures:

E1

SDG contribution:



Impacts, Risks and Opportunities

Material topic: Climate change

SBM-3 GRI 201-2

Value chain location Upstream Downstream Operations

Associated IRO Positive impact Negative impact Risk Opportunity

Impacts, risks, and opportunities				
Value chain location	Associated IRO	Time horizon	Link to strategy	Where to look
	Increased indirect energy consumption and GHG emissions.	Short-term Medium-term Long-term	Get Sage to net zero	Supply Chain FY25 Action Table
	Increased emissions from upstream supplied goods and services.	Short-term Medium-term Long-term	Get Sage to net zero	Supply Chain FY25 Action Table
	Increased emissions from the downstream use of sold products.	Short-term Medium-term Long-term	Get Sage to net zero	Sustainable Products FY25 Action Table
	The cost of carbon-related operational services increases.	Long-term	Get Sage to net zero	Carbon Offsetting Approach
	An increase in global disruption due to climate change could reduce economic activity and lead to a lower demand for Sage services.	Long-term		TCFD see pages 35 to 44 of our Annual Report and Accounts 2025
	The risk that Sage will not meet its climate targets.	Medium-term Long-term	Get Sage to net zero	Colleagues, Property FY25 Action Table
	Increased market opportunity for Sage.	Medium-term Long-term	Get SMBs to net zero	Products FY25 Action Table
	Develop products and services that help our customers tackle the challenges of climate change.	Short-term to medium-term to long-term	Get SMBs to net zero	Get SMBs to net zero FY25 Action Table

Material topic: Innovation to empower customers and SMBs

Impacts, risks, and opportunities				
Value chain location	Associated IRO	Time horizon	Link to Strategy	Where to look
	Enabling SMBs to achieve net zero.	Short-term Medium-term Long-term	Get SMBs to net zero	Get SMBs to net zero FY25 Action Table Sage FY25 Impact Book

Climate change

GRI 3-3

Overview

Climate change is one of the most pressing challenges of our time—threatening human wellbeing, societal stability, and the health of our planet. For businesses, it also presents growing operational risks, with climate-related disruptions increasingly affecting supply chains, infrastructure, and long-term resilience.¹ At Sage, we recognise both the responsibility and the opportunity to lead in this space. “Protect the Planet” is a core pillar of our Sustainability and Society strategy, designed to accelerate the transition to a low-carbon economy while supporting the communities and businesses we serve.

Our approach to climate change is built on two interconnected sub-pillars:

Get Sage to net zero—Our Net Zero Transition Plan outlines the path to deliver on our climate commitments. We are targeting a 50% reduction in Scope 1, 2, and 3 greenhouse gas emissions by 2030, compared with a 2019 baseline, and aim to achieve net zero emissions by 2040. These goals are aligned with the 1.5°C pathway of the Paris Agreement. The Net Zero Transition Plan details how we will embed sustainability across our operations—from energy use and travel to product design and supplier engagement—guided by Science Based Targets and underpinned by a robust governance framework.

Get SMBs to net zero—SMBs are vital to the effort to get to net zero because they represent a significant proportion of all businesses. Through Sage Earth, we provide SMBs with integrated carbon accounting solutions, enabling them to measure, report, and reduce their environmental impact. Our solutions guide businesses from climate education to footprint analysis and AI-enabled carbon reporting. We also partner with financial institutions, FinTechs, and energy providers to extend our reach and impact across the global SMB ecosystem. We champion the voice of SMBs in climate policy, advocating for simplified standards and inclusive frameworks that enable smaller businesses to thrive in a net zero future. For more information please see pages 44 to 46 for our advocacy approach.

Together, these sub-pillars reflect our belief that meaningful climate action must bring together different stakeholder groups. By aligning our operations, products, and influence with the goals of the Paris Agreement, we aim to protect the planet while creating long-term value for all our stakeholders.

Governance

GRI 2-12 GRI 2-13

Our CEO and ELT are accountable for delivering our Sustainability and Society strategy and associated targets. Our Board oversees the strategic direction of our Protect the Planet pillar and progress against commitments, and approves relevant policies, with actions delegated to the SAIDE Committee as required. The EVP of Sustainability and Foundation and the Climate Change Director are responsible for designing and implementing the Protect the Planet pillar, with support and oversight from our SAIDE Committee. For incentives and remuneration please see page 12.

Climate-related impact assessment

IRO-1

To identify and assess climate-related IROs, we analysed our GHG emissions sources for Scopes 1, 2, and 3 to quantify, monitor, and be transparent about our carbon footprint along our entire value chain. This process allowed us to develop our Net Zero Transition Plan, and to identify areas within our business model where impacts are most likely to arise, both directly and indirectly.

Based on our calculated GHG emissions, we identified that our impact on climate change is distributed across the value chain, with the most significant impact generated in the upstream through the increased use of compute and related data centre capacity as well as through the downstream use of sold goods. For more information please see pages 23 to 28. Our current assessment covers future potential sources of GHG emissions due to the nature of our business model.



¹ The Profit of Preparedness: Resilience in Supply Chains, Finance, and AI: [The Profit of Preparedness: Resilience in Supply Chains, Finance, and AI | WBCSD](#)

Get Sage to net zero

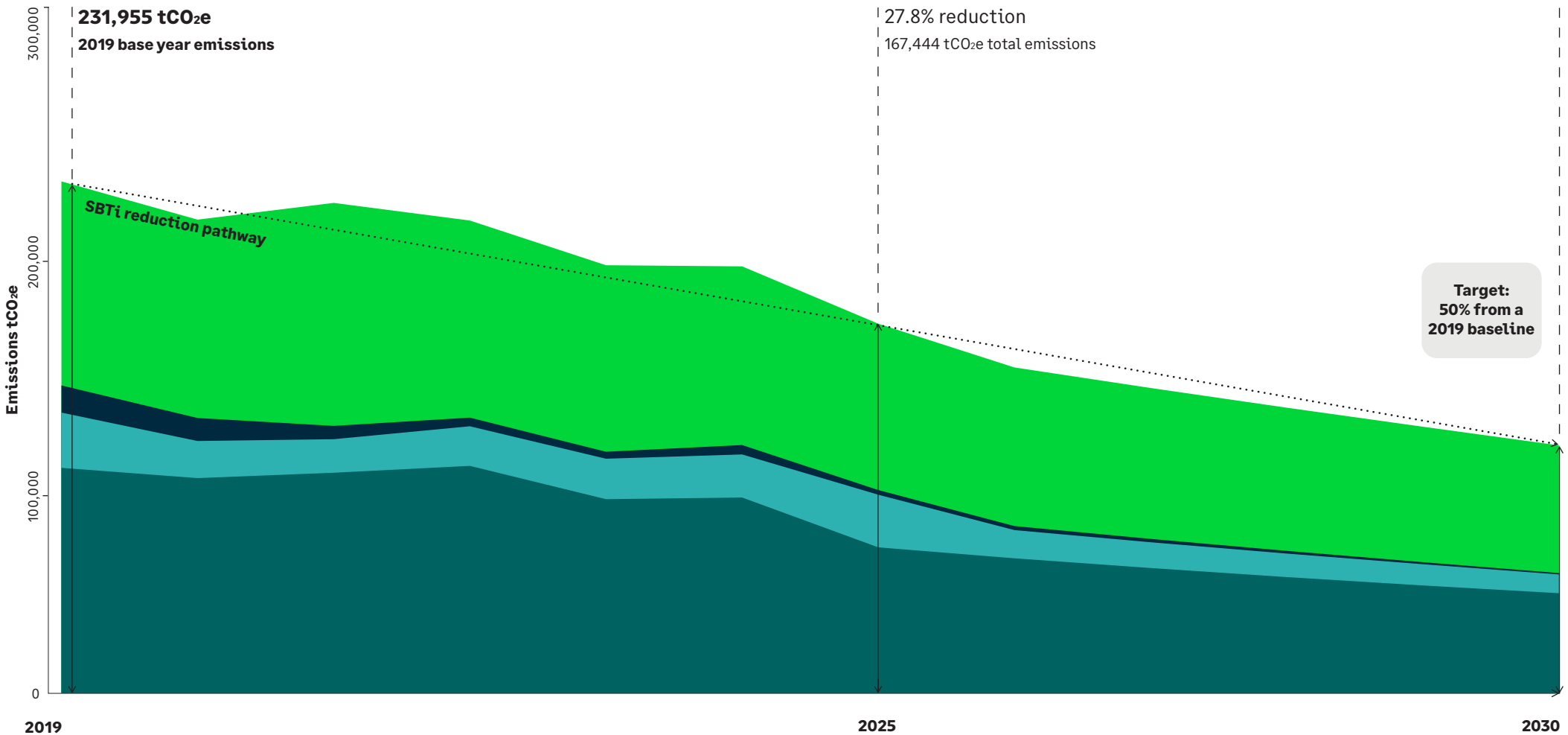
E1-1

Our Net Zero Transition Plan

Our Net Zero Transition Plan is shaped by our business strategy, approved by the Board, and we continuously evaluate its impact on our financial statements and long-term financial performance. We provide progress updates to the Board and relevant Committees including the Audit and Risk Committee. Our glidepath identifies the key levers to reduce our emissions and achieve our interim 2030 targets. In FY25, we have continued to focus on our material sources of emissions across our supply chain, and through the use of sold products.

Key

- Supply chain
- Property
- Colleagues
- Products



Get Sage to net zero continued

E1-6

Emissions performance

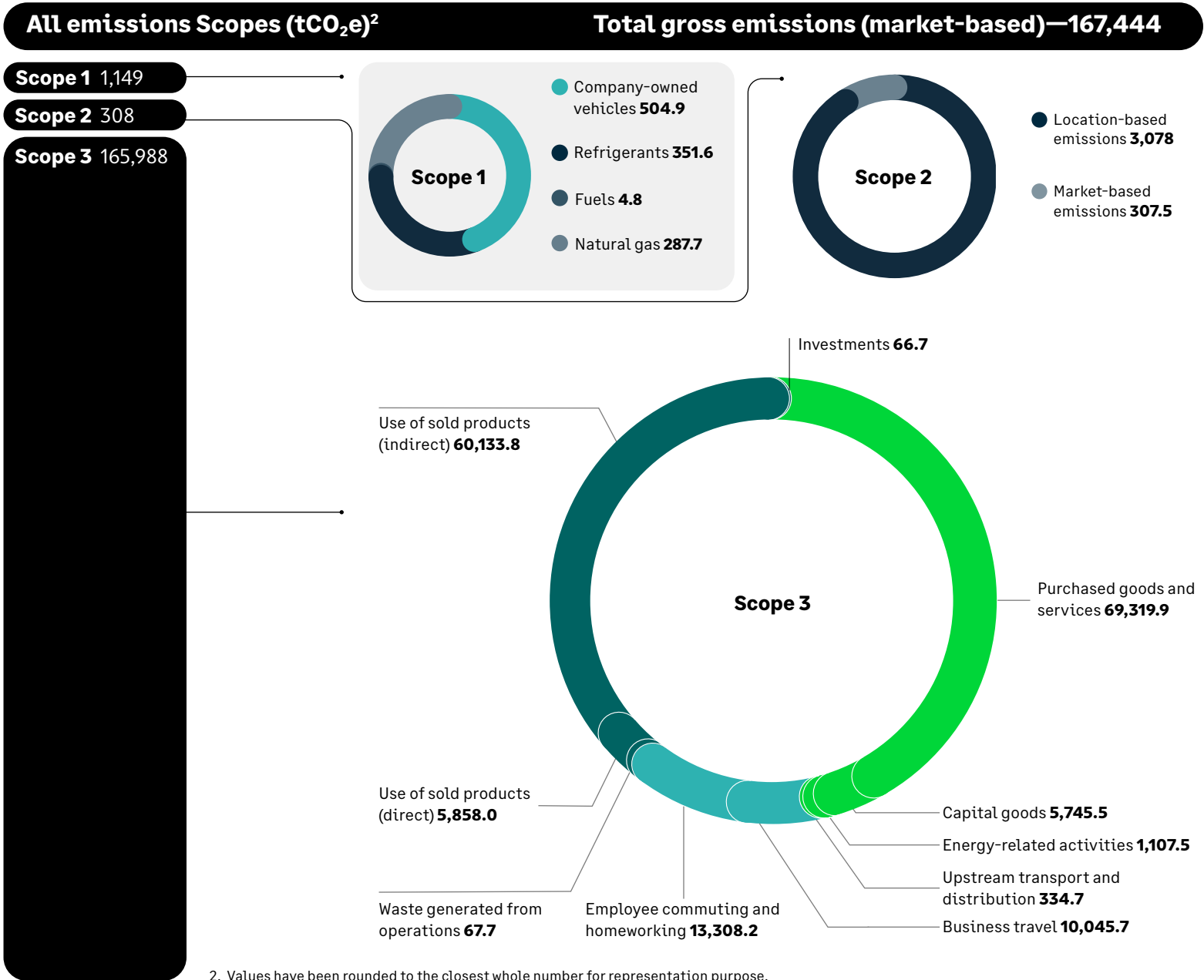
Since 2019, our GHG emissions have reduced by 27.8%, falling an additional 13.4% in FY25, marking the fourth consecutive year of emission reductions. We have made greater progress in reducing Scope 1 and 2 emissions (by 71% and 97% respectively) due to ongoing eco-efficiency and renewable electricity procurement, which now meets 86% of our property portfolio's needs. Some of the challenges we faced included ongoing business expansion, rising colleague business travel, increased supply chain spending, and higher office occupancy rates.

Approach

We remain confident in our Net Zero Transition Plan and the actions needed to achieve our climate goals and we are taking steps to accurately quantify the emissions reduction expected by each action. While recognising the growing challenges posed by external factors on the path to net zero, including supply chain complexities and evolving regulatory requirements. Opportunities to further reduce Scope 1 and 2 emissions are increasingly constrained by market availability of renewable energy across our portfolio and the tendency agreements associated with our properties, but we will continue to identify opportunities to reduce energy consumption within our direct control. For Scope 3 emissions, we have strengthened our engagement with key suppliers, including Dentsu, Microsoft, and AWS, which collectively account for 20% of our category 1 supply chain emissions.

Key

- **Property 1%**
- **Supply chain 45%**
- **Products 40%**
- **Colleagues 14%**



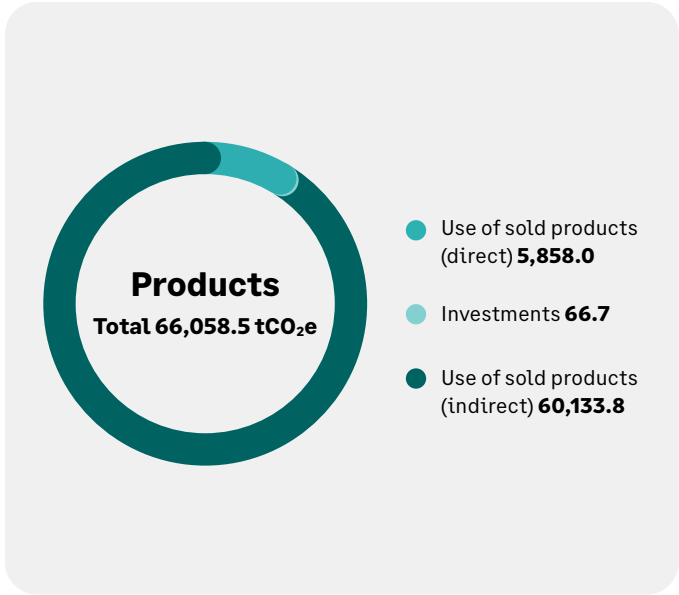
Get Sage to net zero continued

Products

Indirect emissions from the use of our products constitute 40% of Sage’s carbon footprint—from customers running Sage solutions on their hardware premises.

Approach

Our product strategy remains aligned with our net zero target. Our goal is to increase cloud penetration among our customers, maximising the environmental benefits of efficient, modern cloud environments. We continue to roll out cloud solutions such as Sage Intacct and Sage Active across more markets, particularly in Europe. Additionally, our solutions such as Sage Partner Cloud help customers move their on-premise Sage servers to the cloud. By end FY25, emissions related to our products had decreased by 35% since our 2019 base year, aligning with our glidepath. The significant decrease seen in FY25 is attributed to the acquisition, and analysis of more granular data for our North American customers. As we execute our business plan and observe increased “cloud” adoption among our customers, product-related emissions will decrease in accordance with our 2030 targets.



Actions to get to net zero

2025

- Developed a Life Cycle Assessment (LCA) of two software products, Sage 100 and Sage Intacct, to inform industry best practice.
- Sage Hosting now available to customers across 19 products.

2026–2030

- Continue to evolve software LCA reporting, based on the principles of Transparency, Consistency and Trust.
- Encourage the use of more efficient cloud-hosting solutions for customers and SMBs.



Get Sage to net zero continued

Supply chain

Our Scope 3 supply chain carbon emissions (Categories 1, 2, and 4) constitute the single-largest portion of Sage’s carbon footprint, accounting for 45%. Consequently, we address purchasing emissions—primarily from IT, Marketing, and Corporate Services—as part of our Net Zero Transition Plan. We collaborate with suppliers that share our vision, and through our **Sustainable Supply Chain** we expect our suppliers to improve their climate performance through environmental policies, objectives, and climate action. We integrate climate and other sustainability criteria into our supplier selection and contracting processes. We are working collaboratively with our high-emitting suppliers to secure emissions reduction commitments and to improve the provision of primary emissions data.

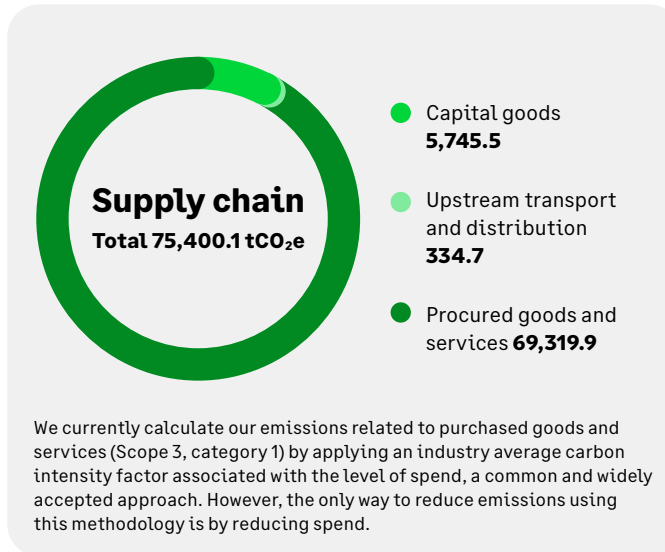
Approach

We ask all suppliers managed by our Procurement team to:

- Disclose Scope 1, 2, and 3 emissions annually via CDP or EcoVadis: By requesting and validating emissions through an independent third party, we aim to mitigate inaccuracies associated with calculating emissions based solely on supplier spend. We work with CDP to obtain more accurate emissions data, either market-based or using primary data directly from our suppliers. Data disclosure via EcoVadis is also acceptable.
- Complete an annual sustainability assessment with EcoVadis: As one of the world’s largest sustainability ratings providers, EcoVadis helps our suppliers understand their ESG maturity and areas for improvement. This provides us with a clear picture of key risks, including climate, and allows us to track progress year-on-year.
- Commit to disclosing targets to SBTi: This rigorous process involves validating suppliers’ plans to achieve specific targets within a defined timeframe.
- Adhere to our Supplier Code of Conduct: It outlines the ethical standards that we commit to as a business and the expectations we have of our suppliers.

In FY25, we expanded our use of the Microsoft Carbon Calculator to Cloud and Enterprise (Office 365 software). With Dentsu (our paid media partner) we are implementing a media carbon calculator in H1 FY26 to support the carbon optimisation of our media placement strategy. We will also adopt the AWS Carbon calculator in FY26, providing emissions data across Scopes 1, 2, and 3. This will support us to take the next step: targeting supplier-specific decarbonisation improvements.

In FY25, 46% of our supply chain emissions (per £ spend) are calculated using primary data, either supplier-specific or activity-based.



Actions to get to net zero

2025

- Continued use of primary data as it became more readily available from suppliers including Microsoft, AWS, and Dentsu.
- 263 suppliers have committed to or already set SBTi-aligned targets.
- Worked with our highest-emitting suppliers to ensure they have set ambitious emissions reduction goals consistent with our own.

2026–2030

- Improving supplier disclosure of primary data through the CDP and EcoVadis.
- Encouraging suppliers to set net zero targets with SBTi alignment.
- Continuing to focus on our highest-emitting suppliers and alignment to Sage’s targets.
- Encouraging SMB suppliers to get started with emissions reduction.

Get Sage to net zero continued

Colleagues

We recognise that colleagues play a pivotal role in making sustainability a reality—and we provide them with the tools, information, and resources to support them. By introducing sustainability into more colleague touchpoints, we aim to power progress towards our sustainability goals. Colleague emissions associated with commuting, homeworking, and business travel make up around 14% of Sage’s footprint.

Approach

Commuting

In FY25, we have expanded our support for colleagues to reduce their commuting related emissions and formalised benefits associated with more sustainable colleague actions. We developed our partnership with MobilityWays to provide colleagues with access to tools that help them to reduce their commuting footprint. All colleagues at Sage have access to a Personal Travel Plan, with personalised recommendations to get into a local office using the most sustainable locally available option. We have completed the second phase of roll out of Liftshare, a platform that facilitates carpooling for colleagues in the United Kingdom, Ireland, United States, Canada, Spain, France, Germany, Portugal, and India. To date 276 colleagues are actively Liftsharing, resulting in approximately 32,000 road miles and 7.1 tonnes CO₂ emissions saved.

We encourage active and low-emission commuting by providing colleagues with access to our electric vehicle purchase scheme and offering cycle to work schemes. In early FY25, we will be launching a pilot in Newcastle, Manchester, and Atlanta to incentivise other low carbon modes of commuting. Commute Boost and Commute Journal enable colleagues to track and receive rewards for commuting into the office using low-carbon methods. We hope to extend our commuting work to more Sage locations in FY26.

Business travel

We are committed to transparency regarding our environmental impact. In FY25, we observed a further increase in our business travel emissions, primarily driven by an increased volume of international travel. This uptick reflects our strategic focus on fostering high-value, in-person engagements to drive innovation, corroboration and to strengthen relationships with key internal and external stakeholders.

Empowering colleagues with their own data is key to helping them make better business travel choices. Our Corporate Travel Policy requires all

colleagues to be aware of their carbon footprint when travelling and review whether travel is necessary. When travel is necessary, colleagues are encouraged to prioritise low-emission transport.

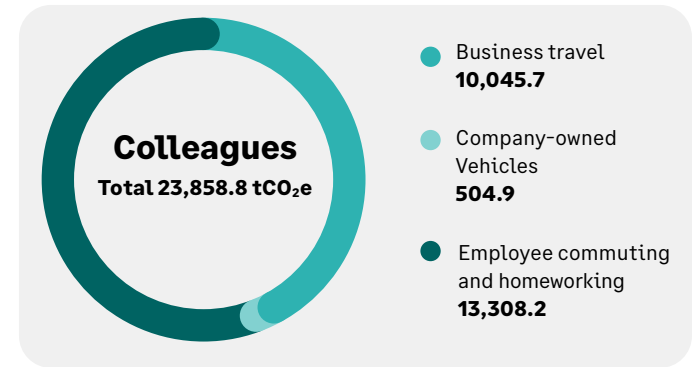
Our Travel Dashboard is a key tool to help us manage colleague emissions from business travel. Building on the introduction of a shadow carbon price in FY24—for every trip booked, a notional cost based on the carbon emissions of that journey is applied, helping us better understand the environmental impact of our travel—we have developed a Travel Insights Dashboard with up-to-date travel data, providing colleagues with key insights into their own travel data using information provided by our corporate travel company, Egencia. Contextualising travel behaviours alongside peers helps us to work directly with those colleagues to track emissions, to educate and support the decarbonisation of business travel.

Sustainability at home

We offer a hybrid working model, giving colleagues flexibility to spend part of their working week working from home. Continuing our partnership with Deedster, we have launched more climate challenges to help colleagues better understand their personal carbon footprint and guide them on reducing their impact. To date, 724 Sage colleagues have taken 26,590 climate challenges, resulting in approximately 137 tonnes saved CO₂ emissions. We have also combined Deedster with other colleague-focused areas. For example, during Sage’s annual Sustainability Week, 256 colleagues took part in a two-week challenge to reduce their personal climate impact.

Learning and development

Our Sustainability Learning programme offers several ways for colleagues to build their sustainability knowledge and, ultimately, take action. In FY25, 1,767 colleague learnings have been completed—of which, 86% have reported confidence in applying their learnings in the future. We have focused on topic-specific learning, targeting teams across Sage that require skilled training: for example, anti-greenwashing training for our Communications and Marketing teams. In FY25, we have continued our partnership with Sustainability Unlocked. Sage colleagues have access to over 590 videos on the Sustainability Unlocked platform—and colleagues have completed 457 modules ranging from Sustainability Governance to Climate Change Basics. In FY26, we will continue to work with specific teams to ensure our colleagues have the appropriate knowledge to respond to sustainability issues in their role. The Climate Fresk initiative, a collaborative workshop designed to raise awareness and understanding of climate change by exploring the science behind it through interactive group activities, is now available to colleagues in Portuguese and German, in addition to English, French, and Spanish. This year, 187 colleagues took part in a Climate Fresk workshop.



Actions to get to net zero

2025

- Expanded our Sustainability Learning programme to reach more colleagues in new locations.
- Launched a successful Sustainability Week to engage colleagues in sustainability topics.
- Continued to roll out commuting initiatives, like Liftshare, to encourage colleagues to commute into the office via more sustainable modes of transport.
- 256 colleagues took part in a two-week challenge to reduce their personal climate impact.

2026–2030

- Supporting colleagues where business travel is required to use the most sustainable available option.
- Empowering colleagues to commute to the local Sage office using locally available, low/zero carbon options.
- Supporting colleagues to make their homeworking environment more sustainable and efficient.
- Expanding Climate Learning programme to reach more colleagues across Sage’s global footprint.

Get Sage to net zero continued

Property

As our business evolves, so does our global property portfolio. Our colleagues operate out of over 47 Sage sites, a mix of leased and serviced accommodation and contributes a small portion (1%) to Sage’s overall carbon footprint. Nevertheless, promoting energy-efficient buildings and renewable energy demonstrates our strong commitment to climate action, both within Sage and for the wider community.

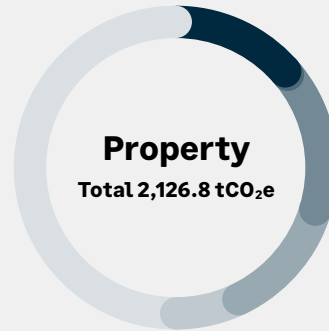
Approach

Since 2019, we have reduced our market-based scope 1 and 2 emissions by 89% as we transition Sage-managed properties to certified renewable energy source and enhance the efficiency of our property estate. At the end of FY25, 31 out of 60 office locations were on renewable energy contracts, accounting for 86.4% of our total electricity (up from 21% in FY19).

Evolving our portfolio

Our next-generation workplaces, including our new offices in London Tower Bridge Court and Atlanta Ponce City Market, are designed with sustainability front of mind. In properties where we exercise greater operational control, we are investing in enhanced energy efficiency.

In FY25, Sage updated its office working policy, requiring all colleagues to attend the office three days per week. Inevitably, this can result in increased energy use as the buildings are occupied at a more frequent and higher level. With that in mind, in FY25, we entered into a performance-based energy efficiency partnership with Cushman & Wakefield, a global commercial real estate services firm, at our global headquarters in Cobalt, Newcastle. This initiative, involving the implementation of sub-metering and energy management software, has achieved a 6.6% reduction in electricity consumption—despite an increase in the occupancy rate due to changes in our Working from Home policy.



- Market-based emissions (purchased electricity) **307.5**
- Fuels **4.8**
- Refrigerants **351.6**
- Natural gas **287.7**
- Waste generated from operations **67.7**
- Energy-related activities **1,107.5**

We recognise the ongoing challenges in expanding renewable energy adoption across our remaining estate, primarily due to the limited availability of green tariffs in North America and South Africa. The low energy consumption of our properties currently restricts access to renewable energy options. Furthermore, the leased nature of our estate imposes constraints on implementing on-site generation or other alternative energy solutions. We will continue to monitor the market, and where possible identify further opportunities to expand the use of renewable energy across our workplaces.

Actions to get to net zero

2025

- Opened our flagship North America office in Atlanta, at Ponce City. The building’s timber structural system achieved a net negative of 1,266 tonnes of carbon emissions, equivalent to removing around 300 cars from the road for a year.
- Implemented new Energy Management service at our global headquarters Cobalt Business Park, Newcastle, delivering energy reductions of 6.6% across FY25 (‘business as usual’ scenario).

2026–2030

- Transitioning remaining Sage sites to renewable energy and carbon-free contracts.
- Optimising new and existing Sage operationally controlled sites to the highest levels of energy efficiency and sustainability.
- New London HQ office, Tower Bridge Court, opens in 2026 and avoids fossil fuels by using 100% electric heating and cooling systems, with renewable energy sourced from on-site photovoltaic panels and externally from solar, and wind generators.



Get SMBs to net zero

The combined GHG emissions generated by our customers is estimated to be around 67,000 times higher than our own impact as a business. This is why Sage's commitment to helping SMBs reach net zero is core to our Sustainability and Society strategy. In the past year, we have made significant progress on this mission—scaling access to carbon accounting through product integration, driving industry initiatives that improve the credibility and utility of carbon data, and launching new solutions like our Carbon Accounting API and Industry Average Footprints solution.

Breaking down barriers through product integration

In FY25, Sage transitioned from a standalone adoption model to embedding carbon accounting directly into our core products as well as offering carbon benchmarking and accounting through embedded services for enterprises—making it easier for SMBs to act.

Our carbon accounting capabilities are now integrated into Sage Accounting and Sage for Accountants, both of which offer now a suite of software to address the needs of small businesses to include carbon accounting, enabling hundreds of thousands of SMBs to measure and manage their emissions. We also launched carbon benchmarking reporting to UK Intacct customers, combining financial-grade data with sector-specific emissions insights. By incorporating industry average emissions factors, this functionality empowers service-based and light-manufacturing businesses to start their emissions calculation journey and generate accurate, auditable reports with ease. Across our portfolio, we're actively expanding adoption. Recent polling of Sage 200 customers is informing future development and integration plans, with decisions from this research to be announced in FY26.

We have also added new features to improve the solution:

- Open to all SMBs—manual data entry enables small businesses to start tracking their carbon footprint, while AI automation accelerates the process for Standard and Plus plan users.

- Deeper, more accurate measurement—segmented Scope 3, hierarchical inputs, industry benchmarks improve footprint calculations.
- Smarter, more scalable—expanded taxonomy, enhanced AI categorisation, and multi-user support make the solution more powerful for SMBs, accountants, and enterprise customers.

Championing a trustworthy and scalable ecosystem

Sage also plays a central role in shaping the future of the carbon accounting ecosystem, ensuring the infrastructure, data, and standards underpinning it are trustworthy, inclusive, and useful to SMBs.

For example, through Bankers for Net Zero, we have been involved in Project Perseus – a collaborative initiative aimed at automating sustainability reporting for SMBs in the UK. Through this project, we are supporting the development of the UK's physical and technical infrastructure for Scope 2 emissions data, laying the foundations for a more granular, automated, and reliable flow of energy data into accounting systems. We are active contributors to several additional initiatives—please see pages 44 to 46 on our collaborative efforts, supporting and being the voice of SMBs.

The launch of Sage's Carbon Accounting API

In 2025, we launched the Sage Carbon Accounting API, a milestone that represents the culmination of years of technical development and collaboration.

Designed to accelerate the journey to net zero, the API gives financial institutions, fintechs, and other platforms direct access to Sage's advanced carbon engine via a secure, public developer portal.

The API powers a growing ecosystem of partners, including leading fintechs like NatWest, who use the service to offer carbon accounting insights directly to their customers through their own digital channels and customer touchpoints. This approach gives partners full control over the user experience while leveraging Sage's proven carbon measurement capabilities in the background. The same API also powers Sage's own carbon accounting solutions, including the sustainability functionality built into the Sage for Small Business suite, ensuring consistent, accurate calculations across all platforms.



Technically, the API processes data collected by the partner platform, such as spend data from accounting feeds, employee numbers, or other business information entered by the SMB. It also absorbs details like standard classification systems and revenue, enabling benchmarking against industry peers. This is powered by a feature called "Industry Average Footprints", the simplest calculation method within the API and a vital entry point for SMBs beginning their carbon journey. It helps businesses understand their baseline emissions even when detailed operational data is unavailable.

To support developers, Sage provides a dedicated developer portal where partners can explore documentation, review example API requests, and test integrations in a sandbox environment before full deployment. Once partners are ready, they receive live API keys to embed Sage's carbon engine into their platforms at scale.

By enabling banks, fintechs, and software providers to integrate carbon insights directly into their own products, the Sage Carbon Accounting API delivers network-scale decarbonisation in action, helping entire ecosystems of SMBs transition towards net zero more efficiently.

Climate scenario analysis

SBM-3 **GRI 201-2**

Approach

In FY25, we partnered with Resilience, a specialist in enterprise risk, to evaluate our exposure to climate-related risks and opportunities under five global warming scenarios. Using a digital twin of Sage’s operations—including facilities, emissions, and financial data—Resilience modelled both transition and physical risks, applying TCFD-aligned definitions and scope. Each physical and transition risk was assessed independently to reflect the complexity and uncertainty surrounding their potential interactions and combined effects.

The modelling assessed potential financial impacts from transition risks—such as evolving climate policy, carbon pricing, and regulatory changes at the national level—as well as physical risks such as extreme weather. Our climate scenario analysis assessed the potential impact of climate-related risks across a range of global warming pathways and covered both transition and physical risks over a five-year horizon, assuming no additional mitigation actions are taken.

We evaluated these risks against our internal materiality threshold, defined as a substantive financial or strategic impact. Risks and opportunities were quantified (to the extent possible) and aggregated to inform not only resilience analysis but also future strategic planning and decision making.

Our main assumptions for the climate scenario analysis were that each emission pathway has a different probability of happening. No Policy (>4°C) and Paris Ambition (1.5°C) are opposite ends of the stress test. In reality, the future will be a mix of all scenarios. The basis was our current asset base without factoring in any potential changes over the analysed time horizons. Similarly, potential shifts in our cloud infrastructure providers or technology stack were not considered, as the software industry is highly dynamic and volatile, with projections of trends over the analysed time horizons not deemed robust enough. Where Company-specific emissions or asset data were not available, industry-average values by sector and region were applied based on external datasets and default model parameters.

Results: Outputs from impact and financial modelling

Transition risks—particularly those related to policy change, consumer sentiment, and reputational pressures—are likely to be the most impactful in the short to medium term. These transition risks become more pronounced under scenarios aligned with stronger climate ambition, such as the Paris Agreement and Paris Ambition pathways, reflecting the increasing regulatory, market, and stakeholder expectations placed on businesses to decarbonise and demonstrate climate leadership.

Reputational risk—is more significant in scenarios where climate action is limited, suggesting that inaction or perceived inaction could lead to heightened scrutiny and stakeholder disengagement. Conversely, in more ambitious scenarios, policy and consumer sentiment risks rise, highlighting the need for proactive adaptation to evolving regulatory frameworks and customer expectations.

Physical risks—represented in the analysis as facility disruption, remain stable across all scenarios but are expected to become more impactful over the longer term. These risks underscore the importance of resilience planning, particularly for operational continuity and infrastructure exposure.

Each risk was modelled independently to account for the complexity and uncertainty of their interactions.

Climate scenario analysis fully aligned with TCFD recommendations

Reviewing the output of our FY25 TCFD-aligned climate change scenario analysis against our strategy, business plan, and operations, we have not identified any material risks on the Group’s financial results, going concern, viability, businesses, or current strategy in the short or medium term. We evaluated these risks against our internal materiality threshold, defined as a substantive financial or strategic impact. We assessed the potential impact on Sage’s cumulative discounted cash flows over three years, assuming no mitigating actions are in place. The table below shows the risk categories and linked risks from our FY22 qualitative assessment that were assessed against three warming scenarios: no policy (>4°C), stated policy (2.5°C) and Paris ambition (1.5°C).

Risk categories	Linked risks from FY22 qualitative assessment
Policy	Increasing cost of energy and carbon
Consumer sentiment	Changing customer behaviour and needs
Reputation	Reputational damage
Investor sentiment	Reputational damage
Liability	Reputational damage
Physical	Damage to facilities
Technology	New: Not identified as a risk in FY22 assessment

Summary

The outcomes of our scenario and resilience analysis are subject to inherent limitations and uncertainties. Specifically, for physical risks, significant uncertainty persists regarding the regional impacts of changing climate patterns. Similarly, for transition risks, uncertainties remain around the pace and scope of regulatory, technological, and market changes, complicating precise impact assessments.

Based on our climate scenario analysis, we are currently (short-term) not materially affected by climate-related risks (including financial results, going concern, or viability). Recognising that as risks arising from climate change are constantly evolving, we will continue to monitor and evaluate climate-related risks, and review these in line with our evolving business strategy.

Our resilience is enhanced by site-level business continuity planning, including the capacity to reallocate colleagues in response to hazardous events. Site-level assessments indicate that, although certain risks, such as extreme heat, may be significant at individual sites, our business is effective in managing and adapting to these disruptions, thereby minimising impacts at the Group level.

Climate change policies, actions, targets, and metrics

Policies

E1-2 MDR-P GRI 2-23

See Appendix pages 85 to 88—Key Policies and Documents for high-level description of all our policies disclosed in the Non-Financial Statement 2025.

Environmental Policy

Our Environmental Policy defines requirements, practices, and plans to enable mitigation and adaptation to climate change, and covers the end-to-end value chain. This policy is an important control to manage our material climate IROs.

We have a legal obligation to comply with all applicable environmental legislation and regulation relating to our operations. Our Environmental Policy requires us to achieve compliance as a minimum. In addition, to provide an objective framework for environmental sustainability, this policy adopts the principles of “planetary boundaries” developed by the Stockholm Resilience Centre. This framework establishes a set of nine planetary boundaries within which humanity needs to stay to keep developing and thriving for generations to come.

Whistleblowing Policy

GRI 2-25

Our colleagues are encouraged to report risks and concerns or environmental non-compliance, and we will hold investigations as appropriate. No environmental grievances were reported in FY25.

Sustainable Supply Chain Policy

The Sustainable Supply Chain Policy aims to identify and manage ESG risks across the supply chain, helping Sage “do the right thing”, safeguard its reputation, and protect supplier employees from issues such as modern slavery.

Actions and resources

MDR-A E1-3

Key actions taken and/or planned to prevent, mitigate, and remediate our material climate IROs.

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Impacts, risks, and opportunities		
IRO	FY25 Action	
<ul style="list-style-type: none"> Negative impact: Increased indirect energy consumption and GHG emissions. 	<ul style="list-style-type: none"> Continuing use of primary data to provide a more accurate view of emission hotspots, as it became more readily available from cloud and datacentre suppliers. 	<ul style="list-style-type: none"> Understanding and deploying levers, operationally and through our partners, to reduce energy and emissions related to Sage cloud services.
<ul style="list-style-type: none"> Negative impact: Increased emissions from upstream supplied goods and services. 	<ul style="list-style-type: none"> Encouraging suppliers to set net zero targets with SBTi alignment. Improving supplier disclosure of primary data through the CDP and EcoVadis, enabling more effective decarbonisation planning. 	<ul style="list-style-type: none"> Focusing on our highest-emitting suppliers and alignment to Sage’s targets. Encouraging SMB suppliers to get started with emissions reduction.
<ul style="list-style-type: none"> Negative impact: Increased emissions from the downstream use of sold products. 	<ul style="list-style-type: none"> Continuing to encourage the use of more efficient cloud-hosting solutions by customers. Supporting adoption of Sage cloud-based product solutions for new and existing customers. 	<ul style="list-style-type: none"> Reporting on the carbon impact of our products.

Climate change continued

Impacts, risks, and opportunities

IRO	FY25 Action	
<ul style="list-style-type: none"> ● Opportunity: Increased market opportunity for Sage. 	<ul style="list-style-type: none"> • Transitioning our property estate to clean, low-carbon energy sources to support our goals. • Identifying opportunities to improve the energy and carbon performance across our estate. 	<ul style="list-style-type: none"> • Continue to improve energy efficiency across our property portfolio, achieving best practice energy and carbon intensity • Engaging with landlords to influence renewable transitions at sites where Sage does not have operational control.
<ul style="list-style-type: none"> ● Opportunity: Develop products and services that help our customers tackle the challenges of climate change. 	<ul style="list-style-type: none"> • Supporting SMBs through ongoing improvements and providing access to Sage Earth for hundreds of thousands UK SMBs • Evolving Long-Term Incentive Plans (LTIPs) to achieve Sage’s “Tech for Good” ambitions. 	<ul style="list-style-type: none"> • Advocating for improved transparency of software emissions.
<ul style="list-style-type: none"> ● Risk: The cost of carbon-related operational services increases. 	<ul style="list-style-type: none"> • Monitoring global carbon regulation and pricing, including within our supply chain, and respond accordingly. • Enhance our understanding of the levers involved in our decarbonisation glidepath, including conducting research to assess potential future carbon prices and costs associated with removing residual emissions. 	<ul style="list-style-type: none"> • Monitoring the outcome of the SBTi Net Zero Standard review. • Use the review to inform our approach to carbon neutralisation and develop a proactive strategy to manage this risk.
<ul style="list-style-type: none"> ● Risk: An increase in global disruption due to climate change could reduce economic activity and lead to a lower demand for Sage services. 	<ul style="list-style-type: none"> • Expanding our understanding of how climate change and the transition to a green economy will impact SMBs and our customers. • Continue to monitor the macro-economic impact of climate across SMBs and our customers 	
<ul style="list-style-type: none"> ● Risk: The risk that Sage will not meet its climate targets. 	<ul style="list-style-type: none"> • Monitoring and reviewing our Net Zero Transition Plan, adjusting levers and priorities as required based on external and internal impacts. • Reporting progress annually against our rear-term (2030) and long-term (2040) climate targets. 	<ul style="list-style-type: none"> • Continue to embed climate objectives into executive remuneration. See also actions under our impacts.
<ul style="list-style-type: none"> ● Positive impact: Enabling SMBs to achieve net zero. 	<ul style="list-style-type: none"> • Continued expansion of AI capabilities to streamline categorisation of transactions and reduce time required for SMBs to measure, update, and track carbon footprint. • Expanded standalone carbon benchmarking solution, first introduced in May 2024, to more SMBs through integration into multiple products as well as API release on AWS Marketplace. • We launched the Sage Carbon Accounting API. 	<ul style="list-style-type: none"> • Signed new partners—Allica Bank and Smart Energy GB—expanding the reach of Sage Earth to additional SMBs through our partners. • Continued collaboration with existing partners (Natwest, AWS) to make Sage Earth available to additional SMBs. Customer Insights and Success teams track SMB experience using surveys, interviews, and user panels. This feedback is used to optimise product and inform design development.

Climate change continued

Targets

E1-4 MDR-T

Targets

Target	Unit	Scope	Baseline	FY25 Performance
Get Sage to net zero				
Get Sage to net zero by 2040 and reduce absolute Scope 1, 2, and 3 GHG emissions by 50% by 2030 from a 2019 base year aligned to the SBTi.	tCO ₂ e	The Greenhouse Gas Protocol recommends that emissions are calculated, where possible, from the reporting organisation’s activity data. In the case of Sage, this means emissions data from global operations including Australia, Austria, Belgium, Canada, France, Germany, India, Ireland, Israel, Malaysia, Morocco, Poland, Portugal, Romania, Singapore, South Africa, Spain, the UK, and the US.	2019: 231,957 tCO ₂ e Base year has been validated, reference to baselining policy to re-baselining as required.	<ul style="list-style-type: none"> Achieved a “Leadership” CDP Climate Change rating A. Net zero target of 2040 successfully validated and approved by SBTi. Reduced Scope 1 and 2 emissions by 89% since our 2019 baseline. Reduced market-based Scope 1, 2, and 3 emissions by 27.8% since our 2019 baseline, and reduced emissions by a further 13.4 % in FY25 to 167,444 tCO₂e. Used the planetary boundaries approach to assess our nature-related risks.
Get SMBs to net zero				
Help our customers reduce their GHG emissions by 2030 by providing access to carbon management solutions and expertise.	# Sage products	FY23—25 PSP: Enabling customers to become more sustainable and supporting them on their own sustainability journey through the number of Sage products that have embedded functionality for carbon accounting. <ul style="list-style-type: none"> Products by FY25: Threshold: 3 products Stretch: 6 products Exceptional: 8 products 	Products: At the beginning of FY23, Sage had no products or propositions that can support customers on their own sustainability journey.	6 Products—Sage Business Cloud Accounting (SBCA), Sage 50, Sage Platform, Sage Intacct UK, Sage Accounting UK and Sage for Accountants UK
	# Sage suites	FY24—26 PSP: Enabling access to carbon accounting functionality via Sage suites (Sage solutions combined into suites targeting small businesses, mid-sized (medium) businesses and accountants). <ul style="list-style-type: none"> Below threshold—No suites Threshold—Sage for Small Business suite Stretch—Sage for Small Business suite and Sage for Accountants suite Exceptional—Sage for Small Business suite, Sage for Accountants suite, and Sage for Medium Business suite FY25—27 PSP: Enabling customers on their net zero journey through access to carbon accounting functionality via Sage suites. <ul style="list-style-type: none"> Below threshold—No Sage Active suites Threshold—Sage for Sage Active suite in France Stretch—Sage for Sage Active suite in France, Spain, and Germany Exceptional—Sage for Sage Active suite in France, Spain, and Germany, and Sage Distribution and Manufacturing Operations (SDMO) suite 	Suites: FY24 Sage Earth not available in any suites.	2 Suites—Sage for Small Business and Sage for Accountants

Climate change continued

Metrics

Energy consumption and mix

E1-5 MDR-M GRI 302-1

Metrics

Energy consumption within the organisation

Source	Unit	2021	2022	2023	2024	2025	GRI	ESRS
Total energy consumption within the organisation								
Electricity	GJ	49,872	42,755	40,371	39,299	38,572	GRI 302-1	
Gas	GJ	15,975	5,994	7,060	10,668	6,630	GRI 302-1	
Total	GJ	65,848	48,749	47,430	49,967	45,202	GRI 302-1	
Total fuel consumption within the organisation from non-renewable sources, and including fuel types used								
Liquid Petroleum Gas (LPG)	GJ	N/A	3.00	N/A	N/A	2	GRI 302-1	
Diesel	GJ	27	3,009	4,522	412	1,363	GRI 302-1	
Petroleum	GJ	18	195	5,574	204	4,237	GRI 302-1	
Other	GJ	52	1,104	1,580	1,471	2,049	GRI 302-1	
Total	GJ	972	4,311	11,676	2,087	7,652	GRI 302-1	
Total electricity consumption within the organisation, including renewable sources								
Electricity from certified renewable sources	GJ	16,981	19,380	27,333	21,316	33,331	GRI 302-1	
Electricity from non-renewable sources	GJ	32,891	23,375	13,038	17,983	4,694	GRI 302-1	
Total electricity consumption	GJ	49,872	42,755	40,371	39,299	38,572	GRI 302-1	
Renewable %	%	35%	45%	68%	54%	86%	GRI 302-1	
Total energy consumption from fossil sources	MWh	8,819	4,922	3,702	5,492	2,326		ESRS E1-5 37 (a)
Total energy consumption from nuclear sources	MWh	1,887	1,308	616	924	351		ESRS E1-5 37 (b)
Total energy consumption from renewable sources								
Fuel consumption from renewable sources including biomass, biofuels, biogas, hydrogen from renewable sources	MWh	58	213	235	228	1		ESRS E1-5 37 (c)i.
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	7,527	7,089	8,623	7,232	11,095		ESRS E1-5 37 (c)ii.
Consumption of self-generated non-fuel renewable energy	MWh	0	0	0	0	0		ESRS E1-5 37 (c)iii.

Note: Please see standards, methodologies, assumptions, and/or calculation tools used on page 103.

Climate change continued

GRI 302-2

Metrics

Energy consumption outside the organisation

Disclosure	Unit	2023	2024	2025	GRI
Energy consumption outside of the organisation	GJ	1,267,183	1,240,290	996,880	GRI 302-2

Note: This calculation is based on energy consumed through the use of our sold products, as captured within Scope 3—Category 11 Use of Sold Products. Please see standards, methodologies, assumptions, and/or calculation tools used for Scope 3 on pages 100 and 101.

GRI 302-3

Metrics

Energy intensity

Source	Unit	2021	2022	2023	2024	2025	GRI
Revenue (GBP £m)	£	1,846	1,949	2,184	2332	2,513	GRI 302-3
Energy Used (MWh)	MWh	18,291	13,541	13,175	13,880	12,258	GRI 302-3
Energy intensity (MWh/Revenue)	Ratio	9.9	6.9	6.0	5.9	4.9	GRI 302-3

Note: Types of energy included in the intensity ratio are natural gas and electricity, and the ratio uses energy consumption within the organisation.

GRI 302-4

Metrics

Reduction of energy consumption

Disclosure	Unit	2023	2024	2025	GRI
Electricity	GJ	147.3	52	175.2	GRI 302-4

Note: Calculation based on actual energy savings from the implementation of a building energy management system in our Cobalt office.

GRI 302-5

Metrics

Reductions in energy requirements of products and services

Disclosure	Unit	2023	2024	2025	GRI
Reductions in energy requirements of sold products and services achieved during the reporting period, in gigajoules.	GJ	112,565	46,367	243,410	GRI 302-5

Note: Total GJ reduction is estimated reduction in energy required to support Scope 3—Category 11 Use of Sold Products in 2025 compared with 2024. See methodology statement on pages 100 to 101.

Climate change continued

Gross Scopes 1, 2, 3 and Total GHG emissions

E1-6 MDR-M GRI 305-1 GRI 305-2 GRI 305-3

Metrics

Emissions								
Disclosure	Unit	2021	2022	2023	2024	2025	GRI	ESRS
Direct (Scope 1)								
Natural gas	tCO ₂ e	812.80	303.90	315.8	542	287.7	GRI 305-1	ESRS E1-6 44 (a)
Refrigerants	tCO ₂ e	187.60	187.20	157.0	698.4	351.6	GRI 305-1	ESRS E1-6 44 (a)
Fuels (diesel, kerosene, LPG)	tCO ₂ e	8.3	186	75.2	103.8	4.8	GRI 305-1	ESRS E1-6 44 (a)
Company-owned vehicles	tCO ₂ e	52	121.2	677.6	54.9	504.9	GRI 305-1	ESRS E1-6 44 (a)
Subtotal	tCO ₂ e	1,060.70	798.30	1,225.6	1,399.1	1,149.2	GRI 305-1	ESRS E1-6 44 (a)
Indirect (Scope 2)								
Location-based emissions	tCO ₂ e	4,326.3	3,505.1	3,255.5	3,236	3,078.0	GRI 305-2	ESRS E1-6 44 (b)
Market-based emissions	tCO ₂ e	3,300.2	2,040.6	1,408	1,879	307.5	GRI 305-2	ESRS E1-6 44 (b)
Subtotal (location based)	tCO ₂ e	4,326.3	3,505.1	3,255.5	3,236	3,078.0	GRI 305-2	ESRS E1-6 44 (b)
Indirect (Scope 3)								
Cat. 1—Purchased Goods and Services	tCO ₂ e	92,613.0	88,851.01	84,060.1	79,527.4	69,319.9	GRI 305-3	ESRS E1-6 44 (c)
Cat. 2—Capital Goods	tCO ₂ e	7,974.7	100.7	83.0	1,056.3	5,745.5	GRI 305-3	ESRS E1-6 44 (c)
Cat. 3—Energy-Related Activities (T&D/WTT)	tCO ₂ e	1,624.8	1,098.4	1,158.3	1,017	1,107.5	GRI 305-3	ESRS E1-6 44 (c)
Cat. 4—Upstream Transport and Distribution	tCO ₂ e	493.5	390.3	402.0	398.4	334.7	GRI 305-3	ESRS E1-6 44 (c)
Cat. 5—Waste	tCO ₂ e	107.6	116.5	53.6	31	67.7	GRI 305-3	ESRS E1-6 44 (c)
Cat. 6—Business Travel	tCO ₂ e	411.3	6,080.0	7,583.1	9,286	10,045.7	GRI 305-3	ESRS E1-6 44 (c)
Cat. 7—Employee Commuting and Homeworking	tCO ₂ e	14,734.3	11,746.2	10,078.8	10,189.2	13,308.2	GRI 305-3	ESRS E1-6 44 (c)
Cat. 11—Use of Sold Products (direct)	tCO ₂ e	2,113.9	2,131.0	1,845.2	1,878.5	5,858.0	GRI 305-3	ESRS E1-6 44 (c)
Cat. 11—Use of Sold Products (indirect)	tCO ₂ e	97,736.0	100,828.7	86,021.2	86,662.4	60,133.8	GRI 305-3	ESRS E1-6 44 (c)
Cat. 15—Investments	tCO ₂ e	35.0	35.0	32.4	105.9	66.7	GRI 305-3	ESRS E1-6 44 (c)
Subtotal	tCO ₂ e	217,864	201,998.2	191,317.8	190,152.1	165,987.6	GRI 305-3	ESRS E1-6 44 (c)
Total gross emissions market-based (tCO ₂ e)	tCO ₂ e	222,225	204,837	193,951.4	193,430	167,444.3		
Total gross emissions location-based (tCO ₂ e)	tCO ₂ e	222,224	206,301	195,799.9	194,787	170,214.8		
Summary								
Gross direct (Scope 1) GHG emissions (tCO ₂ e)	tCO ₂ e	1,060.7	798.30	1,225.6	1,399.1	1,149.2	GRI 305-1	ESRS E1-6 44 (a)
Gross indirect (Scope 2) GHG emissions (tCO ₂ e)	tCO ₂ e	4,326.3	3,505.1	3,255.5	3,236	3,078.0	GRI 305-2	ESRS E1-6 44 (b)
Gross other indirect (Scope 3) GHG emissions (tCO ₂ e)	tCO ₂ e	217,864	201,998	191,317.8	190,152.1	165,987.6	GRI 305-3	ESRS E1-6 44 (c)
Total GHG emissions (Scope 2 = location-based)	tCO ₂ e	5,796.1	4,476.6	4,158.3	4,126.7	170,214.8		ESRS E1-6 44 (d)
Total GHG emissions (Scope 2 = market-based)	tCO ₂ e	4,769.98	3,403.4	2,310.7	2,769.9	167,444.3		ESRS E1-6 44 (d)

Note: Please see standards, methodologies, assumptions, and/or calculation tools used on pages 93 to 101.

Climate change continued

E1-6 GRI 305-4

Metrics

Emissions

Disclosure	Unit	2021	2022	2023	2024	2025	GRI	ESRS
GHG emissions intensity ratio for the organisation	Ratio	121.00	111.00	89.70	83.50	67.7	GRI 305-4	ESRS E1-6 53

Note: Carbon intensity ratio: location-based CO₂e emissions per total GBP £1,000,000 revenue (Scope 1, 2, and 3) (tonnes/revenue). FY25 Global revenue is £2,513m for Sage during the reporting period. Global revenue for FY24 was £2,332m.

GRI 305-5

Metrics

Reduction of GHG emissions

Disclosure	Unit	2023	2024	2025	GRI	ESRS
Emissions reduced as a direct result of reduction initiatives						
Scope 1 GHG emissions	tCO ₂ e	N/A	N/A	250	GRI 305-5	ESRS E1-3 29b
Scope 2 GHG emissions	tCO ₂ e	249.6	N/A	158	GRI 305-5	ESRS E1-3 29b
Scope 3 GHG emissions	tCO ₂ e	15,093.3	1,165	24,164	GRI 305-5	ESRS E1-3 29b
Total GHG emissions	tCO ₂ e	15,342.9	1,165	24,572	GRI 305-5	ESRS E1-3 29b

Note: Scope 1 and 2 methodology: the difference between location-based emissions in FY24 and FY25. Scope 3 methodology: the difference between Use of Sold Products in FY24 and FY25.

GRI 305-6

Metrics

Emissions of ozone-depleting substances (ODS)

Disclosure	Unit	2023	2024	2025	GRI
Production, imports, and exports of ODS in metric tonnes of CFC-11 (trichlorofluoromethane) equivalent	Tonnes	0	0	0	GRI 305-6

Note: No production or export of ODS.

Internal carbon pricing

E1-8

Our internal carbon pricing is enabled through our Travel Insights Dashboard, providing colleagues with key insights into their own travel data using information provided by our corporate travel company, Egencia.

Sage uses Shadow Pricing internal pricing mechanism. When determining the price, the following is considered:

- Alignment to scientific guidance
- Alignment with the price of a carbon tax
- Price with substantive impact on business decisions
- Social cost of climate-related impact.

The pricing approach used for spatial variance was uniform while for temporal variance it was static. The scope was limited to Scope 3, Category 6—Business travel.

To determine the price, an internal review, leveraging external advisors, was conducted during 2023 to evaluate the future price of carbon removals, based on varying criteria including project type, location, and quality. Peer and industry benchmarking was also undertaken, including latest guidance from various bodies including SBTi.

The internal price covers 6% of total emissions in the reporting year. An Internal Carbon Price was placed on business travel to allow colleagues and leaders to understand the environmental “cost of carbon” impact off travel decisions. Monitoring of travel patterns takes place monthly to understand changing behaviours and opportunities to reduce travel-related emissions.

As required by TCFD, Sage needs to disclose the anticipated financial effects from material transition risks. We forecast the financial implications of material climate-related risks—both physical and transition—through a combined qualitative and quantitative modelling approach. This process is aligned with the recommendations of the TCFD and supports our broader climate resilience strategy.

Building on the scenario analysis described above, we apply climate modelling across our value chain to evaluate the resilience of operations, upstream supply chains, and our product and service portfolio under a range of global warming scenarios. These insights inform our strategic planning, enterprise risk management, and our transition to a low-carbon, climate-resilient business model.

Climate change continued

Supplier environmental impacts

GRI 308-1

 Metrics

New suppliers that were screened using environmental criteria

Disclosure	Unit	2023	2024	2025	GRI
New suppliers that were screened using environmental criteria	%	17	12	15.7	GRI 308-1

Note: In FY25, we had 1,079 new vendors. Of these, 169 were screened via Dun and Bradstreet (D&B).

GRI 308-2

 Metrics

Negative environmental impacts in the supply chain and actions taken (for emissions)

Disclosure	Unit	2023	2024	2025	GRI
a. Suppliers assessed for environmental impacts ²	#	1,235	1,020	1,317	GRI 308-2
b. Suppliers identified as having significant actual and potential negative environmental impacts ³	#	0	0	0	GRI 308-2
c. Significant actual and potential negative environmental impacts identified in the supply chain ⁴	#	0	0	0	GRI 308-2
d. Suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment ⁵	%	N/A	N/A	N/A	GRI 308-2
e. Suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why ⁶	#	0	0	0	GRI 308-2

2. In FY25, we had spend with 3,404 normalised vendors. Of these, we had data from either D&B, SBTi, EcoVadis, or CDP for 1,317 (38.69%).

3. and 4. We have not identified any actual or potential negative issues.

5. We continue to improve our reporting methodology and will look to report against this in the future.

6. Sage has not terminated any agreements as a result of an assessment.

Protect the Planet—foundational topics

Water and marine resources

GRI 3-3 GRI 303-5

Although water and marine resources were determined as not material through our DMA, we recognise that the technology sector has an impact on water conservation. Our impact is increasingly through our value chain—data centres contribute significantly to water consumption due to their cooling processes. In FY25, we completed the Taskforce on Nature-related Disclosures (TNFD) materiality assessment. See our description under biodiversity and ecosystems for more information on the results.

Metrics

Water and marine resources

Water consumption

Disclosure	Unit	2021	2022	2023	2024	2025	GRI
Total water consumption	Megalitres	19	21	57	48.00	35.84	GRI 303-5

Note: Water consumption is from Sage office portfolio.

Resource use and circular economy

GRI 3-3 GRI 306-3

Beyond managing our climate impact, we seek to operate within “planetary boundaries”, minimising our resource consumption and waste, while protecting the natural world. This is set out within our Environmental Policy and includes considering emerging risks and opportunities for our sector and stakeholders.

Metrics

Resource use and circular economy

Waste generated

Disclosure	Unit	2021	2022	2023	2024	2025	GRI
Total waste generated	Metric tonnes	298	446	354	270	344.2	GRI 306-3
Breakdown of waste generated by composition of waste:							
Recycling	Metric tonnes	114.7	241	116.91	90.80	84.70	GRI 306-3
Incineration	Metric tonnes	3	37	134.28	116.73	114.10	GRI 306-3
Composting	Metric tonnes	N/A	N/A	10.10	5.37	32.4	GRI 306-3
Landfill	Metric tonnes	181.2	168	92.63	56.89	113.01	GRI 306-3

Note: Waste consumption is from Sage office portfolio.

Protect the Planet—foundational topics continued

Pollution

GRI 3-3

While our overall contribution to pollution across our value chain has been assessed as not material for FY25, we recognise that certain activities—particularly those related to travel and supply chain operations—contribute to local and global pollution.

As a global organisation, colleague travel for commuting and business purposes can result in emissions that contribute to air pollution. Additionally, activities within our supply chain, such as cloud infrastructure and the associated raw material extraction (e.g. mining), are associated with high energy consumption and cooling demands, which can lead to emissions and resource depletion.

We continue to monitor these impacts as part of our broader environmental risk assessment. We are committed to delivering our Sustainable Supply Chain strategy, focusing on areas where we have the greatest influence and opportunity to drive positive change.

Biodiversity and ecosystems

GRI 3-3

As outlined in our DMA Methodology section, “biodiversity and ecosystems” is a foundational or emerging topic. We recognise our need to understand our nature-related dependencies, IROs to inform this materiality analysis, and other relevant strategic decisions.

Since our 2024 Sustainability and Society Report, we have continued to work with the Planetary Accounting Network. In FY25, we progressed our LEAP (Locate, Evaluate, Assess, and Prepare) assessment in alignment with the TNFD recommendations, and a high-level overview of our approach and key findings are below.

We will focus on monitoring the identified IROs to ensure that we remain agile and responsive to regulatory or business developments. We understand that regulation is evolving and TNFD may become a future reporting requirement for Sage. The activities outlined within this section are part of our preparation for potential reporting and risk assessment requirements.

LEAP assessment activities

Throughout the assessment, we used the WWF Risk Filter Suite, an online tool used for the evaluation of material dependencies and impacts on nature and physical water-related risks against future projected scenarios in 2030 and 2050. In FY24, we completed the “Locate” and “Evaluate” phases, then in FY25, we worked on “Assess” and “Prepare”, the latter two phases.

Outcomes of our LEAP assessment

The latter two phases, “Assess” and “Prepare,” identified that we have four key nature-related risk categories (Reputational Risk, Water Quality, Water Scarcity and Air Quality) and three opportunity categories (Ecosystem Protection, Sustainable Use of Natural Resources, and Resource Efficiency).

The highest-scoring inherent risks were reputational risks associated with our IT and third-party cloud infrastructure; this analysis will inform future internal monitoring. However, when reviewed at an aggregated level, nature and biodiversity remain non-material, or a foundational risk, as per our double materiality risk matrix.

Following the calculation of our Biodiversity Planetary Footprint (“footprint”) for Air Quality, Biodiversity, Deforestation, Water Use, and Waste and a deep-dive assessment into our risks and opportunities, we examined the option of setting science-aligned targets. Considering the low overall materiality of our nature-related impacts, risks, and opportunities, as well as the current limitations and evolving methodologies for nature-related assessments, we believe we are not in the best position to set targets.

Our next steps and future actions

To ensure streamlined risk management, we will look at integrating nature-related risk categories identified into our wider ERM Framework. Considering the low materiality of the “biodiversity and ecosystems” topic, we will focus on monitoring activities, to ensure we remain agile and responsive to any regulatory or business developments.

Protect the Planet

Looking ahead

Scope 3 emissions remain a significant challenge – particularly given the slower than expected pace of decarbonisation across industries and supply chains, and delayed policy shifts. We are committed to progress by deepening collaboration with our suppliers and improving the quality and granularity of our data. We aim to play an active role in driving decarbonisation where we can make the most impact.

With regards to SMBs to Net Zero we are preparing regional roll outs of Sage Earth across France, Spain, and Germany, while expanding integrations across our product ecosystem, accelerating decarbonisation at scale, and making carbon tracking a standard part of doing business.



TECH FOR GOOD

We support SMBs and communities through our trusted and thriving Sage Platform.

Our Tech for Good pillar outlines how we support SMBs and communities through innovation and advocacy, as well as empowering entrepreneurs and communities with the skills and technology they need to thrive. By embedding AI and data ethics, as well as data security into our products from the outset, we are continuing to build trust with our customers and communities.

Material topics covered:

- Innovation to empower customers and SMBs
- AI and data ethics
- Cyber security and data privacy
- Local community investment and support

ESRS disclosures:

G1

SDG contribution:



Impacts, Risks, and Opportunities

Value chain location Upstream Downstream Operations

Associated IRO Positive impact Negative impact Risk Opportunity

Material topic: Innovation to empower customers and SMBs

SBM-3

Impacts, risks, and opportunities				
Value chain location	Associated IRO	Time horizon	Link to strategy	Where to look
	Positive impact: Advocating on behalf of SMBs for simplified sustainability reporting standards.	Medium-term	Advocacy	FY25 Action Table COP29 and Unlocking sustainable finance for SMEs Sage FY25 Impact Book
	Opportunity: Enable sustainability across SMBs, creating greater need for Sage’s wider product ecosystem.	Medium-term	Tech for Good	FY25 Action Table

Material topic: AI and data ethics

Impacts, risks, and opportunities				
Value chain location	Associated IRO	Time horizon	Link to strategy	Where to look
	Positive impact: Leveraging AI for social good and fostering inclusive technological development.	Medium-to long term	AI & Sage Platform	FY25 Action Table UK Small Business Tracker AI Resources Sage FY25 Impact Book
	Risk: The risk of inconsistent data management and governance.	Medium-term	AI & Sage Platform	FY25 Action Table AI and Data Ethics Principles
	Risk: Sage fails to manage bias from the algorithms in the AI technology it uses.	Short-term	AI & Sage Platform	FY25 Action Table Sage FY25 Impact Book
	Opportunity: Enhance customer and colleague experiences and continue to build trust in Sage.	Short-term	AI & Sage Platform	FY25 Action Table AI and Data Ethics Principles Sage Copilot

Impacts, Risks, and Opportunities continued

Value chain location Upstream Downstream Operations

Associated IRO Positive impact Negative impact Risk Opportunity

Material topic: Cyber security and data privacy

Impacts, risks and opportunities				
Value chain location	Associated IRO	Time horizon	Link to strategy	Where to look
	Negative impact: The potential data privacy impacts of any exposure to a data breach incident.	Short/Medium/Long-term	Digital Trust	FY25 Action Table Trust and Security Hub
	Risk: External attack leading to compromise of a Sage product.	Medium-term	Digital Trust	FY25 Action Table
	Risk: New products, services, and/or systems do not consider the impact or risks to personal data and individuals' data protection rights.	Short- to medium-term	Digital Trust	FY25 Action Table

Material topic: Local community investment and support

Impacts, risks, and opportunities				
Value chain location	Associated IRO	Time horizon	Link to strategy	Where to look
	Positive impact: Amplifying the impact of global non-profits by offering time, skills, and funding.	Short-term	Empowering entrepreneurs and communities	FY25 Action Table Sage FY25 Impact Book
	Positive impact: Empowering underserved entrepreneurs and contributing to skills development.	Short-term	Empowering entrepreneurs and communities	FY25 Action Table Sage FY25 Impact Book
	Opportunity: Strengthen Sage's role as a trusted partner in the community.	Short-term	Sage Foundation	FY25 Action Table

Innovation to empower customers and SMBs

G1-5 GRI 3-3

Overview

As a leader in accounting, financial, HR, and payroll technologies for SMBs, we have the opportunity to remove barriers and unlock innovation potential for societal good. The topic of innovation cuts across our three strategic pillars and enablers, and is connected to developing products and services that will advance positive social and environmental outcomes, while increasing the value we deliver for our customers. We group our initiatives into four areas:

1. Data for Good:

making data work harder and smarter for our customers;

2. Advocating for simplified sustainability reporting standards for SMBs:

we advocate for simplified sustainability reporting standards on behalf of SMBs, ensuring their needs are addressed and their voices heard;

3. Carbon accounting:

Sage Earth (covered under the Protect the Planet section on page 29) provides carbon accounting solutions for SMBs;

4. Product ecosystem:

we explore how to elevate our product ecosystem to combine financial and people data, and our compliance expertise, to better support SMBs in an increasingly complex sustainability regulatory environment.

Data for Good

Data for Good is our commitment to helping SMBs thrive by leveraging anonymised economic, environmental, and social data. It aggregates diverse datasets into centralised insights, empowering stakeholders, including policy makers, researchers, and business leaders, to uncover trends, make informed decisions, and drive meaningful change. By maintaining rigorous privacy and data security standards, Data for Good enables transparency, advocacy, and sustainable growth across the SMB ecosystem.

Combined with AI-powered products and the Sage Platform, Data for Good has the potential to enhance efficiency and productivity for SMBs, so they can focus on growing their businesses and contributing to society. Tools such as our Small Business Tracker aggregate anonymous SMB data into a centralised warehouse, empowering organisations, researchers, and policy makers to uncover powerful, socio-economic insights that can drive positive impact.

Our approach for Data for Good is based on:

- **Privacy:** We establish robust processes to prevent de-anonymisation. Only anonymised and aggregated data is made available, ensuring privacy and commercial confidentiality are fully protected.
- **Impact:** Our work and research inform evidence-based policymaking and contribute to a resilient economic landscape.
- **Partnerships:** We collaborate with credible third parties to publish accessible and useful data.
- **Not-for-Profit:** We recover costs only when necessary.

In collaboration with Smart Data Foundry and The Centre for Economics and Business Research (Cebr), the Sage Small Business Tracker reports provide a quarterly financial data analysis of approximately 130,000 businesses. Each report contains insights for policy makers on the challenges and opportunities facing SMBs, and is sent directly to Members of Parliament and senior advisors, guiding decision making on informed and targeted interventions.

Advocating for simplified sustainability reporting standards for SMBs

As sustainability reporting requirements evolve rapidly, our [research](#) shows that SMBs face challenges addressing disclosure expectations. We bring the voice of SMBs to international and national policy forums, calling for a simplified, streamlined, and proportionate standard for SMB sustainability reporting, which will enable SMBs to access finance and take meaningful climate action. Our Public Affairs team oversees our policy and advocacy, and issues and concerns are escalated to the SAIDE Committee. We are on the EU Transparency Register, a database of organisations that try to influence the law-making and policy implementation process of the EU institutions. The Register makes visible what interests are being pursued, by whom, and with what budgets.

Product ecosystem

As a leader in accounting, financial, HR, and payroll technology for SMBs, we recognise our significant opportunity to support our customers in embedding sustainability into their operations. Our tools remove barriers to action and equip our customers with the insights and capabilities they need to operate more responsibly. Through our cloud-based platforms, we can help businesses operate more responsibly and take meaningful steps to becoming more sustainable. Our products such as Sage X3 can support circular economy practices by enabling real-time optimisation, reducing waste, and improving supply chain visibility particularly in sectors including manufacturing and distribution. Sage Earth integrates carbon accounting directly into our accounting platforms, helping SMBs understand and reduce their emissions through accessible, automated insights.

Innovation to empower customers and SMBs continued

Policies

MDR-P GRI 2-23

Our Secure Software Development Policy ensures all new Sage products meet our security and privacy needs. This Policy establishes essential controls to mitigate any risks associated with achieving our material IROs. Refer to the Appendix page 85 for more information on this Policy. Our AI and Data ethics principles, specifically principle 5, outline our ethical approach to Data for Good.

Although we do not have a specific policy for our advocacy work, our Sustainability and Society strategy outlines our mission and key initiatives. For overall governance policies refer to our Governance and Business Conduct section, and the sub-section Due Diligence and Sustainable Supply Chain for information on Anti-Bribery and Corruption Policy and Code of Conduct, which outline our guidance around how colleagues should behave when interacting with stakeholders including third parties and society.

This is an entity-specific material topic and therefore, from an ESRS perspective, we have reported on policies, actions, metrics and targets.

Actions and resources

MDR-A

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Actions

IRO	FY25 Action
<ul style="list-style-type: none"> ● Positive impact: Advocating on behalf of SMBs for simplified sustainability reporting standards. 	<ul style="list-style-type: none"> • Sage’s Unlocking sustainable finance for SMEs Report, launched at COP29, urged global decision-makers to bridge the gap between SMB’s growing sustainability ambitions and their ability to act, by calling for simplified reporting standards and access to green finance. Report findings have been used for continuous engagement with relevant institutions—such as the Montreal Group, Accountancy Europe—engaging their members in the debate. Additionally, the UN introduced an official SMB focus during COP29. • We provided consultation responses to the European Financial Reporting Advisory Group (EFRAG) VSME and the work of the OECD Platform on Financing SMEs for Sustainability under the OECD Committee on SMEs and Entrepreneurship (CSMEE). • We are active contributors to the Broadway Initiative and supporters of Business for Net Zero (B4NZ), helping deliver the UK’s new Voluntary SME Carbon Reporting Standard, which aims to streamline emissions reporting for the UK’s 5.5 million small businesses.
<ul style="list-style-type: none"> ● Opportunity: Enable sustainability across SMBs, creating greater need for Sage’s wider product ecosystem. 	<ul style="list-style-type: none"> • Sage recognised in the Leaders Category of the IDC MarketScape: Worldwide Remanufacturing Management Software 2024 Vendor Assessment¹. As manufacturers increasingly focus on sustainable practices and circular economy strategies, we are supporting them with Sage X3, an ERP solution with robust remanufacturing capabilities. • Together with Broadway, we are also co-delivering the second year of the UK Business Climate Census, where we serve as lead insights partner. This work not only shapes public discourse but provides critical intelligence to guide our product roadmap and the wider ecosystem. • We were founding partners of Carbon Commons, a major new project with Small World Consulting to vastly improve the quality, accessibility, and transparency of emissions factors across the market. This initiative aims to ensure carbon accounting solutions compete on service, not methodology, a vital step to maturing the sector. • We are also founding members of the Carbon Accounting Alliance, a new trade body representing the sector’s shared interests and advancing collaboration, interoperability, and policy influence. • Sage Intacct’s grant management capabilities² help not-for-profit organisations track funding with transparency and accountability, supporting social impact goals.

1. Sage recognised as a leader in IDC MarketScape for remanufacturing management software 2024—Available online at: <https://www.sage.com/en-gb/company/digital-newsroom/2024/12/10/sage-recognised-as-a-leader-in-idc-marketscape-for-remanufacturing-management-software/>

2. Grant tracking and management software for non-profits—Available online at: <https://www.sage.com/en-gb/sage-business-cloud/intacct/product-capabilities/extended-capabilities/grants-tracking-billing/>

Innovation to empower customers and SMBs continued

Targets

MDR-T

Associated IRO

● Positive impact

● Negative impact

● Risk

● Opportunity

Targets

Target	Unit	Scope	Baseline	FY25 Performance
Put SMBs at the forefront of the transition to net zero by making sure their voice is heard and advocating for simplified standards.	N/A	SMEs, policy makers, and standard setters, big businesses, and financial institutions.	FY23 Rolling commitment that we will continue to track in FY26.	Please see Actions Table on page 45.
Support SMBs and advance the UN Sustainable Development Goals (SDGs) by using our data to create visualisations (reports, trends, analytics) that can inform better decision making by 2025.	# of MPs engaged	Targeted UK government officials based in Whitehall.	FY23 This target is now completed. FY26 will be a transition year as we look to increase ambition in this area, monitor performance, and set impactful long-term targets in subsequent years.	105 MPs engaged through our reports.
	# SMB tracker reports published	Published Sage reports.		9 SMB Tracker Reports published.

Metrics

MDR-M G1-5 GRI 415-1

Metrics

Political contributions

Disclosure	Unit	2023	2024	2025	GRI	ESRS
Total monetary value of financial and in-kind political contributions made directly and indirectly by the organisation by country and recipient/beneficiary.	#	0	0	0	GRI 415-1	G1-5 29 (b) i.

Innovation to empower customers and SMBs

Looking ahead

Looking ahead, we will continue our investment in technologies that empower SMBs to thrive in a rapidly evolving regulatory and economic landscape. Through our Data for Good programme, we will continue to unlock insights that drive evidence-based policy making and business resilience. We will also continue to advocate for fair and simplified sustainability reporting standards ensuring SMBs are not left behind. Through strategic partnerships, ethical data practices, and a focus on long-term impact, we hope to not only build a future where technology drives business success but also delivers meaningful social and environmental outcomes.

AI and data ethics

GRI 3-3

Overview

AI and data ethics is central to driving sustainable innovation and ethical practices across all pillars of the Sustainability and Society strategy. Data is central to our strategy and our ambition to create the world’s most trusted, thriving network for SMBs, powered by Sage Copilot. Our business strategy is to connect SMBs through our network, grow by winning new customers and delighting existing ones, and deliver productivity and insights driven by AI. We also use AI and data insights to highlight the barriers that are holding back SMBs.

Effective use of data will accelerate our growth and be crucial in helping customers transform their businesses. Widespread technological innovation and advances in generative AI bring significant productivity benefits, but also increased challenges around data accuracy, privacy and security, and the management of intellectual property.

Sage is committed to complying with all relevant laws and regulations and to be consistent with our values and our ethical principles. We aim to embed Data and AI Ethics Principles into the fabric of Sage and throughout our product development lifecycles, ensuring ethical considerations are integral to the process.

Through findings from our DMA and stakeholder engagement, we have updated AI and data ethics from very important to significant in FY25.

This is an entity-specific material topic and therefore, from an ESRS perspective, we have reported on policies, actions, metrics and targets.

Policies

MDR-P GRI 2-23

Our AI and Data Ethics Policy outlines the principles that need to be applied across data handling and product development. Please see the Appendix page 86 for further detail.

Actions and resources

MDR-A

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Impacts, risks, and opportunities

Associated material IRO	FY25 Action
<ul style="list-style-type: none"> ● Positive impact: Leveraging AI for social good and fostering inclusive technological development. 	<ul style="list-style-type: none"> • Partnered with the CPA.com, a subsidiary of the American Institute of Certified Public Accountants (AICPA), to explore integrating AICPA's insight into Sage Copilot. This collaboration seeks to build connections between the technology sector and the accounting profession; innovation and governance; and between local leadership and global consistency. It signals our commitment to responsible, industry-aligned AI development as we help shape the future of finance with transparency and rigour.
<ul style="list-style-type: none"> ● Opportunity: Enhance customer and employee experiences and continue to build trust in Sage. 	<ul style="list-style-type: none"> • At Sage Future Atlanta we set out our vision for the Agentic AI era through the AI trust label. This initiative is designed to bring greater clarity and accountability to how AI is built and used in business software. • Signed the Pledge for a Trustworthy AI in the World of Work, signifying our commitment to ethical AI practices. In doing so, we commit to ethical AI practices alongside multinationals such as Airbus and L'Oréal. • Established dedicated channels for colleagues and customers to raise questions or concerns regarding AI and data ethics; dataethics@sage.com is a dedicated inbox for any ethics-related queries (external or internal).
	<ul style="list-style-type: none"> • Continuing to evolve our AI Hub with articles and tools to help our customers grasp and leverage AI's potential. By automating tasks and optimising processes, AI enhances efficiency and allows customers to concentrate on more strategic initiatives. • Conducted a baseline assessment against a National Institute of Standards and Technology (NIST) AI risk management framework. The SAIDE Committee approved recommendations for Phase I controls implementation and agreed to a short- to medium-term engagement to set maturity targets. This assessment includes: <ul style="list-style-type: none"> • Creating a means of assessing the impact of Sage Ai on individuals—customers, colleagues, and society—within our risk management framework. • Incorporating AI-specific considerations into our policy suite, supported by clear guidance for colleagues. • Enhancing AI risk literacy and strengthening collaboration across AI teams to enable greater consistency in risk management.

AI and data ethics continued

MDR-A

Associated IRO



Positive impact



Negative impact



Risk



Opportunity

Impacts, risks, and opportunities

Associated material IRO	FY25 Action
<p>Risk: The risk of inconsistent data management and governance.</p>	<ul style="list-style-type: none"> Published AI and Data Ethics Principles to ensure responsible use of customer data in alignment with our strategy, accompanied by an ethics checklist to assess adherence to these principles. Included data accuracy and trustworthiness across key policies including AI and Data Ethics Policy and Information Security Policy, reflecting our commitment to incorporating data management into our risk management process. All colleagues are required to complete mandatory awareness training on data protection, focusing on relevant data privacy laws and regulations. By monitoring privacy risks, we can appropriately process personal data to create new and improved products and services and build our digital network.
<p>Risk: Sage fails to manage bias from the algorithms in the AI technology it uses.</p>	<ul style="list-style-type: none"> Evolved how we support customers through our Trust and Security Hub to better understand cyber security, data privacy, and AI and data ethics in Sage products. This Hub provides vital guidance and transparency on how we do security as a software business. Created a single, global AI inventory, cataloguing our AI systems, models and software, and key information, to create visibility and auditability of our AI systems, to enable AI risk management, and facilitate compliance with regulation and standards.
	<ul style="list-style-type: none"> Launched Sage-specific AI and data ethics training for all colleagues. This training helps colleagues understand and apply ethics as they collaborate with partners, support SMBs and contribute positively to our communities. This training is designed to encourage colleagues to think beyond legal and policy guidelines, by also considering whether we should do something, even when there are no rules against it.

Targets

MDR-T

Targets

Disclosure	Unit	Scope	Baseline	FY25 Performance
Embed AI and data ethics into the fabric of Sage by 2025.	N/A	This target applies globally and encompasses both strategic and operational elements including: having an ethics policy, creating an ethics checklist to help colleagues be compliant with the AI and Data Ethics Policy, developing training, and creation of a Data Ethics inbox.	<p>FY23</p> <p>This target is now completed. AI and Data ethics is a Principal Risk for Sage and risk mitigation will continue to be managed through our risk management framework.</p>	Please see Actions Table above.

AI and data ethics

Looking ahead

Looking ahead, we will continue to evolve our AI and Data Ethics Policy and monitor compliance with our principles. Our ethics training will be launched in additional languages and uptake will be reported on. Having completed a baseline assessment against the NIST AI Risk Management Framework, we will focus on implementing the controls necessary to increase our maturity against the framework.

Cyber security and data privacy

GRI 3-3

Overview

Sage is dedicated to creating a secure environment for our customers, enabling SMBs to focus on growth without worrying about cyber threats. In response to the rapidly evolving and increasingly sophisticated nature of cyber security threats, we continuously review, test, and enhance our data and cyber security controls, tools, and training programmes. As a technology company, it is essential we build security into our products, starting at the design phase, and that we collect and use data in a manner that is both fair and transparent.

Cyber security and data privacy is a topic of significant importance for Sage as stakeholder trust is fundamental. Failing to protect customer data and ensuring the availability of our products and critical services could lead to severe reputational, legal, and financial repercussions. Therefore, we ensure that our cyber security controls, along with the culture and awareness of our colleagues, are robust and can mitigate the dynamic and evolving cyber risk landscape, while also fostering business agility and innovation.

We try to equip all colleagues with the information needed to maintain our trusted reputation. Our Chief Information Security Officer (CISO) is responsible for setting and delivering our cyber security strategy, leading a global team of more than 80 people. Our Global Security team provides expert advice and guidance, continuously monitors any threats that Sage may be exposed to, and works closely with our engineering teams to ensure our products remain secure and trusted. Our Security Compliance team is instrumental in ensuring we maintain the trusted certifications that our customers rely upon for their own assurance, and our Business Information Security Officers are embedded throughout our business to ensure that our Security strategy focuses on supporting our business goals and enabling innovation in a safe and responsible way.

This is an entity-specific material topic and therefore, from an ESRS perspective, we have reported on policies, actions, metrics and targets.

Policies

MDR-P GRI 2-23

Our policies related to this material topic are: Data Classification and Handling Policy; Personal Data Protection Policy, Secure Software Development Policy; Information Security Policy; Digital Infrastructure Security Policy; Acceptable Use Policy; and AI Ethics Policy. These policies outline how colleagues should be handling data, and outline the principles that need to be applied across the handling of data. For technical colleagues, these Policies ensure that security is embedded in the development of products. For more information please see Appendix pages 85 to 88.

Actions and resources

MDR-A

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Impacts, risks, and opportunities

Associated material IRO	FY25 Action
<ul style="list-style-type: none"> ● Negative impact: The potential data privacy impacts of any exposure to a data breach incident. 	<ul style="list-style-type: none"> • Mandatory awareness training for all colleagues on cyber security and information management to reduce human error, strengthen organisational defences, ensure compliance, and foster a culture of security awareness that protects both data and reputation. • Enhanced our security culture with twice-yearly campaign-based training for all colleagues, bespoke security upskilling for Engineering and Tech teams, educationally focused phishing simulations, cyber security awareness week for all colleagues including gamified activities and events, and internal events for security champions to advance the security maturity and embed security-first thinking across Sage. • Further developed our Trust and Security Hub on sage.com. This Hub offers relevant cyber security, privacy, and AI and data ethics advice for UK, US, French, German, Portuguese and Spanish markets to help SMBs “go digital safely”. We have also published additional high-quality blog content to provide actionable advice and guidance tailored for SMBs.

Cyber security and data privacy continued

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Impacts, risks, and opportunities

Associated material IRO	FY25 Action
<ul style="list-style-type: none"> ● Risk: External attack leading to compromise of a Sage product. 	<ul style="list-style-type: none"> • Established multi-year cyber security programmes to continuously improve security and reduce cyber risk across our technology, business processes, and culture, as well as supporting SMBs. • Integrated security throughout our product lifecycle, with regular training for developers, secure software design, and prompt vulnerability remediation. Our Security Champions act as force-multipliers within Software Development and Engineering teams. They ensure that vulnerabilities are identified and remediated promptly, and play a crucial role in recognising and addressing security threats early in the development process. By embedding Security Champions in our teams, we leverage their detailed product knowledge to enhance our overall security posture. • Validated our security approach through internal and external audits against standards such as ISO 27001 and SOC 2. We test our Crisis Management teams through challenging and immersive global and regional exercises, with simulations to mimic real cyber-attacks and ensure readiness. • 24/7 Cyber Defence Operations team monitors networks, systems, and applications for suspicious activity and actively hunts for threats. Collaboration with product operations and IT ensures comprehensive coverage of our information and technology estate.
<ul style="list-style-type: none"> ● Risk: New products, services, and/or systems do not consider the impact or risks to personal data and individuals' data protection rights. 	<ul style="list-style-type: none"> • Established a Data Privacy Office, which reports to the EVP Deputy General Counsel. Responsible for advising Sage on embedding privacy by design into new products and services, and for ensuring the fair and lawful processing of personal data. It also monitors emerging legal and regulatory developments—such as those related to AI—to help Sage stay ahead of future requirements. • Data Protection Impact Assessment (DPIA) processes support the development of new products, vendors, services, and/or systems. • Provided training for colleagues to cover key aspects of data protection across our global footprint. Data protection is also part of our Code of Conduct training. • Prioritised the cyber security and data privacy requirements of our third parties by conducting due diligence on suppliers and business partners through our comprehensive third-party assessment programme. Additionally, we collaborate with key vendors to address and resolve any identified gaps. • Embedded specific cyber security and remediation requirements, including timescales, within our contracts to ensure a vendor addresses any weaknesses in their security controls. • Embedded cyber security throughout the development and launch of our products, incorporating code scanning, threat assessments, penetration testing, and bug bounty programmes at every stage.

Targets

MDR-T

Targets

Disclosure	Unit	Scope	Baseline	FY25 Performance
Expand our Trust and Security Hub to support SMBs to go digital safely by 2025.	N/A	All customers using Sage products.	FY23 This target is now completed. Cyber Security is a Principal Risk for Sage and risk mitigation will continue to be managed through our risk management framework.	Continued to develop the Trust and Security Hub, including enhancements to the sub-processors list to improve transparency and support stakeholder engagement.

Cyber security and data privacy continued

Metrics

MDR-M GRI 418-1

Metrics

Substantiated complaints concerning breaches of customer privacy and losses of customer data

Disclosure	Unit	2023	2024	2025	GRI
Total number of complaints received concerning breaches of customer privacy from outside parties and substantiated by the organisation. i. complaints received from outside parties and substantiated by the organisation; ii. complaints from regulatory bodies.	#	Sage does not disclose this information due to customer and commercial confidentiality unless required by law. To the extent that any relevant regulator should find fault with our data breach management and/or data security practices, they will publish their findings/sanctions.			GRI 418-1
Total number of complaints received concerning breaches of customer privacy from regulatory bodies.	#				GRI 418-1
Total number of identified leaks, thefts, or losses of customer data.	#				GRI 418-1

Cyber security and data privacy

Looking ahead

We are building on existing security frameworks, prioritising the enhancement of operational efficiencies by integrating robust security measures into every stage of the development lifecycle. Our comprehensive approach aims to accelerate time-to-market for new products and features, while minimising the need for extensive remediation efforts. By embedding security practices early and consistently, we can ensure a more streamlined and efficient development process, upholding stringent security standards throughout.

In addition to these efforts, business resilience will continue to be a major focus. We will place an even greater emphasis on resilience against various threats, including cyber-attacks, natural disasters, and other critical incident scenarios. This focus involves not only strengthening preventive measures, but also enhancing recovery strategies to ensure swift and effective responses to any disruptions.

By prioritising both security and resilience, we aim to safeguard our operations and maintain continuity, even in the face of unforeseen challenges.

Local community investment and support

GRI 3-3

Overview

Through Sage Foundation we empower the entrepreneurs of today and tomorrow to do great things. By using our time, funding, skills and technology, we break down barriers, drive inclusive growth, and support the next generation. Through global partnerships, volunteering, and fundraising, we not only foster thriving communities but also enhance our colleague experience, aiding in talent retention and attraction, and alignment with our values. Sage Foundation is an important aspect of Sage’s business model, helping us to knock down barriers.

Sage believes that the future will only change if we can equip people with the skills they need—digital, technology and AI skills are at the heart of innovation and learning. Sage Foundation gives our

communities every opportunity to learn, develop, and use these skills. Through focusing on a smaller set of longer-term impacts that are closely aligned to our business strategy, we have evolved Sage Foundation to make the best use of all of our assets including funding, technology, time, and skills.

The Sage Foundation strategy is a statement of our desire to deliver long-term impact and builds on our 10 years of experience in working with our communities. We started evolving the strategy in FY24 to two focus areas. FY25 has been a baseline year to learn, evaluate, and improve the impact we deliver as we transition to increasing our success, as well as embedding it with our new governance and impact measurement frameworks.

To deliver our Sage Foundation strategy we have engaged with new regional non-profit partners across our Sage communities, focused on delivering long-term global impact through longer partnerships to effect long-term change, with non-profit organisations such as

GirlCode in South Africa, Factoria5 in Spain, and Access to Capital for Entrepreneurs (ACE) in the US.

We launched our biggest single social impact programme—Sage Impact Entrepreneurship—a three year partnership, will empower 165 purpose-driven entrepreneurs to scale and grow. In its first year, 56 businesses completed the programme with access to a combination of funding, mentorship, training, and product. In line with our goal of long-term change, this first cohort will receive an additional two years of alumni support to solidify their growth in the early stages of their purpose-driven ventures. Our inaugural cohort has been sponsored by an advisory board comprising six Sage executive leaders, along with experts in impact investment and entrepreneurship from our partner Village Capital.

This is an entity-specific material topic and therefore, from an ESRS perspective, we have reported on policies, actions, metrics and targets.

Sage Foundation strategy focus areas:

1.

Multiply the impact of underserved SMBs to advance a more sustainable world—helping underrepresented groups to start and grow businesses can lead to long-term employment, improved lives, and improved social and environmental impacts.

2.

Empower our communities with the skills and technology they need to thrive—we work with non-profit organisations to empower people within our communities with programmes that improve their access to and understanding of skills and technology, which in turn will help them in their future professional lives.



Local community investment and support continued

Policies

MDR-P GRI 2-23

The Sage Foundation Policy outlines our objectives around local community and investments. It outlines how colleagues are encouraged to support their communities and how we invest in non-profit partnerships that support Sage Foundation to deliver on its commitments. For further detail on this policy, please see Appendix page 87.

Actions and resources

MDR-A

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Impacts, risks, and opportunities

Associated material IRO	FY25 Action
<ul style="list-style-type: none"> ● Positive impact: Amplifying the impact of global non-profits by offering time, skills, and funding. 	<ul style="list-style-type: none"> • £3.4m was disbursed to non-profit partners and social impact partners around the world through Sage Foundation, including provision for disaster relief. • Sage Foundation developed guidance materials and processes for volunteering and partnerships to underpin its new strategy and impact collection.
<ul style="list-style-type: none"> ● Positive impact: Empowering underserved entrepreneurs and contributing to skills development. 	<ul style="list-style-type: none"> • 56 purpose-driven businesses supported through an accelerator programme delivered by Village Capital, supported by Sage Foundation funding, mentoring, training, and product.
<ul style="list-style-type: none"> ● Opportunity: Strengthen Sage’s role as a trusted partner in the community. 	<ul style="list-style-type: none"> • Sage performs thorough due diligence on our partners to ensure alignment with the Sage Code of Conduct, and use our broader policies to mitigate both financial and non-financial risks. • Benevity, our grant-making platform, offers data-driven insights, and vets organisations. This helps the Foundation team with grant-making to be both strategic and trustworthy through informed, evidence-based decisions. • By embedding Sage Foundation risks under our ESG Principal Risks, we have strengthened the due diligence, mitigations, and controls in place for this topic. • Sage Foundation reviews a central risk register quarterly. Funded non-profit partners report quarterly. • Internal and external auditing, as well as best practices identified through our memberships of global and regionally based professional groups including the Association for Corporate Citizenship Professionals, Business for Social Impact, and the Global Corporate Volunteer Council, among others, help drive continuous evaluation and improvement.

Local community investment and support continued

Targets

MDR-T

Targets

Target	Unit	Scope	Baseline	FY25 Performance
Raising \$5m for non-profits around the world by 2030.	USD\$	Funds raised through colleague donations and partner and colleague fundraising that may include Sage Foundation match funding from Nov 2021 (FY2022) to FY2030.	FY22	USD 850,466

Metrics

MDR-M GRI 413-1

Metrics

Sage Foundation performance indicators						
Disclosure	Unit	2022	2023	2024	2025	GRI
Number of hours volunteered ³	#	141,226	154,620	159,714	80,036	GRI 413-1
Colleague engagement rate (% of colleagues engaging with volunteering or fundraising in FY25) ⁵	%	N/A	N/A	N/A	49%	GRI 413-1
Funds raised to support non-profit organisations	\$	USD 1,044,665	USD 777,167	USD 644,858	USD 850,466	GRI 413-1
% of entrepreneurs who report an increase in their confidence to scale and grow their business ^{4,5}	%	N/A	N/A	N/A	91%	
% of colleagues who report an improvement in their knowledge, wellbeing, or skills from volunteering ⁵	%	N/A	N/A	N/A	94%	

- Note regarding FY25 volunteering hours performance: The FY25 volunteering hours are less this year than in previous years. This expected change is a result of strengthening our methodology in line with best practices and in support of our strategic direction. The primary adjustments are: a change to our methodology which only asks colleagues to track hours during work time (best industry practice for volunteering) as well as changing the nature of volunteering opportunities for colleagues, e.g. skills-based volunteering activities producing more of a beneficiary impact but less of a time impact per instance than general volunteering. For more information please see page 110 in the Basis of Reporting.
- Delivered via our Sage Impact Entrepreneurship programme.
- These are new metrics for FY25 and therefore no data is available for FY22, FY23, or FY24.

Local community investment and support

Looking ahead

Collaboration and partnerships remain critical—listening to our communities, and identifying where we can meet them, to continue to create the multiplier effect. Addressing social and environmental issues is a long-term commitment, and we are determined to use our capabilities to empower underrepresented entrepreneurs and equip our communities with the right skills. Our focus is to scale and grow the longer-term partnerships we have created, to work together to create lasting change.

HUMAN BY DESIGN

We care for colleagues by championing inclusive, progressive, and healthy working environments.

Human by Design is a key pillar of our Sustainability and Society strategy and is our commitment to creating an equitable and inclusive environment. The colleagues who make up our workforce are at the core of everything we do. We listen and engage with them regularly in order to create an inclusive workplace.

Material topics covered:

Diversity, equity, and inclusion (DEI)

Colleague development and retention

Foundational topics:

Colleague health, safety, and wellbeing; Human rights

ESRS disclosures:

S1, S4

SDG contribution:



Impacts, risks, and opportunities

SBM-3 GRI 3-3

Value chain location Upstream Downstream Operations

Associated IRO Positive impact Negative impact Risk Opportunity

Material topic: Diversity, equity, and inclusion

Impacts, risks, and opportunities				
Value chain location	Associated IRO	Time horizon	Link to strategy	Where to look
	Positive impact: Improving product accessibility to create greater inclusion in the workplace and marketplace.	Medium-term	Diversity, Equity, and Inclusion	FY25 Action Table Accessibility at Sage
	Risk: By not having a diverse workforce, Sage risks being disconnected from our customer, colleague, and external stakeholder base.	Medium-term	Diversity, Equity, and Inclusion	FY25 Action Table Sage DEI Sage FY25 Impact Book

Material topic: Colleague development and retention

Impacts, risks, and opportunities				
Value chain location	Associated IRO	Time horizon	Link to strategy	Where to look
	Positive impact: Preparing the workforce of the future.	Medium-term	Empowering Colleagues	FY25 Action Table Sage FY25 Impact Book
	Risk: Failing to ensure we engage colleagues with the critical skills, capabilities, and capacity we need to deliver on our strategy.	Short-, medium- and long-term	Empowering Colleagues	FY25 Action Table Sage FY25 Impact Book

Diversity, equity, and inclusion

GRI 3-3

Overview

To maintain business success, it is critical that we nurture an inclusive culture where our colleagues, customers, visitors, suppliers, and contractors are treated with dignity and respect. To achieve our purpose of knocking down barriers so everyone can thrive, we must start with our own teams. We foster a culture of inclusion, embracing diverse perspectives that fuel innovation and help us compete in diverse marketplaces. We believe that DEI is multi-faceted, and we want to reflect it through our own workforce, the products we sell, and how we interact with all our stakeholders.

Governance

GRI 2-12 GRI 2-13

The DEI Accountability Board, which is chaired by our CEO and consists of our Chief People Officer (CPO) and EVP People is accountable for our DEI strategy success, setting targets, and allocating resource. The DEI Advisory Board, (chaired by the Chief People Officer, and consists of the ELT and DEI Ambassadors, with additional insight and expertise provided by a panel of

External Advisors) is responsible for challenging our DEI strategy, driving constant innovation, and benchmarking Sage against global best practice. Progress against DEI targets is reviewed quarterly by the SAIDE Committee.

Regional and functional leadership teams currently work with their respective People Business and DEI partners, to understand the data and establish action plans around hiring, succession planning, progression, and restructuring. Progress against the goal is reported monthly to the CPO and the ELT Ambassador for Gender Diversity, quarterly at the SAIDE Committee meetings, a minimum of once a year at the DEI Accountability Board, and at the end of H1 and H2 to the DEI Advisory Board.

A self-service leadership team diversity dashboard for Strategic People Business Partners is available to enable teams to use their data to support conversations.

Material impacts, risks, and opportunities and their interaction with strategy and business model

SBM-3

Our DEI strategy is intricately tied to the core of our business success, aiming to dismantle barriers and develop an environment where everyone can thrive. It is not only a reflection of Sage’s purpose to create a high-performing organisation, but also a driver

of innovation, customer service excellence, and overall business performance. Sage’s colleagues are vital to the creation of our products and our success—we depend on a skilled and diverse workforce to achieve our strategic ambitions.

By prioritising diverse and inclusive teams, we can ensure that a variety of perspectives contribute to balanced and informed decision making, and that we can better address the needs of our customers, colleagues, and communities. An inclusive culture enriches collaboration, allowing every team member to contribute their best, while equity by design ensures fairness and opportunity are woven into the fabric of the organisation. Our inclusive approach is fundamental to protecting and promoting colleague mental health—creating a workplace where everyone feels safe, valued, and empowered to do their best work.

Our DEI strategy is dynamic and continuously evolving, based on feedback from colleagues, the external DEI landscape, and input from our external Advisory Board, ensuring its relevance and effectiveness in a changing world. This adaptability underscores our commitment to a thriving and inclusive workplace, where each individual feels supported and valued.

In essence, DEI is not just a facet of our operations—it is a key input into our business model, enabling Sage to excel in a competitive landscape while staying true to our Values. We developed our IROs with our DEI strategy and purpose in mind. It focuses on three priorities: Diverse Teams, Equity by Design, and Inclusive Culture.

Strategic priorities	Commitments	Priorities	Global goals
Diverse Teams	<ul style="list-style-type: none"> Our workforce reflects the diversity of our communities. We remove barriers so that all colleagues can thrive. 	<ul style="list-style-type: none"> Increase participation for All About Us self-declaration diversity data gathering. Analyse aggregated diversity data to baseline our colleague population demographics and monitor representation. 	<ul style="list-style-type: none"> Transparent reporting on the progress in our DEI programmes. Provide the conditions, including targets and monitoring, to build teams that reflect our customers and communities specifically considering gender and historically underrepresented ethnicities.
Equity by Design	<ul style="list-style-type: none"> Zero tolerance of discrimination of any kind. We design fair/flexible experiences into our business policies, processes and experiences. 	<ul style="list-style-type: none"> Increase Colleague Success Network membership and business alignment. Raise awareness across leaders and colleagues to bridge colleagues’ differences. Review and remove bias from the colleague experience life cycle 	<ul style="list-style-type: none"> Glint Score: Measure the progress of our DEI strategy using two targeted questions on diversity, equity and inclusion in our annual engagement survey. Maintain a global Colleague Success Networks membership level of 20% to 25% across all our geographies.
Inclusive Culture	<ul style="list-style-type: none"> We seek out missing voices. We listen. We are open. 	<ul style="list-style-type: none"> Use external partnerships to ensure we stay informed, accountable and contribute to broader social progress. Use reverse mentoring and sponsorship to bridge understanding and accelerate colleague career success. Leader and colleague education to equip leaders with inclusive techniques to ensure all colleagues can thrive. 	<ul style="list-style-type: none"> Annually measure progress against commitments stated in the following charters: <ul style="list-style-type: none"> Change the race ratio is a charter that organisations sign to help advance racial equity and increase representation in the workplace. The Valuable 500 charter focuses on disability equity through collective employer action. The Workplace Pride Global Benchmark. Launch two Sponsorship pilots in Product and regionally in South Africa, and monitor the impact on the careers of those who participated.

Diversity, equity, and inclusion continued

Diverse teams

We have progressed our gender diversity target of achieving representation of no more than 60% of any gender in ELT to ELT-4 leadership teams by the end of FY26, from 34% in FY23 to 40% in FY25 by combining various best practices. We have continued to embed diverse hiring principles agreed in FY25 to create a more equitable and inclusive hiring approach, including mandates that: a diverse group of interviewers with different intersecting identity characteristics are present throughout the interview stages, and for selected roles; sharing questions with candidates prior to an interview when assessing for reactive thinking is not necessary; and delaying the start of the interview process until a diverse shortlist is available.

Our ELT Ambassadors sponsor programmes of work to enable us to attract and retain colleagues from all identities, backgrounds, and lived experiences. For example, during FY25 they have sponsored the Hidden Disabilities Sunflower Scheme campaign, a new global Workplace Adjustments Policy, a Customer Services programme to increase neuroinclusive leadership capabilities, and have supported the development of a United Kingdom and Ireland (UKI) Race and Ethnicity inclusion action plan.

We use data for insight to develop high-performing teams. During FY25, we welcomed 474 colleagues in India to the All About Us programme, increasing this programme's reach to 94% of our colleague population. Combined with more advanced monthly reporting available to our Strategic Business Partners, ELT members and their direct reports, our decision makers now have access to aggregated data, which supports representation awareness when building high-performing teams. Focused reporting has also enabled us to more accurately understand why our progress against targets fluctuates, and to build trend information.

We continue to improve diversity data self-declaration, reporting into our ELT and next layer of leadership, to build and monitor a more diverse pipeline of internal candidates for senior leadership roles. In partnership with Business in the Community, we have designed and embedded sponsorship programmes into two career accelerator programmes in our Product teams and in a cross-region Career Accelerator for Women in South Africa. We're working closely with the ELT and their teams to support the Parker Review by sharing ethnicity representation insights at ELT-1 and ELT-2 levels. To drive meaningful change, we're implementing targeted interventions such as our Sponsorship framework. Research shows that underrepresented communities often receive more mentorship than sponsorship, which can limit progression into senior roles. To evaluate the effectiveness of ELT-led sponsorship programmes, we will track changes in the diversity of our senior leadership over time. This will help us understand whether these initiatives are successfully supporting the career progression of underrepresented colleagues.

Equity by design

Operating as a Centre of Excellence (CofE) this year, the DEI team has adopted a consultancy approach to promote DEI across various organisational functions, encouraging accountability for equity and inclusion in projects. For example, the DEI team supported the Office of General Counsel's quarterly meetings (as part of belonging sessions on Accessibility and Neuroinclusion), leading the Procurement team to improve IT procurement practices and review processes for accessibility. Additionally, we have expanded our DEI and Accessibility awareness initiative from FY24, continuing to provide inclusive leadership training to Customer Service teams in FY25. This was through onboarding simulations, DEI workshops, and Healthy Mind Coach training. We also integrated accessibility into procurement with new IT guidance and supplier education, while our global Ability@Sage networks supported inclusive workplace adjustments and partnerships, including events with Autism Hub and Neurodiversity in Business. Moreover, in June, our Accessibility team led a week of events to mark Global Accessibility Awareness Day.

Insights from this initiative have led to the development of a programme with neurodiversity consultancy Neurobridge, supporting Sage leaders in integrating neuroinclusion into their leadership practices. We will track team performance following this first cohort and scale according to need in future years.

Following our involvement with the "Women in Finance Accelerator" programme in FY24, the DEI team developed a specific framework and module on sponsorship in FY25 to support the latter stages of career accelerators, when colleagues feel more confident about seeking new opportunities. We identified specific opportunities in our Product function and across all colleagues in South Africa. In FY25, approximately 30 colleagues and 27 leaders will participate in sponsorship partnerships as part of career development programmes. Both leaders and participating colleagues will receive training and support throughout the process.

Inclusive culture

Designed by colleagues, for colleagues, at a regional level, our Colleague Success Networks offer opportunities for diverse networking, mental wellbeing support, awareness-raising and involvement in business-aligned activities to support our customers. Participation has increased to 28% of all colleagues across 23 networks, from 22% in FY24 and 18% in FY23. During FY25, all networks reviewed and crafted their Vision and Purpose statements, and assessed their level of maturity and future opportunities for higher business impact. Following our co-lead two-year tenure approach, a number of networks have rotated their co-lead roles and opened up opportunities for different colleagues to develop their leadership, bringing fresh ideas and styles to the networks. Many of our networks have built pilots into successful full-scale launches, such as the Hidden Disability Sunflower Scheme, which has expanded its reach from 60 colleagues to over 4,242 colleagues. This programme was completed from start to finish in nine months across the UK, Ireland, and South Africa. We have also seen an increase in partnerships and collaboration between our Colleague Success Networks and Sage Foundation teams—best demonstrated in North America at our second Annual Sage Small Business Expo, which allowed us to connect with local entrepreneurs and show our support for the Small Business Community during small business month in May.

Diversity, equity, and inclusion continued

Policies

S1-1 S1-3 S4-3 MDR-P GRI 2-23

Through our Values, we aim to do the right thing for our customers, colleagues, partners, society, and shareholders, in line with our Purpose: to knock down barriers so everyone can thrive. We consider harms to human rights to be fundamental barriers that could impact individuals across our value chain. These barriers could include social and economic issues related to privacy, child and forced labour, equality and non-discrimination, and access to remedy.

See Appendix page 85 for high-level description of our Diversity, Equity, and Inclusion Policy, as well as our Human Rights Charter and Modern Slavery Statement. Our Human Rights Charter describes our approach and commitment to human rights. Our Anti-Bullying, Discrimination, and Harassment Policy outlines the expected standards and consequences of bullying, harassment, and discrimination. For more information on this Policy refer to Appendix page 85. These policies help us manage our material IROs and reinforce our commitment to fostering a respectful, inclusive environment where mental health and wellbeing are protected and prioritised.

Although human rights are not determined as a material topic for Sage, we actively manage human rights areas identified as potentially greater risk to our sector. This is outlined in our Human Rights Charter. The following commitments fall across our value chain and include:

- **Privacy:** we prioritise the privacy of colleagues and customers by protecting personal data and taking strong measures to prevent cyber-attacks. They ensure safe and responsible data handling, including in AI system development.
- **Modern Slavery:** we have a zero-tolerance approach to modern slavery and human trafficking. We recognise that there are risks in our supply chain and have robust policies to mitigate these risks, including a Supplier Code of Conduct and Third-Party Due Diligence Policy.
- **Inequality and Discrimination:** we aim to create an inclusive culture, free from discrimination. With respect to our products, we manage bias in AI models and improve product accessibility to support inclusivity. Internally, we enforce a zero-tolerance policy on discrimination and a strong commitment to protecting and promoting colleague mental health and wellbeing, supported by our Anti-Discrimination, Bullying, and Harassment Policy, and Diversity, Equity, and Inclusion Policy.

Monitoring our policies and processes

To monitor the application of the policies and processes to raise concerns, we encourage colleagues to feedback through:

- Our internal People Services platform for requests and queries
- A direct connection with DEI team members.

We promote a speak-up culture that encourages and supports colleagues and those doing business with us to speak out if they see or suspect wrongdoing. We provide channels for individuals across our value chain to raise concerns, including suppliers, partners, and customers, via our whistleblowing hotline, surveys, or customer feedback forms. We investigate every report of potential misconduct and, where appropriate, take steps to provide remedy. Our approach is set out in our Code of Conduct, Supplier Code of Conduct and Whistleblowing Policy Statement.

Our Anti-Bribery and Corruption Policy, together with associated whistleblowing procedures and grievance mechanisms, are designed to ensure that colleagues and other parties, including contractors and third parties, can report any instances of poor practice safely through internal channels or an independent organisation that provides an anonymous whistleblowing 24/7 hotline. All reports received via this hotline, or any other reporting mechanism, are thoroughly investigated and reported to the Audit and Risk Committee, which reviews each case and its outcomes. Calls and email/online reports are monitored by the external provider and our hotline representatives, investigated by Sage's Risk team, and reported to the Audit and Risk Committee.

Local Employee Relations teams monitor, record, and actively manage all grievances related to bullying, discrimination, and harassment within each country throughout the year. All cases are also analysed globally once per year, to monitor for any trends or patterns that require investigation and more far-reaching interventions. Colleague education on bullying, discrimination, and harassment follows local compliance legislation and in addition all colleagues are supported through a dedicated internal online hub with additional guidance and resources, including mental health and wellbeing support.



Diversity, equity, and inclusion continued

Actions and resources

MDR-A

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Actions

Associated material IRO	FY25 Action
<ul style="list-style-type: none"> ● Risk: By not having a diverse workforce, Sage risks being disconnected from our customer, colleague, and external stakeholder base. 	<ul style="list-style-type: none"> • Introduced programmes focused on career progression through sponsorship, neuroinclusion, and mental health. • Launched the Hidden Disabilities Sunflower scheme to all colleagues in UK, Ireland and South Africa. • Conducted baseline maturity assessments with Lexxic to assess neuroinclusion and Workplace Pride, to better understand support available at Sage for LGBTQ+ colleagues. Developed action plans to close gaps identified in these assessments for full implementation in FY26. • Launched the Global Workplace Adjustments Policy and Service Now mechanism to capture adjustment requirements. • Enhanced reporting and voluntary sharing of personal information with the onboarding of 474 colleagues in India has given us a clearer picture of diversity in the region. This has enabled accurate target setting for ELT members and deeper partnership with our colleagues in India, to create an inclusive culture where all colleagues have a fair opportunity to thrive.

Targets

MDR-T

Targets

Target	Unit	Scope	Baseline	FY25 Performance
Achieve representation of no more than 60% of men, women, or non-binary people in any leadership team (ELT to ELT-4) by the end of FY26.	%	Teams from ELT to ELT-3 and their direct reports for all regions/functions	FY22: 19%	40%
Progress in the core activities for Diversity, Equity, and Inclusion through the inclusion score in our Employee Engagement Survey.	Inclusion score	Global employees	FY22: 79	79
Achieve 20% ethnically diverse representation by the end of FY27 in senior leadership teams (ELT and ELT-1).	%	Senior leadership teams (ELT - ELT-1)	FY23: 11%	11%

Metrics

MDR-M

Metrics

Board gender diversity (as an average ratio of females to male Board members)	2025	ESRS
Board gender diversity	0.67	ESRS 2 21 (d)
Note: This is calculated based on the 10 board members including the CEO and CFO.		
% of independent Board members	2025	ESRS
% of independent Board members	80	ESRS 2 21 (e)

Diversity, equity, and inclusion continued

S1-6—Characteristics of Sage’s employees

S1-6 MDR-M GRI 2-7 GRI 2-8

Metrics

Employees and other workers

Disclosure	Units	2022	2023	2024	2025	GRI	ESRS
Total number of employees by employment contract (permanent and temporary), by gender							
Male							
Permanent	#	6,442	6,356	5,991	6,156	GRI 2-7	ESRS S1-6 50 (b)i
Temporary	#	111	93	114	147	GRI 2-8	ESRS S1-6 50 (b)ii
Female							
Permanent	#	4,700	4,327	4,441	4,532	GRI 2-7	ESRS S1-6 50 (b)i
Temporary	#	132	477	112	170	GRI 2-8	ESRS S1-6 50 (b)ii
Undisclosed							
Permanent	#	102	82	73	83	GRI 2-7	ESRS S1-6 50 (b)i
Temporary	#	87	N/A	58	82	GRI 2-8	ESRS S1-6 50 (b)ii
Total number of employees by employment contract (permanent and temporary), by region							
Africa and Middle East							
Permanent	#	944	1,055	935	928	GRI 2-7	ESRS S1-6 50 (b)i
Temporary	#	95	12	106	91	GRI 2-8	ESRS S1-6 50 (b)ii
Asia and Australia							
Permanent	#	636	720	616	548	GRI 2-7	ESRS S1-6 50 (b)i
Temporary	#	4	2	1	4	GRI 2-8	ESRS S1-6 50 (b)ii
Central Europe							
Permanent	#	808	720	758	768	GRI 2-7	ESRS S1-6 50 (b)i
Temporary	#	24	60	31	44	GRI 2-8	ESRS S1-6 50 (b)ii
North America							
Permanent	#	2,554	2,471	2,320	2,493	GRI 2-7	ESRS S1-6 50 (b)i
Temporary	#	49	14	34	61	GRI 2-8	ESRS S1-6 50 (b)ii
Northern Europe							
Permanent	#	3,516	3,350	3,350	3,361	GRI 2-7	ESRS S1-6 50 (b)i
Temporary	#	113	191	59	120	GRI 2-8	ESRS S1-6 50 (b)ii
Southern Europe							
Permanent	#	2,786	2,449	2,526	2,673	GRI 2-7	ESRS S1-6 50 (b)i
Temporary	#	45	291	53	79	GRI 2-8	ESRS S1-6 50 (b)ii

Diversity, equity, and inclusion continued

S1-6—Characteristics of Sage’s employees continued

S1-6 S1-7 GRI 2-7 GRI 2-8

Metrics

Disclosure	Units	2022	2023	2024	2025	GRI	ESRS
Total number of employees by employment type (full-time and part-time), by gender							
Full-time							
Male	#	6,455	6,356	5,995	6,182	GRI 2-7	ESRS S1-6 52 (a)
Female	#	4,310	4,327	4,067	4,211	GRI 2-7	ESRS S1-6 52 (a)
Undisclosed	#	188	82	131	163	GRI 2-7	ESRS S1-6 52 (a)
Full-time (%)							
Male	#	55.77%	56.07%	55.57%	55.34%	GRI 2-7	ESRS S1-6 52 (a)
Female	#	37.24%	38.17%	37.70%	37.70%	GRI 2-7	ESRS S1-6 52 (a)
Undisclosed	#	1.62%	0.72%	1.21%	1.46%	GRI 2-7	ESRS S1-6 52 (a)
Part-time							
Male	#	98	93	110	121	GRI 2-7	ESRS S1-6 52 (b)
Female	#	522	477	486	491	GRI 2-7	ESRS S1-6 52 (b)
Undisclosed	#	1	0	0	2	GRI 2-7	ESRS S1-6 52 (b)
Part-time (%)							
Male	#	0.85%	0.82%	1.02%	1.08%	GRI 2-7	ESRS S1-6 52 (b)
Female	#	4.51%	4.21%	4.50%	4.40%	GRI 2-7	ESRS S1-6 52 (b)
Undisclosed	#	0.01%	N/A	N/A	0.02%	GRI 2-7	ESRS S1-6 52 (b)
Whether a significant portion of the organisation’s activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.							
Contractors	#	–	87	82	84	GRI 2-8	ESRS S1-7

Note: Data is compiled using the workforce headcount figures from September month end. The FTE field is used to determine whether the person is full or part time (if less than 1 then part time). We recognise that gender is not binary but in this report we are reporting on gender derived from the “sex assigned at birth” field, whilst we continue to promote and increase the self-declaration rates from gender identity. The region is based on the region of the office location of the colleague. Total headcount is inclusive of contractors, students, and inactive colleagues. Excludes consultants but includes unintegrated M&A heads. For further information on employee categories, see page 143.

Diversity, equity, and inclusion continued

Metrics

Breakdown by gender and country (for those countries with over 50 employees and that are the 10 largest countries in terms of employee numbers)

Disclosure	Units	2025			Total	ESRS
		Female	Male	Undisclosed		
United Kingdom	#	1,310	1,978	15	3,303	ESRS S1-6 50 (a)
United States	#	928	1,145	72	2,145	ESRS S1-6 50 (a)
France	#	661	710	14	1,385	ESRS S1-6 50 (a)
Spain	#	532	593	0	1,125	ESRS S1-6 50 (a)
South Africa	#	554	430	0	984	ESRS S1-6 50 (a)
Germany	#	241	368	6	615	ESRS S1-6 50 (a)
India	#	60	414	1	475	ESRS S1-6 50 (a)
Canada	#	148	241	20	409	ESRS S1-6 50 (a)
Portugal	#	79	97	2	178	ESRS S1-6 50 (a)
Ireland	#	68	109	1	178	ESRS S1-6 50 (a)
Grand Total	#	4,581	6,085	131	10,797	ESRS S1-6 50 (a)



Diversity, equity, and inclusion continued

Diversity metrics

S1-9 MDR-M GRI 405-1

Metrics

Diversity of governance bodies and employees

Total number of senior management and governance bodies members (by gender)

Disclosure	Units	2023	2024	2025	GRI	ESRS
Male (NED)	#	5	4	4	GRI 405-1	ESRS S1-9 66 (a)
Male (ELT)	#	6	6	6	GRI 405-1	ESRS S1-9 66 (a)
Male (ELT-1)	#	48	42	36	GRI 405-1	ESRS S1-9 66 (a)
Female (NED)	#	4	4	4	GRI 405-1	ESRS S1-9 66 (a)
Female (ELT)	#	4	4	3	GRI 405-1	ESRS S1-9 66 (a)
Female (ELT-1)	#	34	29	26	GRI 405-1	ESRS S1-9 66 (a)
Undisclosed	#	–	–	1	GRI 405-1	ESRS S1-9 66 (a)
Total Female (ELT and ELT-1)	%	41%	41%	41%		ESRS S1-9 66 (a)
Total Male (ELT and ELT-1)	%	59%	59%	59%		ESRS S1-9 66 (a)
Total	#	101	89	80	GRI 405-1	

Note: Please note that the previous reported category of ET has been discontinued. Going forward we will report on ELT-1. Please see page 143 for further explanation on this change.

Metrics

Total number of senior management and governance bodies members (by age group)

Disclosure	Units	2023	2024	2025	GRI	ESRS
NED					GRI 405-1	ESRS S1-9 66 (a)
46–55	#	3	3	3	GRI 405-1	ESRS S1-9 66 (a)
≥56	#	6	5	5	GRI 405-1	ESRS S1-9 66 (a)
ELT					GRI 405-1	ESRS S1-9 66 (a)
36–45	#	3	2	2	GRI 405-1	ESRS S1-9 66 (a)
46–55	#	2	3	3	GRI 405-1	ESRS S1-9 66 (a)
≥56	#	5	5	4	GRI 405-1	ESRS S1-9 66 (a)
ELT-1					GRI 405-1	ESRS S1-9 66 (a)
26–35	#	5	4	7	GRI 405-1	ESRS S1-9 66 (a)
36–45	#	18	18	16	GRI 405-1	ESRS S1-9 66 (a)
46–55	#	43	35	30	GRI 405-1	ESRS S1-9 66 (a)
≥56	#	16	14	10	GRI 405-1	ESRS S1-9 66 (a)
Total	#	101	89	80	GRI 405-1	ESRS S1-9 66 (a)

Note: Senior management and governance body members refer to NED, ELT, and ELT-1. For further information on employee categories, see page 143.

Diversity, equity, and inclusion continued

S1-6 GRI 405-1

Metrics

Total number of employees per employee category broken down by gender

Disclosure	Units	2022	2023	2024	2025	GRI	ESRS
Female	#	4,832	4,774	4,551	4,702	GRI 405-1	ESRS S1-6 50 (a)
Total number of females in senior management positions	#	–	56	58	53	GRI 405-1	ESRS S1-6 50 (a)
Total number of females in middle management positions	#	–	1,044	1,029	1,077	GRI 405-1	ESRS S1-6 50 (a)
Total number of females in staff (Professional, Operational, and Administrative)	#	–	3,674	3,464	3,572	GRI 405-1	ESRS S1-6 50 (a)
Male		6,553	6,399	6,104	6,303	GRI 405-1	ESRS S1-6 50 (a)
Total number of males in senior management positions	#	–	103	92	88	GRI 405-1	ESRS S1-6 50 (a)
Total number of males in middle management positions	#	–	1,699	1,648	1,695	GRI 405-1	ESRS S1-6 50 (a)
Total number of males in staff (Professional, Operational, and Administrative)	#	–	4,597	4,364	4,520	GRI 405-1	ESRS S1-6 50 (a)
Undisclosed gender		189	82	131	165	GRI 405-1	ESRS S1-6 50 (a)
Total number of employees with undisclosed gender in senior management positions	#	–	N/A	31	33	GRI 405-1	ESRS S1-6 50 (a)
Total number of employees with undisclosed gender in middle management positions	#	–	29	70	107	GRI 405-1	ESRS S1-6 50 (a)
Total number of employees with undisclosed gender in staff (Professional, Operational, and Administrative)	#	–	53	30	25	GRI 405-1	ESRS S1-6 50 (a)
No data available		–	–	3	–	GRI 405-1	ESRS S1-6 50 (a)
Total	#	11,574	11,255	10,789 ¹	11,170 ¹	GRI 405-1	ESRS S1-6 50 (a)

Note: Senior management includes EVPs, and VPs. Middle management includes Managers, Senior Managers, Directors, and Senior Directors. Staff includes all other employees. For further information on employee categories, see page 143.

1. This represents the total headcount including contractors but excluding NEDs as at September year end.

Diversity, equity, and inclusion continued

GRI 405-1

Metrics

Total number of employees per employee category broken down by age group

Disclosure	Units	2023	2024	2025	GRI	ESRS
Total number of employees belonging to the age group ≤25 years	#	630	575	644	GRI 405-1	ESRS S166 (b)
Total number of employees belonging to the age group 26–35 years	#	3,143	2,955	3,102	GRI 405-1	ESRS S166 (b)
Total number of employees belonging to the age group 36–45 years	#	3,470	3,329	3,331	GRI 405-1	ESRS S166 (b)
Total number of employees belonging to the age group 46–55 years	#	2,704	2,669	2,722	GRI 405-1	ESRS S166 (b)
Total number of employees belonging to the age group ≥ 56 years	#	1,249	1,216	1,331	GRI 405-1	ESRS S166 (b)
N/A		139	45	40	GRI 405-1	ESRS S166 (b)
Total	#	11,335	10,789²	11,170²	GRI 405-1	ESRS S166 (b)

2. This represents the total headcount including contractors but excluding NEDs as at September year end.

Diversity, equity, and inclusion continued

GRI 405-1

Metrics

Gender representation for all employees and racial/ethnic group representation by following 3 employee categories

Category	Male			Female			Undisclosed			GRI
	2023	2024	2025	2023	2024	2025	2023	2024	2025	
(1) Management										GRI 405-1
Asian	56	91	107	41	77	77	–	1	1	GRI 405-1
Black/African/Black S. African/ Caribbean/Black British/ African American	31	13	16	34	26	25	–	0	0	GRI 405-1
I do not wish to self-identify my race or ethnicity	45	51	56	15	24	21	4	3	3	GRI 405-1
Indigenous	5	15	1	5	14	0	–	2	1	GRI 405-1
Multiple Ethnic Groups	20	22	16	20	16	13	–	1	1	GRI 405-1
Other Ethnic Group	11	13	22	9	13	28	–	0	1	GRI 405-1
White	511	655	687	336	474	486	3	8	10	GRI 405-1
Unknown	480	880	878	310	443	480	4	16	16	GRI 405-1
Total	1,159	1,740	1,783	770	1,087	1,130	11	31	33	
(2) Technical Staff										GRI 405-1
Asian	94	97	107	82	61	76	1	0	0	GRI 405-1
Black/African/Black S. African/ Caribbean/Black British/ African American	9	15	16	14	16	14	1	0	0	GRI 405-1
I do not wish to self-identify my race or ethnicity	31	25	26	18	8	7	3	3	3	GRI 405-1
Indigenous	21	14	1	8	3	0	1	0	0	GRI 405-1
Multiple Ethnic Groups	18	13	10	10	8	8	–	0	0	GRI 405-1
Other Ethnic Group	5	14	30	3	5	8	–	0	0	GRI 405-1
White	427	368	398	185	125	131	3	0	0	GRI 405-1
Unknown	1,408	1,098	1,127	554	437	448	27	14	20	GRI 405-1
Total	2,013	1,644	1,715	874	663	692	36	17	23	
(3) All other employees										GRI 405-1
Asian	91	67	73	83	63	64	1	1	0	GRI 405-1
Black/African/Black S. African/ Caribbean/Black British/ African American	75	74	81	96	107	87	1	1	1	GRI 405-1

Diversity, equity, and inclusion continued

GRI 405-1

Metrics

Gender representation for all employees and racial/ethnic group representation by following 3 employee categories continued

Category	Male			Female			Undisclosed			GRI
	2023	2024	2025	2023	2024	2025	2023	2024	2025	
I do not wish to self-identify my race or ethnicity	46	59	45	26	32	32	3	5	7	GRI 405-1
Indigenous	29	37	3	25	24	2	1	0	0	GRI 405-1
Multiple Ethnic Groups	26	26	21	41	39	34	2	1	0	GRI 405-1
Other Ethnic Group	27	18	51	36	23	35	–	0	0	GRI 405-1
White	785	703	780	748	699	717	7	6	6	GRI 405-1
Unknown	2,198	1,737	1,751	2,105	1,816	1,909	20	69	95	GRI 405-1
Total	3,277	2,721	2,805	3,160	2,803	2,880	35	83	109	

Note: Management refers to the total number of senior and middle management colleagues (as previously defined).

Technical staff refers to colleagues who work in IT, Information Security, and Data, who are not captured in the management category. For further information on employee categories, see page 143.

Race and ethnicity colleague self-disclosure information is now being provided by colleagues in the UK, Ireland, the US, Canada (Indigenous and Visible Minority), and South Africa. We report on race and ethnicity against all employing entities in the UK in our FY25 Gender Pay Gap Report and the FY25 Ethnicity Pay Gap Report.

S1-16 GRI 405-2

Metrics

Ratio of the basic salary and remuneration of women to men

Disclosure	Units	Apr-20	Apr-21	Apr-22	Apr-23	Apr-24	Apr-25	Year-on-year	GRI	ESRS
Gender Pay Gap									GRI 405-2	ESRS S1-16 97 (a)
Reward Gaps									GRI 405-2	ESRS S1-16 97 (a)
Mean Pay Gap	%	7.6	7.3	9.2	7.3	4.8	5.05	0.25	GRI 405-2	ESRS S1-16 97 (a)
Mean Bonus Gap	%	9.2	8.6	10.8	12.6	16.0	6.15	-9.90	GRI 405-2	ESRS S1-16 97 (a)
UK Ethnicity Pay Gap									GRI 405-2	ESRS S1-16 97 (a)
Reward Gaps									GRI 405-2	ESRS S1-16 97 (a)
Mean Pay Gap	%	N/A	7.8	0.6	2.1	5.4	2.05	-3.37	GRI 405-2	ESRS S1-16 97 (a)
Mean Bonus Gap	%	N/A	19.8	18.8	29.8	34	33.82	-0.18	GRI 405-2	ESRS S1-16 97 (a)

Note: This is UKI data only. At the time of reporting, we had 3,274 UK-based colleagues. Only 2 of our employing entities—Sage UK Limited and Sage Global Services Limited—exceed the reporting threshold of 250 colleagues. However, in the spirit of transparency and to equip ourselves with meaningful data to reduce our gender pay gap, we publish data for all our UK colleagues irrespective of the size of the business entity they fall under. The table above shows our combined Gender Pay Gap data across all our UK employing entities, and shows the Bonus Pay Gap data for this reporting period. Ethnicity data for colleagues is gathered on a voluntary basis via our People system throughout the year. This data is based on 69.8% of our UK-based colleagues who met the reporting calculation criteria and who have chosen to share their ethnicity with us. Bonus pay data is provided by payroll for the Reward team to complete the analysis. Analysis is completed in line with government regulations.

Diversity, equity, and inclusion continued

Metrics

Inclusion Score

Disclosure	Units	2022	2023	2024	2025
Global DEI Glint Score <i>(Glint Score: The inclusion score is a measurement of how included colleagues feel in the company. The metric is an average derived from the total scores of two specific DEI-related questions asked in the full annual Glint Engagement survey. Scope: Global colleagues).</i>	#	79.00	77.67	77.67	79.00

Metrics

Diversity target

Disclosure	Units	2022	2023	2024	2025
Diversity target of no more than 60% of men, women, or non-binary people, in any leadership team (ELT to ELT-4), anywhere at Sage, by FY26.	%	33%	34%	41%	40%

Note: In FY25, end-of-month departures and team reorganisations have contributed to regression against the start of year baseline, with ongoing actions including embedding target-setting and OKRs for senior leaders, hiring manager training, representation nudges within reorganisation process flows, and enhancing data monitoring.

Metrics

Other indicators of diversity

Disclosure	Units	2022	2023	2024	2025
Colleague Success Network membership	%	4%	18%	22%	28%
Glassdoor DEI Score	#	4.1	4.3	4.2	3.8

Note: Colleague Success Network membership—number of Sage colleagues that participate in volunteer-led communities of colleagues in regions, and are formed based on shared identity and/or lived experience.

Diversity, equity, and inclusion continued

GRI 406-1

Metrics

Non-discrimination

Disclosure	Units	2022	2023	2024	2025	GRI
Northern Europe	#	4	17	19	17	GRI 406-1
Central Europe	#	0	0	0	0	GRI 406-1
Southern Europe	#	0	0	0	2	GRI 406-1
North America—US	#	6	10	5	8	GRI 406-1
North America—Canada	#	–	2	2	0	GRI 406-1
Africa Middle East	#	0	0	1	4	GRI 406-1
Total	#	10	29	27	31	GRI 406-1

Status of the incidents and actions taken with reference to the following:

S1-17 GRI 406-1

Metrics

Disclosure	Units	2022	2023	2024	2025	GRI	ESRS
Total number of incidents of discrimination reviewed by Sage in the last year	#	10	29	27	31	GRI 406-1	ESRS S1-17103 (a)
Number of incidents with remediation plans currently being implemented (active)	#	3	5	10	6	GRI 406-1	
Number of remediation plans that have been implemented, with ongoing follow up to check that all remains well	#	1	4	1	2	GRI 406-1	
Number of incidents closed and no longer being monitored	#	6	20	16	23	GRI 406-1	

Note: Discrimination in the workplace is based on certain prejudices and occurs when a colleague is treated unfavourably because of sex, gender identity, pregnancy and maternity, race, ethnicity, sexual orientation, disability, religion, or veteran status. Sage has a global DEI Policy which states its zero-tolerance approach to discrimination and commits to treating all colleagues with care and dignity, regardless of a colleague’s characteristics, background, and experiences. The data presented here has been derived from the grievances reported by colleagues into our regional People teams. We believe that the increase in our numbers of discrimination-related grievance cases in North America and Northern Europe during the year is due to an increased awareness, and improved monitoring and analysis, rather than a material difference in behaviour or culture. Our priority is to handle these concerns on a case-by-case basis, while continuing to improve awareness of the support available to colleagues.

Persons with disabilities

S1-12

Metrics

Persons with disabilities

Disclosure	Units	2025	ESRS
Persons with disabilities	%	6.77	S1-12 79

Note: Sage calculates the persons with disabilities percentage based on the number of colleagues who have declared that they have a disability and have given consent for us to use their data for reporting purposes (through the All About Us self declaration survey or as part of regional compliance processes) as a proportion of the population that have access to declaration. The population who can declare as at the close of 30th September 2025 is 10398 Declaration is possible in: UK, Ireland, Spain, Portugal, France, US, Canada, South Africa, Germany, Romania and Australia. Criteria for reporting: colleagues only (excluding Due to Start and Left employment statuses and Sage Band NED) where consent is provided on the AAU survey. Headcount per country is colleague only headcount as at month end Sep 25, excluding Sage Band NED.

Diversity, equity and inclusion

Looking ahead

Looking ahead, we aim to enhance equity in our policies, processes, and practices by leveraging diversity data, colleague insights, and increasing focus on providing mechanisms for continuous feedback. We will identify opportunities for fair access for all through our DEI Centre of Excellence (CoE) model, collaborating with business functions on a global and local scale to achieve our strategic objectives. This will be supported by our internal sponsorship programmes, talent acquisition efforts, advocacy colleague success networks, and a focus on leadership support and development.

Product accessibility

GRI 3-3

Product accessibility ensures that all customers and partners, regardless of their background or abilities, can effectively use our solutions. By prioritising accessibility, we foster an inclusive environment that supports our diverse customer base in overcoming barriers to digital transformation. This approach not only enhances user experience, but also drives innovation and growth, enabling businesses to thrive and contribute to a more equitable and sustainable economy.

Material impacts, risks, and opportunities and their interaction with strategy and business model

SBM-3

Our purpose is to knock down barriers so that everyone can thrive. A key component of this is to ensure that people from a range of backgrounds can access our products. Moreover, our business model is focused on attracting and retaining our customer base and we can do this through making our products more frictionless. When users feel frustrated or excluded, it can impact their sense of being valued, recognised, and even their mental wellbeing. That is why we are committed to minimising these barriers, ensuring all users are treated equally, regardless of their circumstances. Our DMA identified one positive impact related to our value chain.

In FY25, thirteen additional Sage products passed Web Content Accessibility Guidelines (WCAG) 2.1 grade AA automated tests. To support this progress, we enhanced our developer training programmes, strengthened our collaboration with product teams by working more closely, and have begun to embed accessibility into our internal culture.

Policies

S4-1 MDR-P GRI 2-23

See Appendix page 86 for detailed descriptions of our Diversity, Equity, and Inclusion Policy and our **Human Rights Charter**. Both policies apply to our customers and outline how we should treat them. Our Human Rights Charter outlines our commitment to ensure we do the right thing for our customers, colleagues, partners, society, and shareholders. DEI is fundamental to that success as we know it will help us to innovate faster, identify challenges earlier, and better serve our customers. These policies help us to reflect the different backgrounds and lived experiences, and mental health and wellbeing needs of our customers, partners, and society.

Actions and resources

S4-4 MDR-A

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Impacts, risks and opportunities	
Associated material IRO	FY25 Action
<p>● Positive impact: Improving product accessibility to create greater inclusion in the workplace and marketplace.</p>	<ul style="list-style-type: none"> Equity and inclusion programmes, focusing on accessibility and disability inclusion under the sponsorship of our Executive Disability Ambassador, Vicki Bradin. This is a senior leadership position dedicated to championing disability inclusion across Sage. Shared accessibility information about daily-used tech, introduced training to Customer Service team members to ensure customers with disabilities receive high-quality service, and built greater awareness about supporting colleagues with non-visible conditions. Thirteen Sage products passed WCAG 2.1 grade AA standard, an international accessibility guideline, automated tests, up from four last year. Since 2022, 40+ human audits performed for accessibility on product testing to help confirm that products meet accessibility standards (not just through automated tests). Enhanced our Design System guidelines to deliver accessible components compliant with WCAG 2.1 grade AA and for some, 2.2 grade AA.
	<ul style="list-style-type: none"> Monthly reporting of product accessibility issues via a dashboard to support tracking, prioritisation, and resolution of barriers to ensure inclusive user experiences. These reports go to a range of stakeholders including Project Managers, Developers, User Experience and some members of leadership to support with prioritisation, development and planning. Piloted 15-minute self-study digital learning module in the Customer Service teams in the UK, Ireland, South Africa, and the US, with information and practical tips on how to talk about call adjustments, adjust personal call style, and work with third-party organisations and technology to support customers on calls. Celebrated Global Accessibility Awareness Days with a major two-day collaboration across multiple sites. The event featured empathy labs and a full day of engaging sessions, with strong participation from teams in the UK, Spain, and other locations. The empathy labs use disability simulators to navigate through websites and digital experiences. These labs aim to give insight into some of the benefits of digital accessibility, and the types of barriers users can face. Empathy labs were successfully conducted across multiple Sage offices in collaboration with our accessibility sponsor, engaging more than 200 participants.

Product accessibility continued

Processes for engaging with consumers and end-users about impacts

S4-2

By aligning with accessibility standards, particularly WCAG, we can understand the perspectives of people with disabilities. Achieving compliance is important to us because we know it directly benefits users with diverse abilities. We actively seek feedback and strive to include individuals with accessibility needs during our UX research phases and testing, as well as through our team members in accessibility.

Targets

S4-5 MDR-T

Targets				
Target	Unit	Scope	Baseline	FY25 Performance
Cloud products to meet WCAG criteria by 2025.	# of products	17 products	FY23	<p>In FY25, 13 additional products reached the first milestone in our accessibility journey toward compliance. This brings Sage to a total of 17 products successfully passing automated accessibility tests using the Axe tool, aligned with the WCAG 2.1 AA standard. This milestone was achieved in June 2025. The integration of Axe tools across our development process has prevented new issues from emerging as new features get released.</p> <p>Recognizing that automated tools such as Axe address approximately 30/40% of the standard, over the past four years, Sage has also conducted 40+ manual audits to ensure full coverage of the WCAG requirements. We have reduced the number of accessibility issues identified during human audits — by roughly one-third to date.</p> <p>Our next objective is to maintain these high standards through regular audits and continuous improvement and reach full compliance. Accessibility compliance is an ongoing journey, but at Sage, it is already embedded in our culture.</p>

Product accessibility

Looking ahead

We will continue to reduce digital barriers by embedding accessibility deeper into our product development culture and in our continuous delivery. In the future, we aim to enhance our design system and main component library to have a greater impact by utilising web components, which will support all our products. We'll also build on the success of our empathy labs and awareness events to foster a greater understanding of user needs, ensuring our products are not only compliant but truly inclusive.

Colleague development and retention

Overview

GRI 3-3

Creating a high-performing, future-ready workforce is a key strategic priority. In FY25, our Learning and Development team focused on strengthening leadership, embedding a culture of feedback and accountability, and developing critical digital and functional skills. Our efforts to simplify the learning experience and promote continuous development are helping to build long-term performance, agility, and talent retention across the business.

Strategy

Our DMA identified one positive impact and one risk related to our own workforce. We deepened our investment in leadership development, feedback culture, and performance enablement by enhancing the regular performance management process and aligning it with clear goal setting. Learning was aligned with business priorities—particularly across AI, data, Product, Sales and Marketing—to address evolving skill demands. We also advanced peer-led development through social learning initiatives such as Learning Week, empowering colleagues to take an active role in knowledge sharing and capability building across the organisation.

Policies

MDR-P GRI 2-23

See Appendix page 85 for detail on our Talent and Learning Policy. This Policy supports our ability to create an internal ecosystem of talent that fosters colleague success and supports high performance. It also helps us manage potential risks if we fail to achieve this.

Actions and resources

S1-4 MDR-A GRI 404-2

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Actions	
Associated material IRO	FY25 Action
<p>● Positive impact: Preparing the workforce of the future.</p>	<p>We launched and expanded key initiatives to equip our colleagues with the skills needed for long-term success:</p> <ul style="list-style-type: none"> To embed critical high-performing behaviours, we introduced new feedback and accountability learning experiences—including digital badges, webinars, and peer-led sessions with manager reinforcement. These efforts have improved accountability and feedback, as reflected in recent internal survey results. We scaled our global Leadership Academy—a holistic curriculum comprising multiple programmes and self-service resources to build core leadership capabilities—across the organisation, with reinforcement pilots to embed practical, on-the-job leadership behaviours. Continued to invest in colleagues at the early stages of their careers—such as interns, apprentices, and graduates—with a focus on building confidence, capability, and supporting diverse talent development, and we are launching a new Commercial Graduate Programme in FY26 to strengthen this pipeline. Introduced new structured learning paths and interactive bootcamps via The Cloud Academy, combining expert-led sessions with self-paced learning to develop cloud skills. AI confidence and skills were strengthened through new education and learning programmes across the business. <ul style="list-style-type: none"> Created a new Sales Academy in partnership with our Sales Enablement and Learning and Development functions to onboard and support continuous learning of our Sales colleagues consistently across the world. Pilots were held in FY25, with plans to scale in FY26. Learning Week’s “Grow together, perform higher” theme introduced new topics such as AI, mental health, and wellbeing resources. It also featured a Colleague Success Network showcase to strengthen a culture of learning, collaboration, and growth across the organisation, engaging over 2,000 colleagues globally with an average satisfaction score of 90%. Better structured Colleague Learning Networks and new “People Train People” initiatives boosted peer-to-peer development. Enhanced Sage Learning to improve accessibility and simplicity for colleagues, with data-driven features reinforcing personalised learning experiences. Continued to mature our performance management practices with simplified dashboards, and introducing Objectives and Key Results (OKR) champion initiative for FY26.

Colleague development and retention continued

Associated IRO

- Positive impact
- Negative impact
- Risk
- Opportunity

Actions

Associated material IRO	FY25 Action
<p>● Risk: Failing to ensure we engage colleagues with the critical skills, capabilities and capacity we need to deliver on our strategy.</p>	<p>To reduce the risk of capability gaps, we have implemented targeted actions across critical areas:</p> <ul style="list-style-type: none"> Prioritising skills development initiatives in alignment with workforce planning needs and business strategy. Piloted redesigned learning journeys for Sales teams ahead of wider roll out, to consistently onboard and upskill our commercial colleagues across the business, and we aim to scale this in FY26. Identified skill gaps and promoted career mobility with The Talent Marketplace. Improved Internal processes to simplify content delivery and planning. <ul style="list-style-type: none"> 1,876 leaders went through the High-Performance Culture—Human Leader Programme, equipped to role model and cascade key behaviours, helping embed cultural change and build capability across teams. Launched three key eLearning modules on AI and Data Ethics, Data Privacy, and Data Security to ensure colleagues use AI responsibly, protect personal data, and maintain digital safety, thereby safeguarding stakeholder trust and supporting ethical delivery of our strategy.

Targets

S1-5 MDR-T

Targets

Target	Unit	Scope	Baseline	FY25 Performance
5,000 future-fit learnings completed by colleagues by 2025.	# learnings	Teamworking Skills—Master collaboration, effective meetings, feedback, emotional intelligence, influencing, and crucial conversations. Transformation Skills—Cultivate a growth mindset, create personalised development plans, and hone critical thinking, problem-solving, and adaptability skills. Achievement Skills—Foster accountability, build productive habits, and refine time management, prioritisation, and decision-making skills.	FY23: 0 This target is now completed.	6,546 future-fit learnings accessed by colleagues, supporting how we upskill colleagues on essential skills.
At least 20% YOY increase in our Pathway hires each year up to 2025, with 500+ people globally receiving work readiness training each FY ³ .	# of Pathway hires	The scope includes people globally.	FY22: 45 hires	Hired 31 colleagues through the Pathways programme.
	# event attendees		FY22	581 colleagues received work readiness in FY25.
Double the number of Healthy Mind Coaches by 2025.	# of healthy mind coaches	The scope includes Sage employees globally excluding North America.	2022: 67 in 4 countries This target is now completed.	We currently have 177 Healthy Mind Coaches based in the UK, Ireland, France, Belgium, Spain, Portugal, South Africa, India, Germany, and Romania.

3. YOY is based on the actual numbers on the previous year's total. In FY24 we had 25 colleagues through the Pathways program. A 20% YOY increase would mean 30 colleagues.

Colleague development and retention continued

New employee hires and employee turnover

S1-6 S1-7 GRI 401-1

Metrics

New employee hires and employee turnover

Disclosure	Units	2022	2023	2024	2025	GRI	ESRS
Full time							
Total turnover	#	2,127	1,587	1,447	1,241	GRI 401-1	ESRS S1-6 50 (c)
Total number of full-time employees	#	10,953	10,972	10,391	10,472	GRI 401-1	ESRS S1-6 52 (a)
Part time							
Total turnover	#	110	31	32	49	GRI 401-1	ESRS S1-6 50 (c)
Total number of part-time employees	#	621	363	602	614	GRI 401-1	ESRS S1-6 52 (b)
Contractors							
Total turnover	#	136	73	42	64	GRI 401-1	ESRS S1-6 50 (c)
Total number of contractors	#	114	87	48	84	GRI 401-1	ESRS S1-7 55 (a)
Turnover (by gender)							
Female							
Left the organisation	#	524	646	631	550	GRI 401-1	ESRS S1-6 50 (c)
Average number of females in the organisation during the reporting period	#	4,727	4,862	4,434	4,635	GRI 401-1	ESRS S1-6 50 (c)
Turnover of female employees (%)	%	12.3%	13.0%	14.2%	11.87%	GRI 401-1	ESRS S1-6 50 (c)
Male							
Left the organisation	#	786	917	754	725	GRI 401-1	ESRS S1-6 50 (c)
Average number of males in the organisation during the reporting period	#	6,274	6,520	5,935	6,239	GRI 401-1	ESRS S1-6 50 (c)
Turnover of male employees (%)	%	14.2%	14.0%	12.7%	11.62%	GRI 401-1	ESRS S1-6 50 (c)
Undisclosed							
Left the organisation	#	18	15	13	15	GRI 401-1	ESRS S1-6 50 (c)
Average number of employees with undisclosed gender in the organisation during the reporting period	#	–	86	77	88	GRI 401-1	ESRS S1-6 50 (c)
Turnover of employees with undisclosed gender (%)	%	22.2%	18.0%	16.9%	17.00%	GRI 401-1	ESRS S1-6 50 (c)
Turnover (by age group)							
≤25 years							
Number of employees that left the organisation	#	141	184	160	81	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	N/A	790	670	416	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	18.4%	23.0%	23.9%	19.46%	GRI 401-1	ESRS S1-6 50 (c)

Colleague development and retention continued

GRI 401-1

Metrics

New employee hires and employee turnover continued

Disclosure	Units	2022	2023	2024	2025	GRI	ESRS
26-35 years							
Number of employees that left the organisation	#	627	580	512	488	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	–	3,233	3,057	2,922	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	20.4%	18.0%	16.7%	16.70%	GRI 401-1	ESRS S1-6 50 (c)
36-45 years							
Number of employees that left the organisation	#	401	370	351	351	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	–	3,504	3,357	3,316	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	11.6%	11.0%	10.5%	10.58%	GRI 401-1	ESRS S1-6 50 (c)
46-55 years							
Number of employees that left the organisation	#	171	193	264	210	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	–	2,648	2,627	2,806	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	6.8%	7.0%	10%	7.48%	GRI 401-1	ESRS S1-6 50 (c)
≥ 56 years							
Number of employees that left the organisation	#	128	251	192	158	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	–	1,293	1,279	1,491	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	10.4%	19.0%	15.0%	10.60%	GRI 401-1	ESRS S1-6 50 (c)
Undisclosed	#	–	–	–	2	GRI 401-1	ESRS S1-6 50 (c)
Total turnover (number)	#	1,468	1,587	1,479	1,290	GRI 401-1	ESRS S1-6 50 (c)
Total 12-month average headcount	#	–	11,469	10,993	10,962	GRI 401-1	ESRS S1-6 50 (c)
Total turnover rate	%	–	14.0%	13.5%	11.77%	GRI 401-1	ESRS S1-6 50 (c)

Note: 10,962 represents the 12-month average headcount for the period under review.

Metrics

Turnover (by region)

Africa and Middle East

Number of employees that left the organisation	#	119	144	153	149	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	–	1,070	1,067	1,017	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	19.3%	13.0%	14.3%	14.65%	GRI 401-1	ESRS S1-6 50 (c)

Asia and Australia

Number of employees that left the organisation	#	118	147	141	101	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	–	694	642	574	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	10.6%	21.0%	22.0%	17.59%	GRI 401-1	ESRS S1-6 50 (c)

Central Europe

Number of employees that left the organisation	#	147	202	70	79	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	–	788	785	800	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	15.9%	26.0%	8.9%	9.87%	GRI 401-1	ESRS S1-6 50 (c)

Colleague development and retention continued

GRI 401-1

Metrics

New employee hires and employee turnover continued

Disclosure	Units	2022	2023	2024	2025	GRI	ESRS
North America							
Number of employees that left the organisation	#	425	394	431	356	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	N/A	2,494	2,374	2,440	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	18.4%	16.0%	18.2%	14.59%	GRI 401-1	ESRS S1-6 50 (c)
Northern Europe							
Number of employees that left the organisation	#	443	445	408	401	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	N/A	3,625	3,492	3,458	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	13.7%	12.0%	11.7%	11.59%	GRI 401-1	ESRS S1-6 50 (c)
Southern Europe							
Number of employees that left the organisation	#	217	246	276	204	GRI 401-1	ESRS S1-6 50 (c)
12-month average headcount	#	N/A	2,799	2,632	2,672	GRI 401-1	ESRS S1-6 50 (c)
Percentage of employees that left	%	7.5%	9.0%	10.5%	7.63%	GRI 401-1	ESRS S1-6 50 (c)
Total Turnover (number)	#	1,469	1,434	1,479	1,290	GRI 401-1	ESRS S1-6 50 (c)
Total 12-month average headcount	#	11,084	11,469	10,993	10,962	GRI 401-1	ESRS S1-6 50 (c)
Total turnover rate	%	20.0%	14.0%	13.5%	11.77%	GRI 401-1	ESRS S1-6 50 (c)

Metrics

Total new hires (by gender)—Data included is based on staff headcount, excludes contractors and consultants

Female							
Number of new hires	#	1,084	734	407	661	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	N/A	42.0%	46.67%	41.57%	GRI 401-1	ESRS S1-6 50 (c)
Male							
Number of new hires	#	1,374	974	450	902	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	N/A	57.0%	51.61%	56.73%	GRI 401-1	ESRS S1-6 50 (c)
Undisclosed							
Number of new hires	#	743	20	15	27	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	N/A	1.0%	1.72%	1.70%	GRI 401-1	ESRS S1-6 50 (c)
Total new hires (by age group)—Data included is based on staff headcount, excludes contractors and consultants							
≤25 years							
Number of new hires	#	479	346	219	295	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	N/A	20.0%	25.11%	18.55%	GRI 401-1	ESRS S1-6 50 (c)
26-35 years							
Number of new hires	#	1,246	779	388	749	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	N/A	45.0%	44.50%	47.11%	GRI 401-1	ESRS S1-6 50 (c)
36-45 years							
Number of new hires	#	805	374	160	346	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	N/A	22.0%	18.35%	21.76%	GRI 401-1	ESRS S1-6 50 (c)

Colleague development and retention continued

GRI 401-1

Metrics

New employee hires and employee turnover continued

Disclosure	Units	2022	2023	2024	2025	GRI	ESRS
46-55 years							
Number of new hires	#	345	141	79	147	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	N/A	8.0%	9.06%	9.25%	GRI 401-1	ESRS S1-6 50 (c)
≥ 56 years							
Number of new hires	#	94	50	24	53	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	N/A	3.0%	2.75%	3.33%	GRI 401-1	ESRS S1-6 50 (c)
Undisclosed							
Number of new hires	#	228	38	2	0	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	N/A	2.0%	0.23%	0.00%	GRI 401-1	ESRS S1-6 50 (c)
Total number of new hires	#	3,197	1,728	872	1,590	GRI 401-1	ESRS S1-6 50 (c)
Total new hire rate	%	20.0%	15.0%	8.08%	14.23%	GRI 401-1	ESRS S1-6 50 (c)

Metrics

Total new hires (by region)

Africa and Middle East							
Number of new hires	#	174	262	160	177	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	16.0%	24.0%	18.35%	11.13%	GRI 401-1	ESRS S1-6 50 (c)
Asia and Australia							
Number of new hires	#	147	234	33	34	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	24.0%	34.0%	3.78%	2.14%	GRI 401-1	ESRS S1-6 50 (c)
Central Europe							
Number of new hires	#	81	64	73	96	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	9.0%	8.0%	8.37%	6.04%	GRI 401-1	ESRS S1-6 50 (c)
North America							
Number of new hires	#	612	480	249	483	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	26.0%	19.0%	28.56%	30.38%	GRI 401-1	ESRS S1-6 50 (c)
Northern Europe							
Number of new hires	#	953	519	268	444	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	29.0%	14.0%	30.73%	27.92%	GRI 401-1	ESRS S1-6 50 (c)
Southern Europe							
Number of new hires	#	222	169	89	356	GRI 401-1	ESRS S1-6 50 (c)
New hire rate	%	8.0%	6.0%	10.21%	22.39%	GRI 401-1	ESRS S1-6 50 (c)
Total number of new hires	#	2,189	1,728	872	1,590	GRI 401-1	ESRS S1-6 50 (c)
Total new hire rate	#	20.00%	15.00%	8.08%	14.23%	GRI 401-1	ESRS S1-6 50 (c)

Note: Our workforce includes our employees and non-employees (contractors), but excludes consultants.

Colleague development and retention continued

Metrics

Training and skills development metrics

S1-13 MDR-M GRI 404-1

Metrics

Average hours of training per year per employee

Disclosure	Units	2022	2023	2024	2025	GRI	ESRS
By gender							
Male	#	43.78	13.31	10.26	11.22	GRI 404-1	ESRS S1-13 83 (b)
Female	#	35.80	13.34	12.78	13.14	GRI 404-1	ESRS S1-13 83 (b)
Undisclosed	#	31.04	9.64	8.69	20.84	GRI 404-1	ESRS S1-13 83 (b)
By employee category							
Senior management	#	20.20	7.60	8.06	5.67	GRI 404-1	ESRS S1-13 83 (b)
Middle management	#	19.42	11.77	11.26	9.83	GRI 404-1	ESRS S1-13 83 (b)
Staff (Professional, Operational, and Administrative)	#	43.35	11.32	11.68	13.01	GRI 404-1	ESRS S1-13 83 (b)
Average hour of training per employee per year							
	#	36.80	12.10	11.30	12.11	GRI 404-1	ESRS S1-13 83 (b)

Note: Data is collected from various learning platforms (Sage Learning, Sage U, PluralSight, LinkedIn Learning and SalesHood). Data collected from these platforms includes both completed and in-progress learning, depending on the reporting capabilities of the platform. The headcount total used for calculating this is colleagues. Data from Sage University has not been included in the FY23 dataset, but was included in the FY22 dataset, hence the variance across the two years.

Colleague development and retention continued

Percentage of employees receiving regular performance and career development reviews

S1-13 GRI 404-3

Metrics									
Disclosure	Unit	%	2023	%	2024	%	2025	GRI	ESRS
Males that receive regular performance and career development reviews	%	56.90%	6,444	56.89%	6,091	56.82%	6,299	GRI 404-3	ESRS S1-13 83 (a)
Females that receive regular performance and career development reviews	%	42.38%	4,800	42.36%	4,535	42.33%	4,693	GRI 404-3	ESRS S1-13 83 (a)
Employees with undisclosed gender that receive regular performance development reviews	%	0.72%	82	0.76%	81	0.85%	94	GRI 404-3	ESRS S1-13 83 (a)
Total		100%	11,326	100%	10,707	100.00%	11,086	GRI 404-3	ESRS S1-13 83 (a)
Senior management that receive regular performance and career development reviews	%	1.41%	159	1.40%	150	1.27%	141	GRI 404-3	ESRS S1-13 83 (a)
Middle management that receive regular performance and career development reviews	%	24.63%	2,772	25.25%	2,704	25.26%	2,800	GRI 404-3	ESRS S1-13 83 (a)
Staff (Professional, Operational, and Administrative) that receive regular performance and career development reviews	%	73.96%	8,324	73.34%	7,853	73.47%	8,145	GRI 404-3	ESRS S1-13 83 (a)
Total	%	100%	11,255	100%	10,707 ¹	100%	11,086 ¹	GRI 404-3	ESRS S1-13 83 (a)

1. The total employees represents the total headcount excluding NEDs and contractors, as these groups do not participate in our regular performance and career development reviews as at the September year end. For further information on employee categories, see page 143.

Colleague development and retention

Looking ahead

Sage is committed to building a high-performing, future-ready workforce by expanding leadership capability, strengthening critical skills, and embedding continuous learning. We're focused on accelerating AI and data readiness, enabling commercial excellence, and growing a strong early careers pipeline. By aligning development with business priorities and simplifying the learning experience, we empower colleagues to grow, perform, and thrive in a rapidly evolving world.

Human by Design—foundational topics

Colleague health, safety and wellbeing

GRI 3-3 GRI 401-3 GRI 403-1 GRI 403-8 GRI 403-9

We aim to cultivate a supportive and transparent environment, encouraging colleagues to openly discuss their mental, financial, physical, and social wellbeing, aligned with doing the right thing.

Overview

We want to drive a high-performance culture, and this can only be achieved by prioritising colleague wellbeing, health, and safety. We take a holistic approach to wellbeing, considering mental, physical, financial, social, and career wellbeing. We promote an inclusive culture where colleagues can openly discuss mental health and wellbeing without stigma and receive the support they need. All managers are encouraged to have open dialogue with their colleagues, and we encourage providing early intervention on any wellbeing concerns.

While workplace safety is not considered a material risk for Sage, we maintain robust measures to minimise the risk of accidents or injuries. This includes a comprehensive Health and Safety Management System that governs how we manage, mitigate, and remove risks across all areas of working practice, supported by annual audits at each location. Sage also adopts a single, global Employee Assistance Programme (EAP), with colleague utilisation rates above the industry average (c.6%).



MDR-M GRI 403-8

Metrics

Workers covered by an occupational Health and Safety Management System

Disclosure	Unit	2023	2024	2025	GRI
Number of employees	#	11,335	10,707	11,086	GRI 403-8
Number of workers who are not employees but whose work and/or workplace is controlled by the organisation	#	47	90	92	GRI 403-8
Total number of employees and workers	#	11,382	10,797	11,178	GRI 403-8
Number of all employees who are covered by the occupational health and safety system	#	11,335	10,707	11,086	GRI 403-8
Number of workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by the occupational health and safety system	#	47	90	92	GRI 403-8
Total number of employees and workers covered by the occupational health and safety system	#	11,382	10,797	11,178	GRI 403-8
Percentage of all employees and workers who are covered by the occupational health and safety system	%	100%	100%	100%	GRI 403-8

Note: In FY24, there was a miscalculation in the figures reported for both the “Total number of employees and workers” and the “Total number of employees and workers covered by the occupational health and safety system.” The original figure of 10,707 only accounted for employees, excluding other workers who are not employees but whose work is controlled by the organisation (contractors and NED). We have now corrected this to 10,797 to reflect on these numbers.

Human by Design—foundational topics continued

GRI 401-3

Metrics

Parental leave							
Disclosure	Unit	2022	2023	2024	2025	GRI	
Employees who are entitled to parental leave							
Female	#	3,153	3,045	4,535	4,693	GRI 401-3	
Male	#	3,957	4,015	6,091	6,299	GRI 401-3	
Undisclosed	#	–	–	81	94	GRI 401-3	
Employees who took parental leave							
Female	#	273	153	124	140	GRI 401-3	
Male	#	234	172	164	177	GRI 401-3	
Employees who returned to work in the reporting period after their parental leave ended							
Female	#	259	138	130	80	GRI 401-3	
Male	#	243	155	162	168	GRI 401-3	
Employees still employed 12 months after return to work from parental leave							
Female	#	238	160	121	134	GRI 401-3	
Male	#	176	137	159	144	GRI 401-3	
Return to work rate (females)	%	77%	82%	97.58%	88.16%	GRI 401-3	
Return to work rate (male)	%	93%	95%	96.95%	86.23%	GRI 401-3	

Note: Methodology—“Employees who took parental leave”—refers to colleagues who took parental leave during the reporting period (FY25: 1 October 2024 to 30 September 2025); “Employees who returned to work in the reporting period after their parental leave ended”—refers to colleagues whose parental leave ended in the reporting period (FY25: 1 October 2024 to 30 September 2025) and are currently employed; “Employees still employed 12 months after return from parental leave”—refers to colleagues who took parental leave in FY25 and are currently employed in the reporting period (FY25: 1 October 2024 to 30 September 2025).

GRI 401-2

Sage offers life insurance, disability and invalidity coverage/income protection, stock ownership programmes, and parental leave to employees in all significant locations of operation. Other material benefits provided to employees across significant locations of operation include retirement provisions (including employer-contributory pensions, 401k accounts, and provident funds), healthcare (including vision and dental care), tuition reimbursement, parental support, and mental health wellbeing services.

Where relevant, benefits for part-time employees are pro-rated. Temporary employees may be eligible for the same benefits depending on the benefit and the location. Benefits are reported where in excess of statutory minimal. For the purposes of 401-2, significant locations of operation include the UK, US, France, Spain, South Africa, India, Germany, Canada, and Ireland.

Global reach and inclusive content

- Open learning sessions on topics linked to mental health and wellbeing for all colleagues worldwide, complemented by manager-only workshops on recognising signs of mental-health struggle.
- Spotlight sessions via our EAP’s Manager Assist service, equipping leaders to guide their teams through health, wellbeing, and workplace challenges.
- A year-round health-promotion calendar featuring topics such as stress management, menopause and, carer and parent support.

Human by Design—foundational topics continued

GRI 403-9

Metrics

Work related injuries

Disclosure	Unit	2023	2024	2025	GRI
Total number of recordable work-related injuries	#	36	20	16	GRI 403-9
Total number of recordable work-related injuries to workers who are not employees but whose work and/or workplace is controlled by the organisation.	#	3	0	0	GRI 403-9

Note: This metric relates to physical work-related injuries only. During 2025, there were no employee fatalities as a result of work-related injuries, work-related ill health, and high-consequence work injury.

Crisis-response capability

- We regularly train our leaders in managing people-related crisis events, including through systems like Everbridge, a critical event management platform, demonstrating the resilience and capability we are building should any incident occur.

Comprehensive support ecosystem

All our colleagues—and their immediate families—enjoy confidential access to:

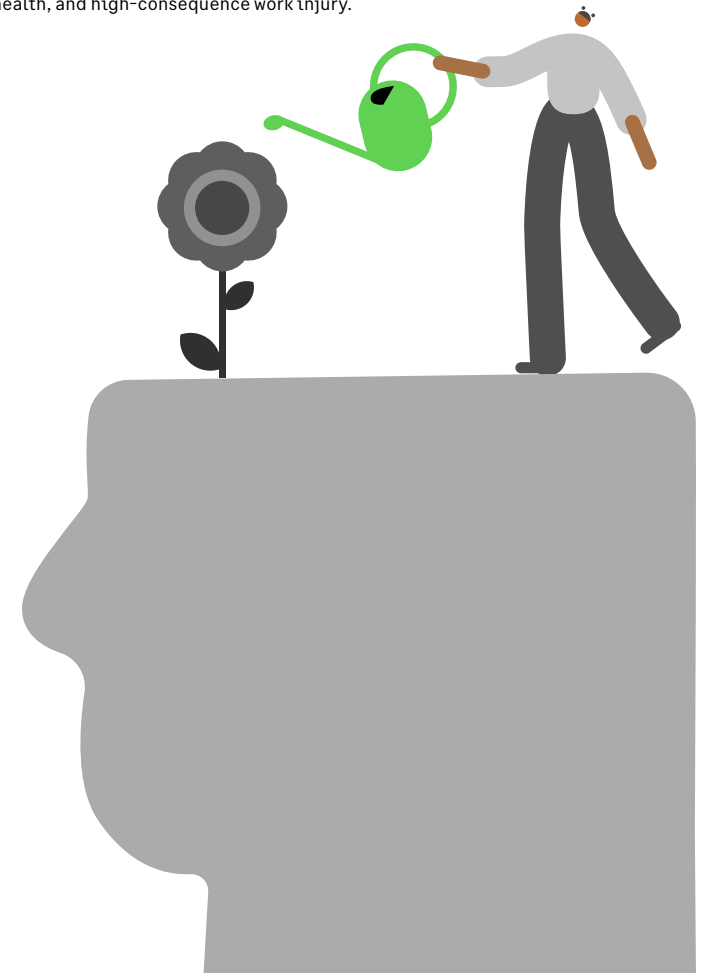
- Short-term counselling, life and wellness coaching
- Mindfulness programmes and the Calm app
- Menopause, carers, and cancer-care pathways
- Extensive parental-support resources.

We continue to embed tools and resources that safeguard and strengthen mental health and wellbeing across our policies, processes, and day-to-day business practices. In 2025, this work has become more deliberate and strategic, with focused enhancements woven into our DEI programmes and planning—firmly establishing mental health and wellbeing as a vital component of equity by design.

Human rights

GRI 3-3

In FY24, we collaborated with Business for Social Responsibility, an external consultancy, to conduct a human rights saliency assessment. Although the results showed that our human rights risk profile is low, it is important for us to continuously review and monitor human rights risks. The work from the saliency assessment also fed into our DMA and we have embedded these IROs into our risk management system to ensure effective management and accountability. In FY25, we joined the Slave Free Alliance, an international social enterprise that helps organisations mitigate modern slavery risk through training, consultancy, site assessment and practical recommendations. It is helping Sage to improve our approach to managing the risk of modern slavery in our supply chain. See our Modern Slavery Statement [here](#).



APPENDIX

Key policies and documents

MDR-P GRI 2-23 GRI 2-24

Remuneration Policy

Please find a summary and link to our Remuneration Policy [here](#).

Environmental Policy

Our Environmental Policy outlines Sage's commitment to sustainability by identifying and measuring our environmental impact. The Environmental Policy objectives include:

- Clearly define Sage's approach to environmental sustainability.
- Explain our approach to identifying environmental impacts, complying with relevant regulations and legislation, improving impacts to sustainable levels.
- Support colleagues in understanding environmental impacts.
- Ensure colleagues consider the principles of environmental sustainability at all times and ensure they are given appropriate priority.

This Policy is mandatory across all functions and countries, and applies to all vendors, contractors, and others who do business with us. The Policy is available to all colleagues on the Sage Governance intranet. The EVP Sustainability and Society is accountable for its implementation.

Sustainable Supply Chain strategy

The Sustainable Supply Chain strategy's purpose is to:

- Reduce supply chain carbon emissions to enable Sage to achieve its Science Based Targets, which are:
 - a. Achieve Net Zero across Scopes 1, 2, and 3 emissions by 2040,
 - b. Reduce emissions across Scopes 1, 2, and 3 by 50% by 2030 against our 2019 baseline, and
- Identify and manage ESG risks across the supply chain.

The strategy requires all suppliers managed by the Procurement team to agree to the following:

- Disclose carbon emissions annually via the Carbon Disclosure Project (CPD) or EcoVadis
- Complete an annual sustainability assessment with EcoVadis
- Commit to emissions reduction via the Science-Based Targets initiative (SBTi)
- Adhere to Sage's Supplier Code of Conduct.

The strategy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The VP Procurement is accountable for its implementation.

Anti-Discrimination, Bullying, and Harassment Policy

Sage does not tolerate discrimination, bullying, or harassment of any kind. The objectives of this Policy are to:

- Make it clear that any unacceptable behaviour such as discrimination, bullying, and harassment—including behaviours that may negatively impact an individual's mental health and wellbeing—will not be tolerated, and
- Explain how colleagues can raise concerns about discrimination, bullying and harassment, and how these concerns will be handled.

The Anti-Discrimination, Bullying, & Harassment Policy sets out Sage's expectation that all colleagues, regardless of their personal or religious beliefs, treat each other with dignity and respect. It sets out a wide range of non-work-related personal characteristics to be protected against discrimination, bullying, and harassment, and colleagues are encouraged to be courageous and speak out about any concerns if they see behaviours that do not support this. The Policy outlines the expected behavioural standards of colleagues and the consequences of bullying, harassment, and discrimination.

The Policy applies to all colleague and is available to all colleagues on the Sage Governance intranet. The EVP People is accountable for its implementation.

Diversity, Equity, and Inclusion Policy

Sage is committed to creating an inclusive culture where our colleagues, customers, visitors, suppliers, and contractors are treated with dignity and respect, without fear of discrimination or exclusion. Sage's Diversity, Equity, and Inclusion Policy objectives are to:

- Provide colleagues with guidance on their own responsibilities, as well as those of the organisation, the DEI & Wellbeing team, and line managers, to help make Sage an inclusive environment that supports mental health and wellbeing, and
- Let colleagues know how they can demonstrate the Sage values and behaviours on a daily basis, contributing to a culture of psychological safety, empathy, and wellbeing for all.

This Policy is applicable to all colleagues, customers, and third parties. The policy is available to all colleagues on the Sage Governance intranet. The EVP People is accountable for its implementation.

Talent and Learning Policy

Sage aspires to create a high performing culture where colleagues are challenged, engaged, and supported, and therefore able to do their best work every day. The objective of the Talent and Learning policy is to set the standards for colleague success through talent acquisition, talent management, and learning and development; with a clear commitment to equal opportunities throughout all processes.

Colleagues are encouraged to develop and perform at their very best, in pursuit of their own personal and professional growth and to enable Sage to achieve its strategy and maintain a sustainable business.

This Policy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The EVP People is accountable for its implementation.

Secure Software Development Policy

Products and Services developed by Sage must follow a Secure Software Development Lifecycle (SSDLC).

The objectives of this policy are to:

- Describe the principles and key requirements of the SSDLC to enable colleagues to effectively identify, assess, and manage security considerations throughout their development process
- Provide guidance on how to implement and operate a compliance SSDLC
- Provide guidance on the management of code to ensure integrity, consistency, and code security throughout the various stages of product development.

This Policy applies to engineering colleagues and is available to Sage colleagues on the Sage Governance intranet. The EVP Global Chief Information Security Officer (CISO) is accountable for its implementation.

Key policies and documents continued

GRI 2-23 GRI 2-24

Data Classification and Handling Policy

This Policy defines a data classification and handling scheme designed to help colleagues apply their own judgment effectively and consistently to protect the confidentiality, integrity and availability of Sage's data, and data of customers, colleagues, and other parties. The objectives of this policy are to:

- Explain the different levels of data classification,
- Outline colleague responsibilities in relation to the data classification scheme, and
- Inform colleagues about where they can find supporting guidance and procedures to assist with the classification and handling of data.

The policy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The EVP Deputy General Counsel is accountable for its implementation.

Data and AI Ethics Policy

As a technology business, we rely on large amounts of complex data from different sources to drive our growth and empower us to be at the forefront of innovation. Our products leverage data, AI, and Machine Learning to provide added value to our customers. In the future, such activities will increase, which makes responsible use of data and AI is paramount to protect our stakeholders and our business. This policy is an important control to help support this change.

The objectives of this policy are to:

- Explain Sage's Data and AI Ethics Principles and what colleagues should and should not do when handling data and developing new products, and
- Provide guidance on seeking assistance when ethical dilemmas arise.

The policy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The VP AI and Data Governance Data Governance (OGC) is accountable for its implementation.

Personal Data Protection Policy

Personal data protection is about making sure our customers and colleagues, and other individuals, can trust Sage to process their personal data fairly and responsibly.

The objectives of this policy are to:

- Explain the core principles of personal data protection and how colleagues should apply them every day, including when developing new products,
- Provide guidance on how colleagues should seek assistance and report data protection rights requests, security incidents, and complaints involving personal data, and
- Emphasise the need to follow local procedures relating to marketing consent and opt-out, and other personal data processing.

The policy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The EVP Deputy General Counsel is accountable for its implementation.

Acceptable Use Policy

This policy defines colleague responsibilities for using Sage's technology resources to protect IT systems and data, including the data on customers, partners, colleagues, society, and shareholders.

The objectives of this policy are to provide acceptable use guidelines to help colleagues to:

- Understand the security principles they must follow when using information systems, data, technology, and facilities
- Maintain Sage's security controls
- Protect information
- Use the Internet responsibly.

The policy applies to Sage colleagues and is available on the Sage Governance intranet. The EVP Global Chief Information Security Officer (CISO) is available on the Sage Governance intranet. The EVP Global Chief Information Security Officer (CISO) is accountable for its implementation.

Human Rights Charter

Our Human Rights Charter supports Sage's purpose to knock down barriers so everyone can thrive. Sage considers harms to human rights to be fundamental barriers which could impact individuals across our value chain. These barriers could include social and economic issues related to privacy, child and forced labour, equality and non-discrimination, and access to remedy. The objective of this charter is to transparently disclose Sage's approach to manage and mitigate potential negative impacts and risks to human rights across our value chain, paying special attention to human rights impacts identified as potentially greater risk to Sage and our sector, including:

- Respecting privacy and protecting data,
- Responsible development and use of AI,
- Delivering inclusive and accessible products, and
- Protection from modern slavery and promoting sustainable supply chain practices.

Sage colleagues, suppliers, and others who do business with us are expected to uphold the commitments made in this charter. Our approach is guided by international standards and guidance; to see the complete list of these frameworks please refer to our Human Rights Charter which is publicly available [here](#).

Modern Slavery Statement

Every year we publish a Modern Slavery Statement in accordance with section 54(1) of the Modern Slavery Act 2015. It sets out the steps taken by Sage during FY25 to assess and mitigate the potential risk of modern slavery within our operations and supply chain. The Modern Slavery Statement is made on behalf of all subsidiaries within the Sage group of companies and was approved by the Board on 18th November 2025.

Our 2025 Modern Slavery Statement is publicly available [here](#).

Key policies and documents continued

GRI 2-23 GRI 2-24

Sage Foundation Policy

Sage Foundation unifies colleagues and partners as they give time, capability, and investment to impact the communities we operate in. Our Sage Foundation Policy helps support this goal. The objectives of this policy are to:

- Encourage colleagues to use their volunteer time throughout the year for causes close to their hearts and to support Sage Foundation's mission,
- Provide guidance on how to volunteer and fundraise through Sage Foundation,
- Provide guidance on how to volunteer in exceptional circumstances, and
- Explain the requirements for match-funding and fundraising.

The policy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The VP Sage Foundation is accountable for its implementation.

Anti-Bribery and Corruption Policy

GRI 205-2

The Anti-Bribery and Corruption Policy details Sage's zero-tolerance approach to all forms of bribery and corruption, as well as outlining the requirements and conduct expected of colleagues in order to support best practice. The objectives of this policy are to:

- Ensure all colleagues recognise acts that could be deemed to be bribery and/or corruption,
- Explain the anti-bribery and corruption controls that are in place to protect Sage and our customers, partners, colleagues, society, and suppliers, and
- Provide guidance on what to do if colleagues have any concerns or need advice or support.

Sage's Anti-Bribery and Corruption Policy, together with associated whistleblowing procedures and grievance mechanisms, are designed to ensure that colleagues are able to report any concerns safely through an independent organisation.

This policy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The General Counsel and Company Secretary is accountable for its implementation.

Third-Party Due Diligence Policy

This policy and our associated due diligence procedures help us to manage risks that the third parties we do business with might pose to Sage, and ensure they share Sage's commitment to maintaining high ethical standards and operating with integrity. The objectives of this policy are to:

- Clearly define when due diligence checks need to be conducted on third parties,
- Support colleagues in understanding where business is/is not permitted, and
- Direct colleagues to the procedures detailing how to complete the required due diligence checks.

The policy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The General Counsel and Company Secretary is accountable for its implementation.

Whistleblowing Policy

GRI 2-25 GRI 2-26

Sage promotes a "speak up" culture that encourages and supports colleagues to speak out if they see or suspect wrongdoing. Colleagues are encouraged to use this policy to raise concerns about suspected wrongdoing within Sage, including breaches of the principles set out in our Code of Conduct, our internal policies and procedures or any other legal or regulatory requirements.

The objectives of this policy are to:

- Encourage colleagues to raise concerns about actual or suspected misconduct as soon as possible, with the knowledge that their concerns will be taken seriously and investigated appropriately,
- Provide colleagues with guidance on how to raise these concerns, and
- Reassure colleagues that they can raise genuine concerns without fear of retaliation.

This policy applies to all colleagues and third parties associated with Sage and is available to all colleagues on the Sage Governance intranet. The General Counsel and Company Secretary is accountable for its implementation.

Code of Conduct

The Sage Code of Conduct is how we put our commitment to "do the right thing" into practice. It is designed to ensure the way we do business always represents the highest standards of ethical conduct, which we believe is essential for delivering on our purpose of knocking down barriers so everyone can thrive. The Code of Conduct helps to ensure that Sage:

- Promotes ethical business practices and conducts business in accordance with Sage's policies and procedures and applicable laws and regulations,
- Behaves fairly with customers, partners, colleagues, society, and shareholders, and
- Provides a safe route for colleagues to highlight concerns.

The Code of Conduct applies to all colleagues and is available to all colleagues on the Sage Governance intranet.

Our Code of Conduct is publicly available [here](#).

Gifts and Hospitality Policy

Accepting and offering business gifts and hospitality on a modest and infrequent scale can be a legitimate tool in building good relationships. The Gifts and Hospitality Policy sets out the rules and procedures that colleagues must follow when gifts and hospitality are accepted from, or offered to, third parties. The objectives of this policy are to:

- Ensure all colleagues are aware of the requirements that support gifts and hospitality accepted from or offered to third parties,
- Provide guidance on what to do in these situations, and
- Provide a simple way of declaring and, where appropriate, seeking pre-approval for gifts and hospitality.

The policy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The General Counsel and Company Secretary is accountable for its implementation.

Key policies and documents continued

GRI 2-23 GRI 2-24

Conflicts of Interest Policy

Conflicts of interest can arise when colleagues' personal relationships or financial and professional interests overlap with their responsibilities to Sage. Sage manages those situations carefully to ensure that where competing loyalties may arise, colleagues do the right thing for Sage and our customers. The objectives of this policy are to:

- Ensure all colleagues recognise the range of possible conflicts of interest they may encounter,
- Provide guidance on what to do in these situations, and
- Provide a simple way of declaring conflicts of interest to protect colleagues and Sage.

The policy applies to all colleagues and is available to all colleagues on the Sage Governance intranet. The General Counsel and Company Secretary is accountable for its implementation.

Supplier Code of Conduct

The Supplier Code of Conduct sets out the principles that we expect all of our suppliers to follow, including promoting ethical business practices and conducting their business in accordance with applicable laws and regulations. The principles set out in the Supplier Code of Conduct are shared principles; we follow them in our business and we expect our suppliers to as well.

Our Supplier Code of Conduct is available publicly [here](#).

Partner Code of Conduct

The Partner Code of Conduct outlines the principles we expect all partners to uphold, including a commitment to ethical business practices and compliance with all applicable laws and regulations. By working together to promote good practices, we can ensure these principles are reflected in both Sage's and our partners' ways of working.

Our Partner Code of Conduct is available publicly [here](#).

Information Security Policy

Sage recognises the importance of information and the protection of information along with its supporting processes, systems and networks, plays in achieving of our organisational objectives, meeting corporate governance requirements, and fulfilling legal and contractual obligations.

The objectives of this policy are to:

- Foster a culture that values and safeguards information belonging to Sage, our customers, partners and colleagues by providing appropriate resources and support
- Enhance the understanding of the information security risks that we face and how proportionate security controls can effectively mitigate these risks
- Define the framework of information security controls designed to uphold the confidentiality, integrity, and availability of information
- Clearly define and assign accountability for information security to designated senior roles or organisational structures.

The policy applies to Sage colleagues and is available on the Sage Governance intranet. The EVP Global Chief Information Security Officer (CISO) is accountable for its implementation.

Digital Infrastructure Security Policy

At Sage, the resilience and security of our systems and infrastructure are critical to safeguarding against cyber threats and operational disruptions. This policy sets out the security requirements designed to protect our digital environment and ensure its robustness.

Secure systems and resilient infrastructure are foundational to how we build and maintain digital trust with our customers, colleagues, communities, shareholders, and partners. This commitment is a key part of our Sustainability and Society Strategy.

The objectives of this policy are to:

- Define the security requirements, establishing mandatory controls, responsibilities and governance practices that technical colleagues must follow to ensure systems are secure, resilient, and compliant with internal and external standards
- Provide guidance on the approved technical standards, configuration baselines, and operational procedures that support secure system design and maintenance. It ensures that technical colleagues understand and consistently apply these practices, fostering a culture of accountability and proactive risk management.

The policy applies to technical colleagues, which includes any colleague whose role involves the management, configuration, maintenance, and support of Sage's digital infrastructure. It is available to Sage colleagues on the Sage Governance intranet. The EVP Global Chief Information Security Officer (CISO) is accountable for its implementation.

Reporting criteria for selected ESG metrics 2025

GRI 2-5

The following content outlines the approach and scope used for data collection across selected ESG metrics that have undergone “limited assurance” in 2025.

Commitment to reporting

As a FTSE 100 company, we are required to disclose specific information in the Annual Report and Accounts (ARA), under the UK Companies Act. In addition, we report against the TCFD and the Streamlined Energy and Carbon Reporting (SECR) requirements, and provide further information on how we manage our business responsibly across our Non-Financial Statement, Impact Book, and Modern Slavery Statement. We report in accordance with the GRI Sustainability Reporting Standards and the SASB Sustainability Accounting Standard for the Software and IT Services Industry. All our FY25 reports can be found here: <https://www.sage.com/en-gb/company/sustainability-and-society/#reports>

Governance

We have a formal approach to ESG reporting and governance. Each topic has an identified “data steward” and “data owner” who are Subject Matter Experts (SME) in the business. The “data steward” is responsible for attending any third-party interviews, collection, and co-ordination of data points and qualitative narrative. The “data owner” signs off the data and the qualitative content and has final accountability for the information provided. The content is then checked by Sage’s Non-financial Disclosures Director and is reviewed by the EVP Sustainability & Foundation. As a final step in the process, reports are reviewed and signed off by members of the ELT including the Chief Brand and Corporate Affairs Officer, the General Counsel and the Company Secretary, and the Chief People Officer.

Materiality

Sage conducted its first DMA in 2023. In 2024, additional guidance around DMA and value chain was published by EFRAG. Following good practice materiality review, Sage believed it would be beneficial to review the DMA performed in 2023 in line with the new information outlined in the finalised guidance. In 2024, Sage also updated its strategic business direction placing more emphasis on the role of AI and, therefore, reviewing the DMA seemed suitable. As a result five strategically significant and two very important topics were confirmed as material—further detail on the changes from FY24 are provided on page 16 in this Non-Financial Statement.

Scope

Reporting scope covers Sage’s global operations—17 countries, and 11,170 colleagues, excluding NEDs. For further information on entities included, please refer to the FY25 ARA pages 248 to 251: <https://www.sage.com/investors/financial-information/annual-report/>

Current third-party checks

- **Bureau Veritas:** In 2025, Bureau Veritas provided limited assurance to a select number of ESG metrics. Bureau Veritas’s Independent Assurance Report can be found in this Non-Financial Statement.
- **TCFD review:** In 2025, KPMG reviewed the TCFD report and disclosures made for alignment with the TCFD framework and for consistency with the rest of the ARA. Data and statements have been reviewed in line with KPMG’s understanding of Sage and knowledge obtained over the course of the accounts audit. Supporting documentation for any numbers/statements made was obtained to ensure that these are consistent and supported. Additionally, KPMG assessed management’s climate risk review and impact on other areas of the financial statements as well as considering the appropriateness of disclosures within financial statements was performed.
- **Environmental data verification:** In 2025, Bureau Veritas provided limited assurance to a select number of ESG metrics and GHG Emissions Including total Scope 1, total Scope 2 (Location-based and Market-based), and selected Scope 3 (categories 1, 2, 3, 4, 5, 6, 7, 11, and 15 only). Bureau Veritas’s Independent Assurance Report can be found in the FY24 Sustainability and Society Report.
- **Compliance check:** Luminous, our design agency, conducts a compliance checks of our alignment to GRI Sustainability Reporting Standards and SASB and provides guidance on how to close any gaps.
- **GRI content index check:** GRI provides a service that helps to increase the navigability and transparency of the report. GRI reviews the disclosures against in accordance requirements and provides recommendations. Although this isn’t an assurance process, it provides additional credibility in terms of disclosure alignment.

Basis of reporting

Climate-related risk and opportunity assessment

GRI 201-2

Methodology

Over the past three years, we have refined and improved our understanding of our climate risks and opportunities, using regulatory guidance, risk management processes, TCFD best practice and internal expert judgement. We assess all climate risks and opportunities against our Enterprise Risk Management (ERM) framework, as well as setting a defined risk appetite.

In FY25, we used a climate modelling tool to model different climate scenarios and inform our strategic planning, enterprise risk management, and our ongoing transition to a low-carbon, climate-resilient business model. We used five climate scenarios and emissions pathways: Paris Ambition (1.5°C), Paris Agreement (2°C), Stated Policy (2.5°C), Current Policy (3°C) and No Policy (>4°C) with temperatures consistent with global warming above pre-industrial levels by 2100. We assessed our exposure in each scenario and the related vulnerability to selected physical climate hazards—Coastal Flooding, Drought/Water Stress, Flash Flood, Freezing, Heatwave, Riverine Flood, Temperate and Tropical Windstorms.

We created a digital twin of our business model (focusing on operational footprint, key owned assets, main sourced materials, strategic suppliers, and supply chain information, including certain distribution routes) to provide information on our vulnerability. As a result, an in-depth view of our exposure to physical risks at the asset level formed the basis for identifying and assessing the material climate-related physical risks in the three different time frames.

We acknowledge that the models used in assessing our risks are inherently uncertain and contain underlying assumptions, which affect their outcome.

Transition risks

We have identified six key categories of transition risk associated with climate change, which may impact our operations, value chain, and stakeholder relationships:

- Policy: Anticipated increases in the cost of emitting greenhouse gases (GHGs) due to evolving climate-related legislation, including carbon pricing mechanisms and mandatory disclosure requirements.

- Legal: Potential for litigation or legal action against companies perceived to be underperforming on climate commitments or failing to meet regulatory obligations.
- Technology: The shift towards low-carbon technologies may result in increased operational costs, accelerated depreciation of existing assets, and delivery risks associated with new systems and platforms.
- Customer sentiment: A shift in customer preferences towards more sustainable products and services could reduce demand for offerings perceived as carbon-intensive, particularly in markets with high climate awareness.
- Investor/market sentiment: Growing scrutiny from investors and financial institutions may lead to reduced access to capital or higher financing costs for businesses not aligned with net-zero pathways.
- Reputation: Increased public and stakeholder pressure on organisations seen as lagging in their climate transition could impact brand equity, employee engagement, and customer loyalty.

Climate-related physical risks

- Damage to Facilities, Hosting Resilience and Workforce Productivity: Short-, medium-, and long-term risks of disruption to Sage’s key office facilities due to extreme weather events. These may impact physical sites, hosting infrastructure, and service continuity.
- Our climate scenario analysis (see below for approach) identified climate-related acute and chronic physical risks that could affect our operations, including extreme weather events (such as flooding, heatwaves, and storms) and longer-term environmental changes (such as sea level rise and shifting climate patterns). To assess vulnerability, we applied high-resolution spatial modelling enabling location-specific analysis of physical risk across our operational footprint. This included key facilities such as Sage offices and third-party data centres.
- In FY25, our financial modelling focused on replacement costs of owned or leased assets due to damage to property, plants, and equipment, from extreme weather events. To mitigate these risks, we have prioritised site-level business continuity planning and are engaging with key hosting partners to ensure climate resilience is embedded in recovery and continuity protocols. While we operate in a low-risk sector, we recognise that the dynamic nature of climate change requires ongoing monitoring and adaptation.

Emissions methodology

FY25 emissions data

GRI 2-5 GRI 302-1 GRI 302-2 GRI 302-3 GRI 302-4
GRI 302-5 GRI 305-1 GRI 305-2 GRI 305-3

Sage recognises the importance of reporting against Scopes 1, 2, and 3 emissions, and we committed to continually review our data collection processes across global operations to enhance the Sage carbon footprint.

As with most companies, Scope 3 indirect emissions from our value chain account for the largest proportion ~99%. Within Scope 3, the two largest categories of total market-based emissions, accounting for 85% are Category 1—Purchased Goods and Services emissions (41.4% of the total carbon footprint) and Category 11—Use of Sold Products (both direct and indirect emissions from our cloud, on-premise and desktop products), which accounts for 39.4% of our total carbon footprint.

We are continuously working to address data gaps in Scope 3 reporting. This year, we continued developing our methodology as part of our data improvement efforts in pursuit of primary data.

Sage secured third-party assurance and verification for its carbon footprint in FY25.

Basis of reporting continued

Narrative on percentage change of Scopes 1, 2, and 3 emissions

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-5

In FY25, total market-based emissions decreased by 13.4% (location-based decreased by 12.6%). The main cause behind the larger decrease is the impact of improved primary data related to the use of our sold products on-premise and in the cloud. Scope 3 Category 1 emissions also reduced further as a result of increased primary data from suppliers. These reductions were balanced by a continued increase in business travel emissions, combined with increases in home-working emissions as a result of more granular data on remote workers in North America.

The accuracy of our footprint changes as we continually develop our data collection processes; therefore, each year we may have additional and improved data to include that was previously unattainable. This year we have further increased the granularity of our suppliers' data through requesting data from suppliers through the CDP Supply Chain questionnaire. More information is available in the methodology section that follows.

Overview of Scopes 1, 2, and 3 emissions

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-5

In FY25, total market-based emissions from all scopes were 167,444 (location-based 170,215) tCO₂e.

Scope 1 emissions include direct emissions from natural gas, refrigerants, fuels (diesel), and company cars totalling 1,149.2 tCO₂e (<1% of emissions). Scope 2 market-based emissions from our purchased electricity were 307.5 tCO₂e (1% of emissions), and Scope 3 indirect emissions were 165,987.6 tCO₂e and therefore the principal source of emissions (99%).

We saw a small decrease in Scope 1, largely driven by a methodology change to account for electric car electricity under scope 2. Refrigerants account for 30% of Scope 1 and are therefore material for the category.

Our Scope 2 reductions are driven by our property strategy, where we are progressively moving operations to more efficient offices. This creates less energy intensive office spaces and plays a role in reducing our direct emissions.

Sage's Scope 3 emissions include the upstream categories 1-7, as defined by the Greenhouse Gas Protocol. Scope 3 downstream emissions include Category 11—Use of Sold Products and Category 15—Investments.

Category 11—Use of Sold Products accounted for 39.4% in FY25. This was introduced in FY22 to recognise the indirect emissions related to the use of our products, recognising that a proportion of our products are hosted and managed outside of our cloud-native environments. The model includes both usage associated with cloud, desktop, and on-premises products and indirect emissions associated with the servers that host our products. The calculation model provides good insight into our downstream impact from our customers. In FY25, we developed the model further which has allowed us to improve the accuracy of our data collection. This was, in part, facilitated by the software carbon lifecycle assessments completed in FY25, and further integrating direct primary data from our cloud operations partners.

Category 1—Purchased Goods and Services was our largest emissions source, accounting for 41.4% of total emissions.

Data from our suppliers accounts for ~46.47% of Purchased Goods and Services emissions ~6.84% CDP Supply Chain questionnaire and ~31.6% CDP Database), the remaining emissions ~61.56% were calculated using spend data and an environmental extended input-output model. The principal hotspot categories within Purchased Goods and Services spend data remain from our business services, marketing, and IT product purchases.

Category 7—Employee Commuting and Homeworking accounts for 7.9% of emissions and increased by 31% during FY25. Emissions are calculated using a Homeworking Emissions Tool created by our partner consultancy EcoAct. The tool is a widely accepted methodology, which has been developed with industry partners, to calculate emissions used in employees' homes relating to electricity (home office set up, lighting, air conditioning) and natural gas based on country-specific data and full-time employee numbers. Improvements to the tool has resulted in more granular data and calculations for our homeworking colleagues in North America which, in turn, explains the increase in emissions.

Within our calculations where primary data was unavailable, we have used the Greenhouse Gas Protocol's data hierarchy to extrapolate for missing regions. The hierarchy favours primary data where possible. Where primary data was unavailable, extrapolations were made using regional intensities based on floor area or full-time employees (depending on which is most relevant to the emissions source). Due to our reporting cycle, data is missing for some months within the final quarter of the year. Missing data is extrapolated based on the hierarchy described above.

We continually review data management processes across our global operations to better capture voluntary Scope 3 data such as water, waste, and travel information.

Supplier-specific data

GRI 305-3 GRI 308-1 GRI 308-2

As we continue to improve the data from our carbon footprint, we endeavour to increase the quantity of supplier-specific data within our calculations. Supplier specific-data was received from 72 suppliers in total from CDP, with 15 suppliers removed from the calculations through our quality assurance process, as described below.

We therefore utilised supplier-specific data for 57 of our most material suppliers this year compared with 55 in FY24.

We updated the methodology to use a hierarchy to determine the most appropriate data: 1) Supplier emissions data allocated to Sage by suppliers; 2) Supplier emissions data allocated using revenue; and 3) Spend data to fill gaps. The data was quality assured and included within our Purchased Goods and Services calculation if it passed the quality checks. If it did not pass the criteria, we revert to the spend-based approach for the remaining suppliers. Based on the improvement we have seen in FY25, we plan to expand our engagement with our material suppliers in FY26.

➔ Further details on our methodologies can be found on pages 93 to 104

Basis of reporting continued

Scope of carbon reporting

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4 GRI 305-5

The Greenhouse Gas Protocol recommends that emissions are calculated, where possible, from the reporting organisation’s activity data. In the case of Sage, this includes emissions data from global operations including Australia, Austria, Belgium, Canada, France, Germany, India, Ireland, Israel, Malaysia, Morocco, Poland, Portugal, Romania, Singapore, South Africa, Spain, the UK, and the US.

Emissions sources included in the operational footprint are energy, refrigerants & fuel consumption, water usage, waste generated from activities, and the impacts of business travel, whether from distance travelled or fuel used.

Sage additionally calculates Scope 3 indirect emissions for upstream emissions sources (categories 1 to 7) including Purchased Goods and Services, Capital Goods, Fuel and Energy-Related emissions, Upstream Logistics, Employee Commuting and Homeworking. Our downstream footprint includes the Use of Sold Products and Investments.

Sage reports on both market and location based emissions, market based emissions are used to report against overall emission reduction progress.

Control approach

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4 GRI 305-5

Carbon footprints are calculated according to a control approach which can be defined as either operational control (the organisation or 1 of its subsidiaries has the full authority to introduce and implement its operating policies at the operation) or financial control (the organisation has the ability to direct the financial and operating policies of the operation with a view to gaining economic benefits from its activities).

The operational control approach is used in this footprint. Under this approach, we have accounted for 100% of the GHG emissions from operations over which Sage has control.

Emissions factors

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4 GRI 305-5

The UK government emissions factors for company reporting (published by BEIS/DESNZ) have been used. The most recent International Energy Agency (IEA 2022) international conversion factors were applied for non-UK electricity.

In FY22, BEIS, the predecessor to DESNZ, stopped publishing well to tank (WTT) factors for overseas electricity. The methodology previously relied on applying a ratio of direct/indirect WTT emissions for UK electricity and applying this to the rest of the world. In the absence of DESNZ data, our GHG reporting partner EcoAct has developed a methodology to calculate WTT emissions based on the specific fuel mix of each country’s electricity generation. This relies on fewer assumptions than the DESNZ methodology and is also more specific to the country and so may result in some changes compared with previous years. However, this will track more accurately to each country’s grid decarbonisation over time, instead of relating to the UK only.

Scope 3 emissions sources apply CEDA 7 2024 emission factors, imported from CEDA 2024 v2 Tool. All emission factors are ‘Indirect Purchaser’ price, kgCO₂e/GBP in (Country) of purchase in 2024. Where supplier-specific data was used, this was obtained from the supply chain questionnaire from CDP and the CDP Database.

Spend is removed from the calculation based on Greenhouse Gas Protocol Scope 3 Category 1 accounting principles, for example where the spend relates to activity already covered elsewhere within our footprint, e.g. utility spend.

Basis of reporting continued

GRI 302-1 GRI 305-1

Emission data by activity	Activity	Methodology
Direct (Scope 1)	Natural gas	<p>Data Received: Monthly consumption values of gas per site.</p> <p>Approach:</p> <ul style="list-style-type: none"> Used primary data where available. Where primary data did not cover the entire reporting period, we have extrapolated by month for the remaining months of the year (based on the previous 3 months to take into account seasonal variances in natural gas consumption). Where raw data was not provided, extrapolations have been conducted in line with the following: Where no primary data was available, extrapolations were made using regional intensities based on floor area. Where floor area is unavailable, full-time equivalent (FTE) intensities have been used. Sites reporting actual data which were closed or opened during the reporting year were excluded from these intensities to avoid skewing the data. For sites in regions with no regional intensity due to no actual data, a global intensity has been applied. For sites requiring extrapolation which were opened/closed during the reporting year, the extrapolated value has been adjusted to reflect the months that the site was open. An assumption is made at a regional level on whether natural gas is relevant or not, for sites where data owners could not confirm whether natural gas is relevant. For example, no Indian sites consume natural gas, so it is assumed that the serviced offices in Bangalore and Pune do not consume natural gas. It is assumed Brighton serviced offices consume gas (to be estimated) as most UK&I sites consume gas.
Direct (Scope 1)	Refrigerants	<p>Data Received: Refrigerant leakage top up in the reporting year.</p> <p>Approach:</p> <ul style="list-style-type: none"> Used primary data where available. Where primary data was not provided, extrapolations have been conducted in line with the following: Where no primary data was available, extrapolations were made using regional intensities based on floor area. Where floor area is unavailable, FTE intensities have been used. Sites reporting actual data which were closed or opened during the reporting year were excluded from these intensities to avoid skewing the data. For sites in regions with no regional intensity due to no actual data, a global intensity has been applied. For sites requiring extrapolation which were opened/closed during the reporting year, the extrapolated value has been adjusted to reflect the months that the site was open.
Direct (Scope 1)	Fuels (diesel)	<p>Data Received: Diesel consumption in kWh per site.</p> <p>Approach:</p> <ul style="list-style-type: none"> Used primary data where available. Where primary data did not cover the entire reporting period, we have pro-rated the daily usage for the remaining months of the year. The number of months with missing data varies on a site-by-site basis. Where primary data was not provided, extrapolations have been conducted in line with the following: Where no data was available, extrapolations were made using regional intensities based on floor area. Where floor area is unavailable, FTE intensities have been used. Sites reporting actual data which were closed or opened during the reporting year were excluded from these intensities to avoid skewing the data. Where regional intensities are not available due to lack of actual data, the global average intensity has been applied. For sites requiring extrapolation which were opened/closed during the reporting year, the extrapolated value has been adjusted to reflect the months that the site was open.
Direct (Scope 1)	Company-owned vehicles (diesel, petrol, LPG)	<p>Data Received: Global mileage per fuel type and vehicle size for October 2024 to September 2025.</p> <p>Approach:</p> <ul style="list-style-type: none"> The data covered the whole reporting period, therefore there was no need for extrapolations. Calculated the emissions using the mileage by fuel type or vehicle size. <p>Assumptions:</p> <ul style="list-style-type: none"> LPG up to 1400cc—used average car size as notes suggest there are no small LPG cars with engine sizes up to 1.4 litre engines. WTT emissions included in line with best practice. WTT is included in Scope 3 Category 3.

Basis of reporting continued

GRI 302-1 GRI 305-2 GRI 305-3

Emission data by activity	Activity	Methodology
Indirect (Scope 2)	Electricity	<p>Data Received: Monthly consumption values of electricity per site.</p> <p>Approach: Used primary data where available. Where primary data did not cover the entire reporting period, we extrapolated the raw consumption data taking an annual average (as electricity is not seasonal) for the remaining months of the year.</p> <p>Where primary data was not provided, extrapolations have been conducted in line with the following:</p> <p>Assumptions:</p> <ul style="list-style-type: none"> Where no data was available, extrapolations were made using regional intensities based on floor area. Where floor area is unavailable, FTE intensities have been used. Sites reporting actual data which were closed or opened during the reporting year were excluded from these intensities to avoid skewing the data. For sites in regions with no regional intensity due to no actual data, a global intensity has been applied. For sites requiring extrapolation which were opened/closed during the reporting year, the extrapolated value has been adjusted to reflect the months that the site was open. Chilled water: Chilled water has been provided for the Atlanta site in refrigeration tons. This refers to the energy consumed for water cooling. The site provided the conversion 1 Refrigeration Tons (RT) = 3.517 kWh. The value provided has therefore been converted into kWh. Parking space electricity was excluded as it was not provided and on the basis it is immaterial. Parking space electricity was included for Newcastle—Cobalt as it was provided by the data owners.
Indirect (Scope 2)	Electricity (market-based)	<ul style="list-style-type: none"> For market-based accounting, where electricity supply was confirmed to be renewable and proven through evidence (renewable certificates), we have used a “0” emissions factor. Where renewable energy is not confirmed, under the market-based accounting methodology we have used the residual mix where available and the grid mix for countries where no residual mix is available. Emission factor sources are AIB 2022 for the EU regions and the e-grid emission factors for the US (2022 Green-e Residual Mix EFs using 2020 data).
Scope 3	Cat. 1— Purchased Goods and Services	<p>Hierarchy for data inclusion:</p> <p>Our accounting methodology aligns to GHG calculation guidance, taking a hierarchical approach combining supplier-specific and spend-based data. Our ambition is to continually increase the use of supply chain primary data from our suppliers to: 1) Improve the accuracy of our footprint, relevant to the products and service we purchase; and 2) Provide a mechanism for suppliers to report consistently on carbon reductions and the progress they are making towards net zero.</p> <p>In FY25, we expanded our hierarchical approach to include CDP Supply Chain data, subject to a number of quality controls as documented below.</p> <p>Emissions are calculated using the following hierarchy below. Where they are not appropriate at the higher level, they fall down the hierarchy.</p> <ol style="list-style-type: none"> Direct primary data from the supplier. CDP Supply Chain (Primary Data)—IF of adequate quality in line with inclusion criteria below. CDP Database (Primary Data)—IF of adequate quality in line with inclusion criteria below. Spend data—IF deemed relevant to the category and GHG footprint overall in line with list of exclusions. Exclude totally based on GHG accounting principles. <p>Step 1: Direct primary from the supplier:</p> <p>In FY25 Sage continued utilising primary activity data from Microsoft. This was using the Microsoft Emissions Dashboard. The dashboard calculates the Scope 1, 2 and Scope 3 emissions related to the products consumed through our purchase of Azure services. Further information can be found on the Microsoft methodology here.</p>

Basis of reporting continued

GRI 305-3

Emission data by activity	Activity	Methodology
<p>Scope 3 continued</p>	<p>Cat. 1— Purchased Goods and Services continued</p>	<p>Step 2: CDP Supply Chain CDP Supply Chain—Methodology: Emissions from suppliers are included within the calculation if the following statements are true:</p> <ul style="list-style-type: none"> • Where suppliers have not provided any GHG data—exclude these emissions, revert to either CDP or spend data. • Scope 1—figures are provided and verified—where Scope 1 figures are not provided, if there is a justification of “relevance” ONLY such as no Scope 1 emissions exist, companies have been included. • Scope 2—Market-based figures are provided and verified—where Scope 2 market-based figures are not provided, if there is a justification of “relevance” ONLY such as no Scope 2 emissions exist, companies have been included. • Scope 2—Market-based accounting figures are used over location-based figures as Sage reports market-based figures and is using a market-based approach to track against its science-based target (SBT). • Where Scope 2 market-based figures are not provided or not verified, Scope 2 location-based figures are used (if verified). • Scope 3 figures are included for categories 1–8 (upstream only). As verification is less established for Scope 3 emissions, all Scope 3 categories are included where figures are provided if verified or not. • Therefore, suppliers are excluded from the supply chain calculation if Scope 1 or 2 data is unverified. <p>CDP Supply Chain—Allocation Approach: Where the CDP apportionment methodology is defined as “Revenue Apportionment”</p> <ul style="list-style-type: none"> • Revenue for the reporting period relating to the emissions data (listed in CDP) is used. The revenue used is in line with the following: • The CDP revenue is looked up from the CDP Database—this is included in the intensity question and therefore relates to the correct reporting period. • Revenue allocation is also checked within FactSet—an online database of company revenues. • Where FactSet was unavailable, EcoAct has also researched the revenue from publicly available resources and converted to millions of EUR. <p>Where CDP intensities are not using revenue (e.g. FTE): EcoAct has used desk-based research to look up the revenue based on the reporting period listed in CDP in order to match the emissions.</p> <ul style="list-style-type: none"> • Emissions are allocated to Sage by using the spend by supplier. • Where CDP Database revenue appears inaccurate, the desk-based research into revenue is used.

Basis of reporting continued

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 1—Purchased Goods and Services continued	<p>CDP Supply Chain—Calculation Approach: Suppliers’ Scope 1, 2, and upstream Scope 3/suppliers’ revenue * Sage spend by supplier.</p> <p>CDP Supply Chain—Data Received:</p> <ul style="list-style-type: none"> • CDP 2025 Supply Chain questionnaire extracts. • CDP 2024 Database. • Sage supplier spend. <p>Step 3: CDP Database:</p> <p>CDP Database—Methodology:</p> <ul style="list-style-type: none"> • Emissions from suppliers using the CDP Database are included if the following statements are true: • Scope 1 figures are provided and verified—where Scope 1 figures are not provided, if there is a justification of “relevance” ONLY such as no Scope 1 emissions exist, companies have been included. • Scope 2—Market-based figures are provided and verified—where Scope 2 market-based figures are not provided, if there is a justification of “relevance” ONLY such as no Scope 2 emissions exist, companies have been included. • Scope 2—Market-based accounting figures are used over location-based figures as Sage reports market-based figures and is using a market-based approach to track against its SBT. • Scope 3 figures are included for categories 1–8 (upstream only). As verification is less established for Scope 3 emissions, all Scope 3 categories are included where figures are provided if verified or not. • Therefore excluded suppliers are: suppliers without verified Scope 1 and 2 emissions. • Where Scope 3 emissions are not calculated but are deemed “relevant” by the client in C6.5 of the CDP submission, EcoAct estimates the missing Scope 3 data. This will be done by uplifting Scope 1 and 2 for each supplier based on an industry average factorial. Anomalies are addressed removing the top and bottom 10% of outliers from this data. <p>CDP Database—Allocation Approach:</p> <ul style="list-style-type: none"> • Revenue allocation is now provided within FactSet. This is used for the allocation of emissions based on revenue apportionment. • Where FactSet was unavailable, EcoAct has researched the revenue from publicly available resources and converted to millions of EUR. • Uplift for Scope 3—where Scope 3 emissions are not provided but the status notes they are relevant but not yet calculated or not evaluated. These suppliers are given an uplift of Scope 3 based on the % of each category in the average sector listed by CDP. <p>CDP Database—Calculation Approach:</p> <ul style="list-style-type: none"> • Suppliers’ Scope 1, 2, and upstream Scope 3/suppliers’ revenue * Sage spend by supplier. • Most recent year is extracted for supplier name. Where info is older than 2x years, these are excluded and revert back to spend, e.g. Exclerc. <p>CDP Database—Data Received:</p> <ul style="list-style-type: none"> • CDP 2024 Database. • Sage supplier spend.

Basis of reporting continued

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 1— Purchased Goods and Services continued	<p>Step 4: Spend-based approach</p> <p>Spend-based—methodology:</p> <ul style="list-style-type: none"> The methodology includes both Category 1 (spend only), 2, and 4. Sage provided EcoAct with spend data for the reporting period October 2024 to September 2025. This was reviewed and the same assumptions applied as 2023. Spend is multiplied by emissions factors from CEDA 2024. Spend categories are excluded where they are accounted for elsewhere in the footprint—this was based on the same assumptions as the 2023 footprint, e.g. waste expenses removed as accounted for in Category 5, business travel in Category 6. Local data on postage was received for a few sites, therefore this has been calculated separately for inclusion in Category 4. Water emissions were calculated using primary data on the consumption of water in each office (m3). Where primary data was not available, EcoAct has undertaken extrapolations on a regional basis by floor area. <p>Spend-based—Data Received:</p> <ul style="list-style-type: none"> CEDA 2024 emission factors. Sage supplier spend. <p>Impact of supplier-specific primary data on calculation</p> <p>During FY25, Sage received supplier-specific primary data from 72 suppliers in total. Following the above criteria, a total of 15 suppliers were removed from our CDP primary data calculation due to data quality and assurance criteria.</p> <p>In total, emissions from 57 suppliers were calculated using CDP Supply Chain or CDP Database data, accounting for 46% of our overall spend.</p> <p>Total emissions calculated using CDP Supply Chain were 1,634 tCO₂e, 2% of total emissions.</p> <p>Total emissions calculated using CDP Database were 22,962 tCO₂e, 33% of total emissions.</p> <p>Total emissions calculated using data direct from the supplier totalled 802 tCO₂e, 1% of total emissions</p> <p>Total emissions calculated using spend data and CEDA 2024 emissions factors were 44,716 tCO₂e, 65% of total emissions.</p> <p>Total emissions from taking a hybrid CDP and spend-based approach were 69,320 tCO₂e, compared with 78,816 tCO₂e if a spend-only approach was taken across all suppliers.</p>
Scope 3	Cat. 2— Capital Goods	See Category 1 description. Emissions from Capital Goods were minimal during the reporting period but the same methodology using spend was applied.
Scope 3	Cat. 3— Energy-Related Activities (T&D/WTT)	<p>Data Received: Primary data from the Scope 1 and 2 footprint was used to calculate this emissions category, e.g. kWh of electricity, gas, and consumption of fuel.</p> <p>The calculation includes the emissions from electricity and fuel, and includes the emissions from upstream generation, WTT, and T&D losses.</p> <p>From 2022, BEIS, predecessor to the DESNZ, has stopped publishing WTT factors for overseas electricity. The DESNZ methodology previously relied on applying a ratio of direct/indirect WTT emissions for UK electricity and applying this to the rest of the world. In the absence of DESNZ data, EcoAct has developed a methodology to calculate WTT emissions based on the specific fuel mix of each country’s electricity generation. This relies on fewer assumptions than the BEIS methodology and is also more specific to the country, and so may result in some changes compared with previous years. However, this will track more accurately to each country’s grid decarbonisation over time, instead of relating to the UK only.</p>
Scope 3	Cat. 4— Upstream Transportation and Distribution	<p>Data Received: Category 4 includes both spend data from Sage’s purchase ledger and some primary data from offices, including letters and parcels. See Category 1 methodology for spend-based calculation approach. The methodology for the letters and parcels is below:</p> <ul style="list-style-type: none"> Sage provided data on the number of letters and parcels that were delivered during 2025 on an office basis. For international parcels and letters, we have used the International Post Corporation’s Sustainability Management Proficiency Report, which gives an emissions factor per parcel and per letter. https://www.ipc.be/services/sustainability/smms/group-results For national parcels in the UK only—we have used the Royal Mail’s intensity of carbon per parcel and per letter. https://www.royalmail.com/sustainability/environment/net-zero

Basis of reporting continued

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 5— Waste	<p>Data Received: Annual waste generated per site categorised by waste disposal method and waste type where known.</p> <p>Approach: Where primary data was not provided, extrapolations have been conducted in line with the following:</p> <ul style="list-style-type: none"> • Where no primary data was available, extrapolations were made using regional intensities based on FTEs. Sites reporting actual data which were closed or opened during the reporting year were excluded from these intensities to avoid skewing the data. • Where regional intensities were not available due to lack of actual data, the global average intensity has been applied. • Desk-based research into country-specific waste recycling rates was undertaken using publicly available resources to categorise waste estimations into landfill and recycled waste based on national recycling rates. • For sites requiring extrapolation which were opened/closed during the reporting year, the extrapolated value has been adjusted to reflect the months that the site was open. • For sites reporting landfill waste with no indication of waste type, this has been assumed as the commercial/industrial emissions factor from the UK government (DESNZ 2025).
Scope 3	Cat. 6— Business Travel	<p>Primary data was provided for air travel, hotel stays, taxis, train and grey fleet. This was a combination of mileage and spend data. Where mileage was provided, we have used DESNZ 2025 factors, where spend data was provided, we have used CEDA 2024.</p> <p>The calculations are based on the following assumptions:</p> <p>Flights:</p> <ul style="list-style-type: none"> • For UK flights, the “to/from UK” emission factors have been used. • For non-UK flights, the “international to/from non-UK” emission factor has been used. • Where no flight class information was provided, the “average passenger” emission factor has been used. • Where mileage was not provided by Sage, mileage was calculated using our partner consultancy’s flight distance calculator delivery tool (a database of flight distances between airports). • Flight haul was determined following DEFRA’s logic: <ul style="list-style-type: none"> • Short haul (to/from UK): Up to 3,700 km. • Long haul (to/from UK): Over 3,700 km. <p>Hotel stays:</p> <ul style="list-style-type: none"> • Number of nights was received by country and multiplied by DESNZ 2025 emissions factors. <p>Taxis:</p> <ul style="list-style-type: none"> • Spend data was received and multiplied by CEDA 2024 emissions factors. • Mileage data was also received and calculated using DESNZ 2025 emissions factors. <p>Trains:</p> <ul style="list-style-type: none"> • If the train journey was UK based, use the “national rail” emission factor. • If the train journey was non-UK based, use the “international rail” emission factor. • Mileage data was multiplied by DESNZ 2025 emissions factors. <p>Grey fleet:</p> <ul style="list-style-type: none"> • Mileage by fuel type and car size was provided and multiplied by DESNZ 2025 factors.

Basis of reporting continued

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 7— Employee Commuting and Homeworking	<p>EcoAct has used the Homeworking and Commuting tool which has been developed with industry partners. Emissions are calculated using the % of employees who worked from home in each month of the year provided by Sage.</p> <p>The following assumptions are based on best available information at the time of tool creation. Represents “average” country conditions and does not take into account business type (e.g. service based corporate versus manufacturing) and the impact this may have on commuting. See the EcoAct whitepaper (https://info.eco-act.com/en/homeworking-emissions-whitepaper-2020) on homeworking for full methodology.</p> <p>Approach:</p> <p>Commuting methodology:</p> <ul style="list-style-type: none"> • Data received includes the number of FTEs in each region and the no. of working days (assumed 256 for a 5-day week). The tool includes average commute times by region from DALIA research into extensive transportation surveys worldwide covering 52 countries in 2017. • Data for the average speed of modes of transport was taken from a published paper, which has taken data from the Mobility in Cities Database. Data was available from the European commission on Transport statistics for the EU compared with several world countries. This data was used to calculate the comparative proportion of car, bus, rail, and tram/metro journeys taken. This was done by summing the car, bus, rail, and tram + metro categories to work out a percentage usage for each region. • Annual distances by transport type are multiplied by BEIS factors. • This additionally includes the WTT emissions associated with each transport type in line with best practice. <p>Work From Home (WFH) methodology:</p> <ul style="list-style-type: none"> • Data from Sage includes the FTE per region and the % of employees WFH in each region. For FY25 remote workers were also categorised by region and country. • WFH data was provided where available—where this data was unavailable, e.g. for the 2 remaining months of the year—this is extrapolated based on the previous 3 months of data. For certain sites with missing months in the same region, we have extrapolated the percentages based on countries in the same region or the same country. • Where sites were closed—this assumes that 100% of employees are WFH. • Emissions from home working include office equipment, lighting, heating energy (natural gas and electricity), and cooling energy (where air-conditioning in homes is appropriate based on desk-based research). • The tool assumed 256 working days per year, this can be amended on a regional basis if working days differ by region. We have assumed a standard 5-day, 40-hour week (8 hours/day). Incremental energy should not be calculated for periods of annual leave, therefore the UK’s statutory 28 days (4 weeks) of annual leave entitlement is deducted from the base case calculation of working hours: 256 working days. • Office equipment—assumes that all employees use the same office equipment. The average “in use” power load per desk has been calculated in CIBSE Guide F (2012) as 140W—laptop, PC, monitor, phone, and printer. • Lighting is based on the assumption of 10 watts for lighting throughout the year. Wattage multiplied by the FTE by month. Location-based grid factors from BEIS and the IEA. • Heating energy—natural gas, typical homes heating energy. Typical gas usage from Ofgem in 2020: 12,000 kWh and that the heating is on 10 hours a day on average. Heating is restricted to the northern hemisphere from October to March. • Cooling energy—air conditioning is included where regionally appropriate—based on desk-based research of the regions with air conditioning within homes. • Emissions factors are from the IEA (for non-UK) and BEIS (for the UK).

Basis of reporting continued

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 11— Use of Sold Products	<p>Approach: Our approach considers the emissions related to use of our Sage products by our customers across 3 deployment types:</p> <ol style="list-style-type: none"> 1) Cloud-based customers: Device emissions are assumed only, cloud hosting emissions are calculated as part of Scope 3—Category 1 Purchased Goods and Services. 2) On-premise customers: Device and server emissions are assumed. 3) Desktop customers: Device emissions are assumed only. Where a customer is cloud connected, any cloud-related emissions are calculated as part of Scope 3—Category 1 Purchased Goods and Services: <p>Step 1: Customer data Country level customer numbers for FY25 were provided by Sage split out by customer, product, and country and deployment type, as defined above.</p> <p>Step 2: Power and energy consumption assumptions Device assumptions: Average device usage was calculated using a sample of 200,000+ customers to determine the number of annual “active” sessions and average length of each session. An average customer usage of 46 hours was determined per customer account. (This accounts for multiple users per customer account and is used as a consistent assumption for all products.) The average power of 65 watts was used for a laptop device. Server assumptions: We have used an industry standard 350 watts per server, and an assumption that the server is powered 24/7, 365 days a year. kWh hours are calculated by multiplying the wattage by the hours used divided by 1,000.</p> <p>Step 3: Emission calculation We have accounted for the server power and laptop power (360+65 watts) for on-premise products. The desktop and on cloud products only accounts for the laptop power. The total energy required per customer is calculated by multiplying the assumed power usage by the annual usage, based on deployment type. For on-premise, this includes both server and device ((8,760 hours x 350 watts) + (46 hours x 65 watts)). This figure is multiplied by the total number of on-premise customers. For desktop and cloud deployment, the carbon emissions are calculated by usage multiplied by power (46 hours x 65 watts). This figure is multiplied by the total number of desktop/cloud customers. This provides total energy in kWh for each product by deployment type, by country. Emissions factors per country as per the Scope 2 methodology above were used to estimate total emissions.</p> <p>Step 4: On-Premise customer—Cloud hosted. In FY25 Sage completed a pilot exercise to improve the data and insight on how our on-premise customers host Sage products in the USA.</p> <ol style="list-style-type: none"> 1. On-Prem customers are first referenced against Sage or Partner Azure hosted accounts. Where an account matches a Sage hosted account, the customer is classified as Hosted. Emissions from these customers are already accounted already for under Scope 3 Cat 1, where Sage specific emissions factor (EF) is applied. This EF is based on carbon intensity factor has been derived from the Microsoft Azure Carbon calculator, and accounts for Sage’s customers use of the Azure services. 2. Using network telemetry data, a customer IP addresses are cross-referenced to known Azure, AWS and Google Cloud IP ranges. If matched the customer account is allocated a cloud emission factor, this is based on a hosted customer in our Sage Azure environment as an equivalent proxy / estimate. 3. Using the same telemetry data, customers are identified as running their software in a virtual machine. This could be with a Cloud provider or local system. As it is not possible, for these customers, to distinguish between these two hosting methods, an EF based on assumed efficiency gains, thanks to virtualisation, is applied. For this proxy Sage have used internal data for the average CO₂ per visualised instance across the Sage IT estate.

Basis of reporting continued

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 11— Use of Sold Products continued	<p>Data Received:</p> <p>Sage customer data by product, deployment type, and country.</p> <p>Data on Sage customers using Sage Provisioning Portal by product, country, and subscription owner.</p> <p>Sage customer PEP data by product, country, IP address, and Video Card Manufacturer.</p> <p>Data on Sage server numbers, country, and power demand.</p> <p>Data on server power consumption for Sage recommended on-premises server.</p> <p>WTT and T&D have been included in the calculations as per the calculation in Scope 3—Category 3.</p> <p>IEA Factors—https://www.iea.org/data-and-statistics/data-product/emissions-factors-2022</p> <p>EcoAct purchases a database containing Scope 2 and Scope 3 T&D emission factors for worldwide electricity. This is updated on a yearly basis.</p> <p>OurWorldInData—https://ourworldindata.org/electricity-mix. This data source is updated on a yearly basis, using third-party research.</p> <p>IPCC Factors—https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_annex-iii.pdf.</p>
Scope 3	Cat. 15— Investments	<p>Approach:</p> <p>Sage has minority investments in a few small companies. These minority investments do not report on their Scope 1 and 2 data, therefore, the average data method based on revenue has been applied. The calculation took the following into consideration for the calculation:</p> <ul style="list-style-type: none"> • Sector(s) the investee company operates in. • Revenue (£) for each investment for the year 2025. • Sage’s proportional share of equity in the investee company (%). <p>The average data method involves using revenue data combined with EEIO data (CEDA 2024emissions factors) to estimate the Scope 1 and 2 emissions from the investee company and allocating emissions based upon share of investment. Emissions factors are sourced from CEDA 2024</p>

Basis of reporting continued

Metrics that have undergone “Limited Assurance” in 2025

GRI 2-5

Environmental metrics

GRI performance disclosure—GRI 305: Emissions 2016	
Metric	GHG emissions including total Scope 1, total Scope 2 (location-based and market-based), and selected Scope 3 (categories 1, 2, 3, 4, 5, 6, 7, 11, and 15 only).
Definition	Scope 1: emissions from activities which the Company owns or controls, including combustion of fuel and operation of facilities (Scope 1)/tCO ₂ e; Scope 2: emissions from the purchase of electricity, heat, steam, or cooling by the Company for its own use (Scope 2 Indirect) location-based emissions (tCO ₂ e); Scope 3: Scope 3 emissions include the upstream categories 1-7, as defined by the Greenhouse Gas Protocol. We have also included Category 11—Use of Sold Products and Category 15—Investments. GHGs covered by the Kyoto Protocol—carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PCFs), sulphur hexafluoride (SF ₆), and nitrogen trifluoride (NF ₃).
Scope	Scope of carbon reporting, The Greenhouse Gas Protocol recommends that emissions are calculated, where possible, from the reporting organisation’s activity data. In the case of Sage, this means emissions data from all global operations.
Reporting period	1 October 2024 to 30 September 2025
Units	tCO ₂ e (location and market based)
Reporting methodology and controls	Emissions sources included in the operational footprint are energy, refrigerants & fuel consumption, water usage, waste generated from activities, and the impacts of business travel, whether from distance travelled or fuel used. Sage additionally calculates Scope 3 indirect emissions for all upstream emissions sources including Purchased Goods and Services, Capital Goods, Fuel and Energy-Related emissions, Upstream Logistics and Employee Commuting and Homeworking. Our downstream footprint includes Use of Sold Products. Carbon footprints are calculated according to a control approach which can be defined as either operational control (the organisation or 1 of its subsidiaries has the full authority to introduce and implement its operating policies at the operation) or financial control (the organisation has the ability to direct the financial and operating policies of the operation with a view to gaining economic benefits from its activities).

Sage own metric: Protect the Planet	
Metric	Percentage reduction in Scope 1, 2 and 3 carbon emissions against a previous year baseline (FY22).
Definition	Scope 1: emissions from activities which the Company owns or controls, including combustion of fuel and operation of facilities (Scope 1)/tCO ₂ e; Scope 2: emissions from the purchase of electricity, heat, steam, or cooling by the Company for its own use (Scope 2 indirect) market-based emissions (tCO ₂ e); Scope 3: Scope 3 emissions include the upstream categories 1-7, as defined by the Greenhouse Gas Protocol. We have also included Category 11—Use of Sold Products and Category 15—Investments. GHGs covered by the Kyoto Protocol—carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PCFs), sulphur hexafluoride (SF ₆), and nitrogen trifluoride (NF ₃).
Scope	Scope of carbon reporting: The Greenhouse Gas Protocol recommends that emissions are calculated, where possible, from the reporting organisation’s activity data. In the case of Sage, this means emissions data from all operations.
Reporting period	1 October 2024 to 30 September 2025
Units	Percentage
Reporting methodology and controls	Emissions sources included in the operational footprint are energy, refrigerants & fuel consumption, water usage, waste generated from activities, and the impacts of business travel, whether from distance travelled or fuel used. Sage additionally calculates Scope 3 indirect emissions for all upstream emissions sources including Purchased Goods and Services, Capital Goods, Fuel and Energy-Related emissions, Upstream Logistics, Employee Commuting and Home Working. Our downstream footprint includes the Use of Sold Products. Carbon footprints are calculated according to a control approach which can be defined as either operational control (the organisation or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation) or financial control (the organisation has the ability to direct the financial and operating policies of the operation with a view to gaining economic benefits from its activities).

Basis of reporting continued

Environmental metrics continued

GRI 2-5

GRI performance disclosure—GRI 302-1: Energy consumption within the organisation

Metric	Energy consumption within the organisation.
Definition	<p>Total fuel consumption within the organisation from non-renewable sources, in joules or multiples, and including fuel types used. Total fuel consumption within the organisation from renewable sources, in joules or multiples, and including fuel types used.</p> <p>In joules, watt-hours or multiples, the total:</p> <ul style="list-style-type: none"> • Electricity consumption • Heating consumption • Cooling consumption • Steam consumption • Electricity sold • Heating sold • Cooling sold • Steam sold
Scope	<p>Electricity, gas, and other energy sources such as fuels (including company owned vehicles), steam, or water provided from a district heating plant or chilled water plant can also be important. Energy can be purchased from sources external to the organisation or produced by the organisation itself (self-generated). Non-renewable fuel sources can include fuel for combustion in boilers, furnaces, heaters, turbines, flares, incinerators, generators and vehicles that are owned or controlled by the organisation. Non-renewable fuel sources cover fuels purchased by the organisation. They also include fuel generated by the organisation’s activities—such as mined coal, or gas from oil and gas extraction. Renewable fuel sources can include biofuels, when purchased for direct use, and biomass in sources owned or controlled by the organisation.</p>
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Gigajoules
Reporting methodology and controls	<p>Fuels</p> <p>Used primary data where available. Where primary data did not cover the entire reporting period, we have pro-rated the daily usage for the remaining months of the year. The number of months with missing data varies on a site-by-site basis. Where primary data was not provided, extrapolations have been conducted in line with the following:</p> <ul style="list-style-type: none"> • Where no data was available, extrapolations were made using regional intensities based on floor area. Where floor area is unavailable, FTE intensities have been used. Sites reporting actual data which were closed or opened during the reporting year were excluded from these intensities to avoid skewing the data. • Where regional intensities are not available due to lack of actual data, the global average intensity has been applied. • For sites requiring extrapolation which were opened/closed during the reporting year, the extrapolated value has been adjusted to reflect the months that the site was open. <p>Electricity</p> <p>Approach:</p> <p>Used primary data where available. Where primary data did not cover the entire reporting period, we have pro-rated the daily usage for the remaining months of the year. The number of months with missing data varies on a site-by-site basis. Where primary data was not provided, extrapolations have been conducted in line with the following:</p> <ul style="list-style-type: none"> • Where no data was available, extrapolations were made using regional intensities based on floor area. Where floor area is unavailable, FTE intensities have been used. Sites reporting actual data which were closed or opened during the reporting year were excluded from these intensities to avoid skewing the data. • For sites in regions with no regional intensity due to no actual data, a global intensity has been applied. • For sites requiring extrapolation which were opened/closed during the reporting year the extrapolated value has been adjusted to reflect the months that the site was open. <p>Company owned vehicles</p> <p>Approach:</p> <ul style="list-style-type: none"> • The data covered the whole reporting period therefore there was no need for extrapolations. • Calculated the emissions using the mileage by fuel type or vehicle size. <p>Assumptions—LPG up to 1400cc—used average car size as notes suggest there are no small LPG cars with engine sizes up to 1.4 litre engines. Well to tank emissions included in line with best practice.</p>

Basis of reporting continued

Environmental metrics continued

GRI 2-5

**GRI performance disclosure—
GRI 302-1: Energy consumption within the organisation**

Metric	% electricity from renewable.
Definition	The scope of renewable energy includes renewable fuel the entity consumed, renewable energy the entity directly produced, and renewable energy the entity purchased, if purchased through a renewable power purchase agreement (PPA) that explicitly includes renewable energy certificates (RECs) or Guarantees of Origin (GOs), a Green-e Energy Certified utility or supplier program, or other green power products that explicitly include RECs or GOs, or for which Green-e Energy Certified RECs are paired with grid electricity.
Scope	Scope 2.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Percentage (%)
Reporting methodology and controls	Emissions sources included in the operational footprint are energy and fuel consumption. Carbon footprints are calculated according to a control approach which can be defined in either financial or operational terms. The operational control approach is used in this footprint. Under this approach, we have accounted for 100% of the GHG emissions from operations over which Sage has control.

**GRI performance disclosure—
GRI 308-1: New suppliers that were screened using environmental criteria**

Metric	New suppliers that were screened using environmental criteria.
Definition	Number of supplier entities added to our approved supplier lists that are assessed against environmental criteria as one of the factors in determining whether to proceed in a relationship with a supplier.
Scope	New suppliers only.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Percentage of new suppliers
Reporting methodology and controls	As part of our process to onboard new suppliers onto our ERP systems, all new suppliers with an intended annual spend of over £25k are screened on their ESG criteria using Dun and Bradstreet's (D&B) Risk Analytics solution . This initial screening ranks companies on 3 topics—Environmental, Social and Governance and provides an overall score, drawing information from verified and globally trusted sources.

Basis of reporting continued

Social metrics

GRI 2-5

Sage own metric—LTIP: DEI	
Metric	Improvement on inclusion score.
Definition	The inclusion score is a measurement of how included colleagues feel in the company. The metric is an average derived from the total scores of two specific DEI related questions asked in the full annual Glint Engagement survey.
Scope	Global colleagues.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Inclusion score
Reporting methodology and controls	<p>Questions are posed to colleagues via an annual internal engagement survey. For reporting purposes March survey results and questions are used.</p> <p>The DEI score is calculated manually by averaging the global scores of the following two questions. “I feel free to speak my mind without fear of negative consequences,” and “Leaders demonstrate a visible commitment to diversity.” The result is calculated to 2 decimal places and is not rounded to a whole number to ensure that progress is accurately reflected. The results reported externally include the previous year’s results to show any trend and Industry benchmark data provided by third party-Glint. The Engagement team shares the results with the Global VP of DEI where any results are either significantly above or below the company average. This enables the DEI team to offer consultancy with regional leaders on how to understand lower than average scores.</p>

Sage own metric—LTIP: DEI	
Metric	Gender diversity target.
Definition	No more than 60% of any gender, in any leadership team (ELT to ELT-4), anywhere at Sage, by the end of FY26.
Scope	Leadership teams include ELT to ELT-4 hitting the target. This means that we will monitor the ELT itself, 3 further levels of leadership teams and review the gender diversity of the teams in the level 4 layer who report into ELT-3.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Gender ratio
Reporting methodology and controls	<p>Sage calculates progress against this goal by using the self-declaration data of sex assigned at birth and non-binary gender identity data voluntarily gathered from our colleagues. The data is aggregated into a dashboard that displays all leadership levels by region, function and subfunction and shows whether a team is diverse or not diverse based on the reporting rules below:</p> <ul style="list-style-type: none"> • We measure teams (colleagues) from ELT to ELT-4 (as described in scope above). • Teams of one are not included. Once we establish a way of measuring gender, diversity between manager and colleague, we will add them to the methodology. • Teams of two and three are included and will be measured as ‘diverse’ if there is gender diversity in the team. 100% of one gender is ‘not diverse’, any other percentage is ‘diverse’. • Teams of four and above are measured as ‘diverse’ where there is no more than 60% of any one gender in the team and ‘not diverse’ for a ratio outside this. • Teams of eight are measured as ‘diverse’ where there is a binary gender ratio of 3:5 or 5:3 where a third gender is not present. • The calculation excludes contractors and consultants from the calculations. • The calculation excludes teams that include colleagues of undisclosed sex or gender and therefore cannot be part of the global progress metric. • We report on the number of teams with undisclosed ‘sex assigned at birth’ separately for visibility and use this for follow up to increase data accuracy. <p>Regional LT teams currently work with their respective regional business partners and DEI Directors to understand the data and establish action plans around hiring, succession planning and progression. Progress against the goal is reported through quarterly ESG steering meetings with the ELT.</p> <p>A self-service Leadership Team diversity dashboard for Talent Acquisition and Strategic People Business Partners is available to enable teams to use their data to support conversations with hiring managers. In FY24 introduced non-binary colleague data into our reporting calculation methodology to use gender identity as the primary data source when it differs from sex assigned at birth.</p> <p>Where teams include colleagues who are marked as having a sex assigned at birth as undisclosed, we cannot determine whether they are achieving the goal. We report on these separately and take these teams out of the gender goal calculation methodology.</p>

Basis of reporting continued

Social metrics continued

GRI 2-5

GRI performance disclosure—GRI 401-1: New employee hires	
Metric	Total number of new hires.
Definition	Colleague headcount with a start date during the relevant reporting year (inclusive of early careers colleagues and inactive colleagues). Excludes contractors and consultants but includes unintegrated M&A heads.
Scope	All colleagues, excluding contractors, consultants/contingent workers.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Total number
Reporting methodology and controls	New hire data is calculated from information captured in month end reports extracted from Sage People. Calculation is the count of colleagues if their start date occurred within the relevant reporting period.

GRI performance disclosure—GRI 401-1: Employee turnover	
Metric	Employee turnover.
Definition	Employee turnover—Total Leavers (over 12 Months)/Average total heads (over 12 months).
Scope	All colleagues, excluding contractors and consultants.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Employee count and % of total population
Reporting methodology and controls	<p>Employee Turnover calculation methodology:</p> <ul style="list-style-type: none"> • Data Sources: The attrition reporting is derived from two reports generated in our HCM system (Sage People). The first report is a monthly snapshot that allows us to calculate headcount on a month-by-month basis. The second report provides a list of leavers along with the leaver reason. • Methodology: The two data files are combined. A rolling 12-month average headcount figure is calculated. A 12-month leaver value is calculated which is segmented to show total leavers, voluntary leavers and involuntary leavers. • The employee turnover calculation is: 12 months leavers/12-month average headcount. • Presentation: The data is presented in a Power BI dashboard. • Validation: The data is validated by comparing the monthly headcount numbers to the reported headcount numbers each month. Leaver numbers are checked against the HCM system to confirm the information is correct.

GRI performance disclosure—GRI 404-1: Average hours of training per year per employee	
Metric	Average hours of training per year per employee.
Definition	Average hours of training per employee = total hours from all learning platforms divided by total number of employees.
Scope	All employees.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Hours
Reporting methodology and controls	The data is collected from various learning platforms (Sage Learning, Sage University, Pluralsight, LinkedIn Learning, Saleshoo and regional/external training). The total number of colleagues is received from Sage People. All data is tracked on Power BI. For FY23, data from Sage University has not been included. Data collected from these platforms can include both completed and in progress learning, depending on the reporting capabilities of the platform. For FY24 onwards the data collected includes only Sage colleagues. Contractors and consultants are no longer included. Previous years we collected all. Training is frequently delivered and budgeted directly within local regions and specific functions, often outside our scope and data collection processes. As a result, the average figures we have do not fully capture all the training activities happening across Sage.

GRI performance disclosure—GRI 405-1: Diversity of governance bodies and employees (gender)	
Metric	Diversity of governance bodies and employees.
Definition	For each of the NED, ELT and ELT-1 teams, total number of senior management and governance bodies members (by gender). In this disclosure we use the term ‘gender’ to refer to the sex registered at birth data provided by the colleague at point of hire which is held in the colleague’s People record.
Scope	NED, ELT and ELT-1 separately.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Total number
Reporting methodology and controls	This data is gathered through our Sage People system as and when required for external reporting purposes.

Basis of reporting continued

Social metrics continued

GRI 2-5

GRI performance disclosure—GRI 405-1: Diversity of governance bodies and employees (age)	
Metric	Diversity of governance bodies and employees.
Definition	For each of the NED, ELT and ELT-1 total number of senior management and governance bodies members (by age).
Scope	NED, ELT and ELT-1 separately.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Total number
Reporting methodology and controls	This data is gathered through our Sage People system as and when required for external reporting purposes.

GRI performance disclosure—GRI 405-2: Ratio of basic salary and remuneration of women to men (hourly pay—gender)	
Metric	Ratio of basic salary and remuneration of women to men, and mean gender pay gap for hourly pay.
Definition	UK statutory gender pay gap reporting. Total earnings in the month of April compared by gender for colleagues employed on the 5 April.
Scope	All UK based colleagues.
Reporting period	April 2025
Units	Hourly pay
Reporting methodology and controls	Analysis completed in line with government regulations. Data is provided by payroll for the reward team to complete the analysis.

GRI performance disclosure—GRI 405-2: Ratio of basic salary and remuneration of women to men (bonus pay—gender)	
Metric	Ratio of basic salary and remuneration of women to men, and mean gender pay gap for bonus pay.
Definition	UK statutory gender pay gap reporting. Total bonus earnings between April 2024 to March 2025 compared by gender for colleagues employed on 5 April.
Scope	All UK based colleagues.
Reporting period	April 2024 to March 2025
Units	Bonus
Reporting methodology and controls	Analysis completed in line with government regulations. Data is provided by payroll for the reward team to complete the analysis.

GRI performance disclosure—GRI 405-2: Ratio of basic salary and remuneration of white colleagues to Black, Asian, Mixed Race and other ethnically diverse colleagues (hourly pay—ethnicity)	
Metric	Ratio of basic salary and remuneration of White colleagues and Black, Asian, Mixed Race, and other ethnically diverse colleagues, and mean ethnicity pay gap for hourly pay.
Definition	UK statutory ethnicity pay gap reporting. Total earnings in the month of April compared by ethnicity for colleagues employed on the 5 April.
Scope	All UK based colleagues.
Reporting period	April 2025
Units	Hourly pay
Reporting methodology and controls	Ethnicity data for colleagues is gathered on a voluntary basis via our People system throughout the year. This data is based on 69.82% of our UK-based colleagues who met the reporting calculation criteria and who have chosen to share their ethnicity with us. Bonus pay data is provided by payroll for the reward team to complete the analysis. Analysis is completed in line with government regulations.

Basis of reporting continued

Social metrics continued

GRI 2-5

GRI performance disclosure—GRI 405-2: Ratio of basic salary and remuneration of white colleagues to Black, Asian, Mixed Race, and other ethnically diverse colleagues (bonus pay—ethnicity)

Metric	Ratio of basic salary and remuneration of white colleagues to Black, Asian, Mixed Race, and other ethnically diverse colleagues and mean ethnicity pay gap for bonus pay.
Definition	UK statutory ethnicity pay gap reporting. Total bonus earning between April 2024 to March 2025 compared by ethnicity for colleagues employed on 5 April.
Scope	All UK based colleagues.
Reporting period	April 2024 to March 2025
Units	Bonus
Reporting methodology and controls	Ethnicity data for colleagues is gathered on a voluntary basis via our People system throughout the year. This data is based on 69.82% of our UK-based colleagues who met the reporting calculation criteria and who have chosen to share their ethnicity with us. Bonus pay data is provided by payroll for the reward team to complete the analysis. Analysis is completed in line with government regulations.

Sage own metric

Metric	Percentage of senior leadership (ELT and ELT-1 combined) who are from an historically underrepresented race or ethnicity.
Definition	The total number of ELT+ELT-1 senior leaders who are from a historically underrepresented race or ethnicity as a percentage of the total population of ELT and ELT-1 senior leaders. The term ‘historically underrepresented’ refers to groups who have been denied access and/or suffered past institutional discrimination including our Black, Asian, Mixed Race, Indigenous and other ethnically diverse colleagues.
Scope	ELT, ELT-1 where the colleagues in these groups reside in a country where we can legally ask them to self-declare race and ethnicity. 7.14% of our combined ELT and ELT-1 population reside in a country where we cannot legally ask. A further 5.71% of our combined ELT and ELT-1 population have currently chosen not to self-identify their ethnicity at the time of reporting.
Reporting period	1 Oct 2024 to 30 Sept 2025
Units	Percentage
Reporting methodology and controls	This data is gathered through our Sage People system as and when required for external reporting purposes.

Basis of reporting continued

Social metrics continued

GRI 2-5

Sage own metric	
Metric	eSAT (employee satisfaction).
Definition	eSAT is self-reported via the bi-annual colleague engagement survey asking colleagues, 'How happy are you working at Sage?'. The result is an aggregate score on a scale of 0-100 that is calculated for any group of colleagues defined by organisation attribute such as manager or function, consolidating into a global score.
Scope	All colleagues (excluding those on long term leave).
Reporting period	Bi-annual measurement, in the current listening strategy, measured in March 2025 and forecast for September 2025
Units	Aggregate score of 0-100
Reporting methodology and controls	eSat scores range from 0 (worst) to 100 (best), with 50 being the middle, and reflect the average response to the question: "How happy are you working at your company?". This question has proven to have the highest correlation with the drivers of engagement and therefore retention. Scores are automatically calculated based on responses to surveys and released in a web-based dashboard available to view only after the survey closes for reporting purposes and action taking. Historical trend is available alongside industry benchmark data that is statistically validated by the third-party provider—Glint People Science team (part of Microsoft).

Sage own metric	
Metric	% of entrepreneurs who report an increase in their confidence to scale and grow their business
Definition	The number of entrepreneurs participating in Sage Foundation's signature entrepreneurship program who report an increase in their competence or confidence in managing and growing their businesses.
Scope	All entrepreneurs who have participated in Sage Foundation's entrepreneurship program. This may include mentorship programs, financial literacy workshops, business development programs and support with accessing capital (final list to be confirmed by Sage).
Reporting period	1 Oct 2024 to 30 Sept 2025—Data is collected quarterly from entrepreneurs or partners and activity organisers and disclosed on a FY basis.
Units	Percentage
Reporting methodology and controls	Data is collected using our data collection tool from all entrepreneurs on a quarterly basis and collated by programme partners and activity organisers.

Basis of reporting continued

Social metrics continued

GRI 2-5

Sage own metric	
Metric	% of colleagues who report an improvement in their knowledge, wellbeing or skills, from volunteering (of those who participated)
Definition	The percentage of colleagues who have contributed their time towards volunteering or fundraising activities, including those supporting Sage Foundation’s regional partnerships and the Signature entrepreneurship programme and who self-reported an improvement in their knowledge, wellbeing, or skills as a result of their participation in these activities.
Scope	<p>Sage colleagues who have contributed their time towards volunteering or fundraising activities, including those supporting Sage Foundation’s regional partnerships and the Signature entrepreneurship programme, and who self-reported improvements in knowledge, well-being, or skills.</p> <p>Responses after each volunteering event are filtered to only include unique colleague responses of those colleagues who have volunteered.</p> <p>Israel, India and Germany, pending getting access to SFC are using an MS Form to record volunteer responses. Data from these MS Forms will be uploaded onto the Dashboard at the end of the financial year.</p> <p>Paid Students are not counted in this metric</p> <p>Out of scope is all volunteer time tracked on behalf of volunteers, either automatically from events set to Auto-Track on Sage Foundation Central or when the Sage Foundation Team track the time manually on behalf of volunteers.</p>
Reporting period	1 Oct 2024 to 30 Sept 2025—Data is collected after every activity and collated on a quarterly basis from partners and activity organisers to be disclosed on a FY basis.
Units	% of Sage colleagues who have volunteered and responded to this metric. Percentage for this metric is calculated from these responses and not from the total number of Sage colleagues
Reporting methodology and controls	Data is collated by the Sage Foundation Regional Teams on monthly based from reports from Benevity (Sage Foundation Central) and Sage People and fed into the data collection tool.

A note on Sage volunteering hours calculation—methodology update:

Volunteering hours at Sage have been measured differently over the years. As part of our new strategy, we looked at all parts of our impact measurement to ensure we were aligned to industry practice. A recent shift is using a new methodology that focuses on tracking volunteering during working hours. This change aligns with the B4SI Impact Framework, enabling more consistent impact measurement and benchmarking against peer companies.

Previous methodology and rationale: Sage encouraged tracking of volunteering hours both during and outside work hours, giving colleagues up to 5 paid volunteer days per financial year.

- **New methodology and framework adoption:** The B4SI Impact Framework was adopted to standardize impact measurement, focusing on only reporting on volunteering within working hours for consistent impact measurement. Many companies like PwC UK and Bayer use this framework.
- **Implications of the change:** Volunteering hours were reported at 159,714 in FY24, however the re-baselined number using the FY25 methodology of tracking working hours only is 80,036. Colleague engagement with Sage Foundation remains high at 49%, well above the industry average (21.6%). Sage continues to rank among top performers in average hours per employee and plans to prioritize other impact metrics while still reporting volunteering hours.

Basis of reporting continued

Social metrics continued

GRI 2-5

Sage own metric

Metric Tech for Good — number of Sage products that have embedded functionality for carbon accounting to be reported at the end of the financial year 2025.

Definition Sage Earth requires financial spending data from companies to calculate carbon emissions for small and mid-sized businesses (SMBs). At the end of FY25 there are six products with embedded functionality. These products have a method of providing data to Sage Earth, in order to build an emissions report. The intent of the metric as originally written was to use 'products' that are sold to Sage customers as a vehicle to measure making carbon estimating, accounting and reporting available to the majority of Sage customers. Sage Business Cloud Accounting (SBCA) and Sage 50 in the UK were chosen for integration into Sage Earth due to their substantial market presence among small businesses (SMBs) as well as the technical availability of Sage Earth only in the UK. SBCA has been integrated through an API connector, enabling SMB customers to link their financial data to Sage Earth for processing. Sage 50 has been incorporated via a report tool within the software. Customers will generate a report in Sage 50 and upload it to Sage Earth for processing.

In FY25, the Sage Earth team and the Sage Accounting product teams invested in major engineering efforts to expand the capabilities of Sage Earth, integrating Carbon Accounting and Industry Average Footprints deeply into the Sage Platform. We have now released a new version of Carbon Accounting, which includes manual entry capabilities, while also continuing to support API and data upload capabilities. Platform integration was completed in FY24 (not previously reported) which also fully integrated data flows from Sage accounting software in order to build new product offerings, one of which is still a prototype (ESG Data Insights) and Industry Average Footprints (IAF) which has been released to Natwest customers, Intacct UK and now embedded fully in Sage Accounting (aka Suites for Small Business) and Sage for Accounting (Suites for Accountants). Therefore, the methodology has been updated to reflect:

- Manual Data Entry option for SMB data input of financial data.
- Industry Average Footprint solution, monetized as a Sage Platform product as well as now released for Sage Intacct UK and Suites for Small Business, Suites for Accounting customers.

A product is a tangible or intangible service or application sold by Sage. Sage mainly sells software applications, programs and solutions developed by either itself or a Tech Partner(s) which is then offered for sale.

Scope

(1) Sage Business Cloud Accounting (SBCA):

- Integration Type: API Connector.
- Functionality: SBCA has been integrated into Sage Earth through an API, allowing SMB customers to seamlessly connect their financial data for carbon accounting processing within Sage Earth, including initial uploads and further uploads after initial baseline.

(2) Sage 50:

- Integration Type: Report Tool Upload.
- Functionality: Sage 50 users can generate financial reports within the software and upload them to Sage Earth, where the data will be processed for carbon accounting.

(3) Sage Platform – foundation for IAF Product released May 2024

- Integration: using data fed into the Sage Platform from ~120k accounting customers and additional external industry data sources, Sage Earth built a new API product, which is now monetized through partners as well as being available to Sage customers. This product can either be completely independent (offered via web sites, portals or other mechanisms in multiple countries to Sage customers) or offered as part of Carbon Accounting as an entry point for SMB customers.
- Functionality: API data product, which will continue to be fed with additional data and leverage AI to continually improve the accuracy of the industry footprints, this product is **monetized as an embedded service.**

Basis of reporting continued

Social metrics continued

GRI 2-5

Sage own metric

Scope	<p>(4) Sage Intacct UK:</p> <ul style="list-style-type: none"> Integration: add-on embedded into user interface and extracting data per business entity in Sage Intacct. Functionality: once a customer chooses the business entity, an IAF report of emissions is created for the specific entity. <p>(5) Sage Accounting UK – new Suites product:</p> <ul style="list-style-type: none"> Integration type: API cross-product integration. Functionality: All customers of the new product can create an IAF and can also onboard fully to Carbon Accounting via the Suites interface. <p>(6) Sage for Accountants UK– new Suites product:</p> <ul style="list-style-type: none"> Integration type: click to access Carbon Reporting through the new Sage Accounting (suites product). Functionality: Accountants can produce emissions reports, both IAF and full Carbon Accounting on behalf of their SMB customers. Future: Q1 FY26, this will extend to SMB customers of other financial products, both those with direct data input (API, upload) and manual data entry (ex. Sage 200 UK).
Criteria for Embedded Functionality:	<ul style="list-style-type: none"> API Connector or Reporting Tool: The product has an API or report generation/upload tool that facilitates the transfer of financial data to Sage Earth. Manual Data Entry: pushed to Sage customers of accounting products through either Sage.com or direct in product, embedded 'product led'. Click to buy: the product may have a button on the user interface, or an AI assistant, that enables the customer to build an IAF, and/or adopt full Carbon Accounting, either ingesting data or doing a manual entry. Compatibility with Sage Earth: The product must support the functionality needed for carbon accounting, specifically a general ledger and transactions database holding SMB spend data. Target Audience: Products integrated must have a Sage SMB customer base that aligns with Sage Earth's goal of providing carbon accounting for Sage customers, existing and new.
Reporting period	1 Oct 2024 to 30 Sept 2025.
Units	Number of products.
Reporting methodology and controls	<p>Data Collection</p> <ul style="list-style-type: none"> Data Input Monitoring: <ul style="list-style-type: none"> API Integration for SBCA: Sage Business Cloud Accounting (SBCA) will be tracked through the API connector logs. These logs will capture data on the number of SMB customers actively connecting their financial data to Sage Earth. Report Uploads for Sage 50: Sage 50 usage will be tracked by monitoring the number of SMB customers generating and uploading financial reports into Sage Earth via the report upload tool. Manual entry: Manual entry is tracked through our APIs logs and Pendo by the number of manual entry models an SMB has completed and that they have not imported data through a financial connector. Industry Average Footprints: completed footprints, leveraging customer inputs. Industry Average footprints are monitored through our API logs and Pendo. Once a SMB has completed the initial questions needed to generate an IAF, the data is then logged and stored against the customer record. Data Source: <ul style="list-style-type: none"> Internal systems (API logs, report tool usage) and customer activity records will serve as the primary data sources. Manual entry customers: the form filled out and submitted will be the data source. We will track SMBs and the product source by creating a new SKU per product integration. This will allow us to put a 'product' flag on an SMB's account to understand which product they have arrived from. IAF: usage data from API.

Basis of reporting continued

Social metrics continued

GRI 2-5

Sage own metric

Reporting methodology and controls

- **Reporting Process:**
 - **Data Extraction (SBCA):** Manual extraction of data from using MetaBase (API for SBCA, upload tool for Sage 50) will occur at predefined intervals (monthly). This ensures a continuous record of how many products are actively used to transfer financial data for carbon accounting.
 - **Data extraction (IAF):** data on usage, active users and reports created.
 - **Consolidation:** Data from all products will be consolidated into a single report that tracks the number of customers leveraging Carbon Accounting, based upon their financial accounting product (Sage Accounting (suites), SBCA, Sage 50, Suites for Accountants, Sage Intacct UK, Sage Earth IAF via other user interfaces).
- **Data Validation:**
 - **Cross-Verification with Customer Usage Data:** Data extracted from the integration logs (API and report tool) will be cross-verified with customer usage reports to ensure all financial data transferred through SBCA and Sage 50 is captured accurately.
 - **Data Integrity Checks:** Manual checks will be applied to ensure the consistency and accuracy of data during the extraction and reporting process, including:
 - Duplicate entries removal, and;
 - Missing data flagging.
 - Validation of report timestamps to confirm the data corresponds to the correct reporting period.
- **Data Adjustments:**
 - **Data Cleaning:** If discrepancies or errors are found (e.g., duplicate uploads), adjustments will be made to the dataset.
 - **Error Reporting:** Any significant deviations or issues identified during data validation will be flagged and corrected before final reporting. Root cause analysis will be conducted for significant errors, and resolutions will be implemented to avoid recurrence.
- **Methodologies & Calculations:**
 - Sage Earth follows the GHG Protocol for carbon footprint calculations, focusing on Scope 1,2 & 3 emissions up to Category 8 (Upstream Leased Assets). This includes emissions from purchased goods, business travel, employee commuting, and upstream activities.
- **Data Sources:**
 - **Financial Data:** Captured either through API integration to a financial accounting product, report uploads or manual data entry by the SMB.
 - Emission Factors: Verified spend and activity factors from third-party databases (e.g., Small World Consulting) convert financial data into carbon emissions.
 - Calculation Process:
 1. Spend/Activity Data is mapped to relevant Scopes.
 2. Emission factors are applied to estimate emissions.
 3. Automated Calculation in Sage Earth provides real-time carbon data for SMBs.
 - **IAF Data Sources**
 - External sources of industry emissions data.
 - Sage customer Financial Data—aggregated and anonymised from SBCA customers.
 - Input by SMB: sector, location, annual turnover manually entered.
- **Performance Monitoring:**
 - **Regular Performance Reviews:** quarterly performance reviews conducted to monitor progress toward the KPI target, identifying any issues or bottlenecks in integration functionality or customer adoption.
 - **Adjustments to Methodology:** Based on the findings from regular reviews, adjustments may be made to the data collection and reporting methodology to improve accuracy or adapt to new product features.

Independent assurance report



GRI 2-5

To: The Stakeholders of Sage Group plc

1. Introduction and Objectives of Work

Bureau Veritas UK Limited ('Bureau Veritas') has been engaged by Sage Global Services Limited to provide limited assurance over selected sustainability disclosure (21 KPIs and 20 selected Qualitative Statements) included in the Non-Financial Statement and the Impact Book (collectively 'the Reports') for the financial year 2025 (FY25) of The Sage Group plc ('Sage'). The objective is to provide assurance to Sage and its stakeholders over the accuracy and reliability of the reported information and data.

2. Scope of Work

The scope of our work was limited to assurance over the following information included within the Reports for the period 1 October 2024 - 30 September 2025 (the 'Selected Information'):

- Energy consumption within the organisation (including natural gas, diesel, petrol, electricity and other non-renewable sources)
- GHG Emissions including total Scope 1, Total Scope 2 (Location-based and Market-based), and selected Scope 3 (Categories 1, 2, 3, 4, 5, 6, 7, 11, and 15)
- Percentage reduction in reported Scope 1, Scope 2, and Scope 3 GHG/carbon emissions against 2024 reporting year and 2022 baseline year
- Percentage electricity consumption from renewable sources
- New suppliers that were screened using environmental criteria
- Total number of new hires
- Percentage of employee turnover
- Average hours of training per employee per year
- Mean gender pay gap - hourly pay (% difference - UK only)
- Mean gender bonus pay gap - bonus pay (% difference - UK only)
- Mean ethnicity pay gap - hourly pay (% difference - UK only)
- Mean ethnicity bonus gap - bonus pay (% difference - UK only)
- Total number of senior management and governance bodies members (by gender) - for Non-Executive Directors (NED), Executive Leadership Team (ELT) and Executive Leadership Team - 1 (ELT-1)
- Total number of senior management and governance bodies members (by age group) - for NED, ELT and ELT-1

- Percentage of leadership teams in the top four levels of Sage (to ELT-4) meeting gender diversity target with no more than 60% of any one gender at the end of FY25
- Inclusion score in Q1/March 2025 Employee Engagement Survey (Global DEI Glint Score)
- eSAT (employee satisfaction score)
- Percentage of senior leadership (ELT and ELT-1 combined) who are from an historically underrepresented race or ethnicity
- Percentage of entrepreneurs who report an increase in their confidence to scale and grow their business at the end of FY25
- Percentage of colleagues who report an improvement in their knowledge, wellbeing, or skills from volunteering at the end of FY25
- Number of Sage products that have carbon accounting functionality at the end of FY25
- 20 selected Qualitative Statements included in the Reports and noted under Conclusion section below

3. Reporting Criteria

The Selected Information needs to be read and understood together with the Sage Basis of Reporting document 2025 as outlined on pages 89 to 113 of the Non-Financial Statement 2025, as set out at www.sage.com/en-gb/company/sustainability-and-society.

4. Limitations and Exclusions

Excluded from the scope of our work is assurance of information relating to:

- The FY22 GHG emissions inventory against which the Scope 1, 2, and 3 percentage carbon reduction is reported for FY25, which was assured by another independent third-party. The publicly available assurance opinion from this provider has been relied on by Bureau Veritas for percentage reduction calculation purposes only;
- Any financial data feeding into the Selected Information, such as but not limited to spend or revenue data input for Scope 3 Categories 1, 2, 11, and 15 calculations, which is subject to financial audit and was relied on by Bureau Veritas where applicable;
- Activities outside the defined assurance period;
- Positional statements of a descriptive or interpretative nature, or of opinion, belief, aspiration, or commitment to undertake future actions; and
- Other information included in the Reports other than the Selected Information.

The following limitations should be noted:

- Select input data obtained via third parties was checked for alignment and not traced back through third party calculations to source, including but not limited to GHG emissions data reported by suppliers to CDP used for Scope 3 Category 1 calculations and supplier screening based on environmental criteria;

Assurance statement continued

GRI 2-5

- Our assurance procedures for verifying the other indirect emissions due to the use of sold products was limited to gaining an understanding of the underlying data sources and methodologies applied and did not include examinations of amendments in the methodology with reference to the previous reporting year;
- Selected statements were reviewed from a qualitative perspective and any data points included therein were assessed for alignment with Sage consolidation and estimations but not traced back to source on sample basis;
- This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails;
- The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at site level, not addressed as part of this assurance; and
- This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

5. Responsibilities

This preparation and presentation of the Selected Information in the Reports are the sole responsibility of the management of Sage.

Bureau Veritas was not involved in the drafting of the Reports or of the Reporting Criteria. Our responsibilities were to:

- Obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria;
- Form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- Report our conclusions to the Directors of Sage.

6. Assessment Standard

We performed our work to a limited level of assurance in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after December 15, 2015), issued by the International Auditing and Assurance Standards Board.

7. Summary of Work Performed

As part of our independent assurance, our work included:

1. Conducting interviews with relevant personnel of Sage and third-party consultants responsible for collecting and compiling the Selected Information;
2. Reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, any estimation methodologies, and the data scope and reporting boundaries;
3. Reviewing documentary evidence provided by Sage;
4. Agreeing a selection of the Selected Information to the corresponding source documentation;
5. Reviewing Sage systems for quantitative data aggregation and analysis;
6. Reperforming a selection of data aggregation and Greenhouse Gas emissions conversions calculations feeding into the Selected Information;
7. Comparing the Selected Information to the prior year amounts taking into consideration changes in business activities, acquisitions and disposals; and
8. Assessing the disclosure and presentation of the Selected Information in the Reports to ensure consistency with assured information.

A 5% materiality threshold was applied to this assurance. It should be noted that the procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

8. Conclusion

On the basis of our methodology and the activities and limitations described above nothing has come to our attention to indicate that the Selected Information is not fairly stated in all material respects.

Assurance statement continued

GRI 2-5

The table below contains a copy of the Selected Information:

KPIs:

Disclosure	Verified value
Energy consumption within the organisation (GJ)	52,854
GHG Emissions - total Scope 1 and Scope 2 (tCO ₂ e)	Scope 1 - 1,149.2 Scope 2 (market-based) - 307.5 Scope 2 (location-based) - 3,078.0
GHG Emissions - selected Scope 3 categories - Other indirect GHG emissions (tCO ₂ e)	Category 1 - Purchased goods and services - 69,319.9 Category 2 - Capital goods - 5,745.5 Category 3 - Fuel and energy-related activities - 1,107.5 Category 4 - Upstream transportation & distribution - 334.7 Category 5 - Waste generated in operations - 67.7 Category 6 - Business travel - 10,045.7 Category 7 - Employee commuting - 13,308.2 Category 11 - Use of sold products - 65,991.8 Category 15 - Investments - 66.7
Percentage reduction in reported Scope 1, 2 and 3 emissions against 2024 reporting year (%)	Considering location-based - 12.6% Considering market-based - 13.4%
Percentage reduction in reported Scope 1, 2 and 3 emissions against 2022 baseline year (%)	Considering location-based - 17.49% Considering market-based - 18.25%
Percentage electricity from renewable (%)	86%
New suppliers that were screened using environmental criteria (%)	15.7%
Total number of new hires	1,590
Percentage of employee turnover (%)	11.77%
Average hours of training per employee per year	12.11
Mean gender pay gap - hourly pay (% difference - UK only)	5.05%
Mean gender bonus gap - bonus pay (% difference - UK only)	6.15%
Mean ethnicity pay gap - hourly pay (% difference - UK only)	2.05%

Disclosure	Verified value
Mean ethnicity bonus gap - bonus pay (% difference - UK only)	33.82%
Total number of senior management and governance bodies members (by gender) - for NED	Female - 4 Male - 4
Total number of senior management and governance bodies members (by gender) - for ELT	Female - 3 Male - 6
Total number of senior management and governance bodies members (by gender) - for ELT-1	Female - 26 Male - 36 Undisclosed - 1
Total number of senior management and governance bodies members (by age group) - for NED	Greater than or equal to 56 - 5 Between 46-55 - 3
Total number of senior management and governance bodies members (by age group) - for ELT	Greater than or equal to 56 - 4 Between 46-55 - 3 Between 36-45 - 2
Total number of senior management and governance bodies members (by age group) - for ELT-1	Greater than or equal to 56 - 10 Between 46-55 - 30 Between 36-45 - 16 Between 26-35 - 7
Percentage of leadership teams in the top four levels of Sage (to ELT-4) meeting gender diversity target with no more than 60% of any one gender at the end of FY25 (%)	40%
Inclusion score in Q1/March 2025 Employee Engagement Survey (Global DEI Glint Score)	79
eSAT (employee satisfaction score)	76
Percentage of senior leadership (ELT and ELT-1 combined) who are from an historically underrepresented race or ethnicity (%)	11%
Percentage of entrepreneurs who report an increase in their confidence to scale and grow their business at the end of FY25 (%)	91%
Percentage of colleagues who report an improvement in their knowledge, wellbeing, or skills from volunteering at the end of FY25 (%)	94%
Number of Sage products that have carbon accounting functionality at the end of FY25	6 Products

Assurance statement continued

GRI 2-5

Qualitative Statements:

Ref. Report	Statements
NFS (Pg. 5)	We have integrated our IROs into our Enterprise Risk Management (ERM) system, which also holds our Principal Risks and related sub-risks.
NFS (Pg. 11)	In preparation for the quarterly Committees, the Sustainability and Society team partners with functions across the business to track and record progress against our sustainability targets. Performance is shared with SAIDE via a dedicated dashboard and a Committee paper.
NFS (Pg. 11)	In FY25, SAIDE approved changes to our material topics (discussed in the DMA section on page 16) and reviewed and signed off on our material IROs.
NFS (Pg. 26)	We integrate climate and other sustainability criteria into our supplier selection and contracting processes.
NFS (Pg. 26)	We are working collaboratively with our high-emitting suppliers to secure emissions reduction commitments and to improve the provision of primary emissions data.
NFS (Pg. 29)	For example, through Bankers for Net Zero, we have been involved in Project Perseus—a collaborative initiative aimed at automating sustainability reporting for SMBs in the UK. Through this project, we are supporting the development of the UK’s physical and technical infrastructure for Scope 2 emissions data, laying the foundations for a more granular, automated, and reliable flow of energy data into accounting systems.
NFS (Pg. 29)	In 2025, we launched the Sage Carbon Accounting API, a milestone that represents the culmination of years of technical development and collaboration. Designed to accelerate the journey to net zero, the API gives financial institutions, fintechs, and other platforms direct access to Sage’s advanced carbon engine via a secure, public developer portal.
NFS (Pg. 29)	To support developers, Sage provides a dedicated developer portal where partners can explore documentation, review example API requests, and test integrations in a sandbox environment before full deployment.
NFS (Pg. 30)	Using a digital twin of Sage’s operations—including facilities, emissions, and financial data—Risilience modelled both transition and physical risks, applying TCFD-aligned definitions and scope.
NFS (Pg. 32)	Transitioning our property estate to clean, low-carbon energy sources to support our goals.
NFS (Pg. 44)	We bring the voice of SMBs to international and national policy forums, calling for a simplified, streamlined, and proportionate standard for SMB sustainability reporting, which will enable SMBs to access finance and take meaningful climate action.
NFS (Pg. 44)	Our products such as Sage X3 can support circular economy practices by enabling real-time optimisation, reducing waste, and improving supply chain visibility particularly in sectors including manufacturing and distribution.
NFS (Pg. 47)	Signed the Pledge for a Trustworthy AI in the World of Work, signifying our commitment to ethical AI practices. In doing so, we commit to ethical AI practices alongside multinationals such as Airbus and L’Oréal.
NFS (Pg. 57)	The DEI Accountability Board, which is chaired by our CEO and consists of our Chief People Officer (CPO) and EVP People is accountable for our DEI strategy success, setting targets, and allocating resource.
NFS (Pg. 57)	Progress against DEI targets is reviewed quarterly by the SAIDE Committee.
NFS (Pg. 57)	In essence, DEI is not just a facet of our operations—it is a key input into our business model, enabling Sage to excel in a competitive landscape while staying true to our Values.
IB (Pg. 13)	For example, Sage customers are using AI to cut their supplier invoice processing time by over 50%, saving them up to 1 day a week. And they’re getting paid 7 days faster using Sage Copilot to chase unpaid customer invoices.
IB (Pg. 19)	By September 2025, we had bundled carbon accounting into all tiers of the Sage for Small Business and Sage for Accountants suites, unlocking instant access to hundreds of thousands of UK SMBs.
IB (Pg. 27)	This data has helped to convince policy makers of the need to take action to support the millions of small businesses and entrepreneurs in the UK, with the government currently exploring technological solutions to overcome the barriers that stop business from flowing.
IB (Pg. 48)	Over the past 10 years, Sage Foundation has raised \$5 million and facilitated 1.4 million hours of volunteering for causes crucial to the regions Sage operates in—from Vancouver, Canada and Cape Town, South Africa to Madrid, Spain and Bengaluru, India.

Assurance statement continued

GRI 2-5

9. Statement of Independence, Integrity and Competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified¹ Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, quality reviews and applicable legal and regulatory requirements which we consider to be equivalent to ISQM 1 & 2².

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)³, across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities. We consider this to be equivalent to the requirements of the IESBA code⁴.



Bureau Veritas UK Ltd

Registered in England & Wales, Company Number: 1758622

Registered Office: Suite 206 Fort Dunlop, Fort Parkway, Birmingham, B24 9FD

London, 26th November 2025

1 Certificate available on request

2 International Standard on Quality Management 1 (Previously International Standard on Quality Control 1) & International Standard on Quality Management 2

3 International Federation of Inspection Agencies – Compliance Code – Third Edition

4 Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants

ESRS index

IRO-2

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	Annual Report and Accounts, Stakeholder engagement	90
GOV-2	Non-Financial Statement, General disclosures, Our stakeholder engagement	8 to 10
	Non-Financial Statement, Non-Financial Statement, Governance and business conduct	11 to 12
GOV-3	Non-Financial Statement, General disclosures, Governance and business conduct	12
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	Annual Report and Accounts, Risk Management	56 to 66
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SBM-1	Non-Financial Statement, General disclosures, Double materiality assessment	16, 18
	Non-Financial Statement, General disclosures, Value chain	18
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	Non-Financial Statement, General disclosures, Our stakeholder engagement	8 to 10
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SBM-3	Non-Financial Statement, Protect the Planet, Impacts, Risks and Opportunities	21
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ESRS DR	Location	Page number
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IRO-1	Non-Financial Statement, General disclosures, Double Materiality Assessment	16 to 19
	Non-Financial Statement, Protect the planet, Climate change	22
IRO-2	Non-Financial Statement, Appendix, ESRS index	119 to 120
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	Non-Financial Statement, Tech for Good, Policies	45, 49, 53
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MDR-A	Non-Financial Statement, Protect the planet, Actions and resources in relation to material sustainability matters	31
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E1-1	Non-Financial Statement, Protect the planet, Get Sage to Net Zero	23
E1-2	Non-Financial Statement, Protect the planet, Policies	31
E1-3	Non-Financial Statement, Protect the planet, Actions and resources	31
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ESRS DR	Location	Page number
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S1-7	Non-Financial Statement, Human by design, Diversity, equity and inclusion, Characteristics of Sage's employees	62
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GRI content index

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational



2025

For the Content Index – Advanced Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

Statement of use	Sage has reported in accordance with the GRI Standards for the period 1 October 2024 to 30 September 2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable
Publication date	2 December 2025

Sage has developed this GRI content index based on the results of our DMA ([see our Materiality Methodology here](#)). We have organised the topics identified in our assessment based on their level of significance to Sage, our stakeholders, the environment, and society. Our FY25 reporting is focused on our “**strategically significant**” and “**very important**” material topics. With regard to the “foundational” topics identified in our materiality assessment, these are operational/business-as-usual or emerging topics and we have only included relevant information where available. Unless stated otherwise, the period covered is the fiscal year 1 October 2024 to 30 September 2025. All of the reports cited below can be accessed [here](#).

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
General disclosures			
The organisation and its reporting practices			
GRI 2: General Disclosures 2021	2-1 Organisational details	Annual Report and Accounts Sage at a glance, Our global reach (pages 2 to 3) Directors’ Report, Major shareholdings, Share capital (pages 154 (Major shareholdings), 154 to 155 (Share capital)) Notes to the consolidated financial statements, Group undertakings (pages 180 to 251) Back cover	
	2-2 Entities included in the organisation’s sustainability reporting	Non-Financial Statement General disclosures, About the Statement (page 4) Annual Report and Accounts Group undertakings (pages 249 to 251)	
	2-3 Reporting period, frequency, and contact point	Non-Financial Statement Welcome, Introduction (page 1) General disclosures, About the Statement (page 4) Back cover	
	2-4 Restatements of information	Annual Report and Accounts Consolidated balance sheet (page 176) Consolidated statement of changes in equity (page 178) Treasury share reserve, Capital redemption reserve (page 240) Company balance sheet (page 253) Company statement of changes in equity (page 254) Treasury share reserve, Total other reserves (page 258)	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
The organisation and its reporting practices continued			
	2-5 External assurance	<p>Non-Financial Statement Appendix, Basis of Reporting, Metrics that have undergone “Limited Assurance” in 2025 (pages 102 to 113) Welcome, Introduction (page 1) Appendix, Assurance Statement (pages 114 to 118)</p>	
Activities and workers			
	2-6 Activities, value chain, and other business relationships	<p>Annual Report and Accounts Empowering businesses strengthening trust (inside front cover) Sage at a glance (pages 2 to 3) Our solutions (pages 4 to 5)</p> <p>Non-Financial Statement General Disclosures, Double Materiality Assessment, value chain mapping (page 18)</p>	
	2-7 Employees	<p>Non-Financial Statement Human by Design, Diversity, Equity and Inclusion, Characteristics of Sage’s employees (pages 61 and 62)</p> <p>Annual Report and Accounts Our people and culture (pages 24 to 29)</p>	
	2-8 Workers who are not employees	<p>Non-Financial Statement Human by Design, Diversity, Equity and Inclusion, Characteristics of Sage’s employees (pages 61 and 62)</p>	
Governance			
	2-9 Governance structure and composition	<p>Non-Financial Statement General Disclosures, Governance and Business Conduct (page 11)</p> <p>Annual Report and Accounts Sustainability and Society, Sustainability by Design (pages 30 to 34) TCFD, The Task Force on Climate-related Financial Disclosures, Governance (pages 35 to 36) Our leadership (pages 74 to 79) Roles and division of responsibilities (page 77) Corporate governance report (page 158) Nomination Committee (pages 102 to 108)</p>	
	2-10 Nomination and selection of the highest governance body	<p>Annual Report and Accounts Corporate governance report (page 158) Nomination Committee (pages 102 to 108)</p>	
	2-11 Chair of the highest governance body	<p>Annual Report and Accounts Board of Directors (pages 74 to 76) Executive Leadership Team (pages 78 to 79)</p>	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Governance continued			
	2-12 Role of the highest governance body in overseeing the management of impacts	<p>Non-Financial Statement General disclosures, Governance and Business Conduct (page 11) General disclosures, Double Materiality Assessment (page 16) Protect the Planet, Climate Change, Governance (page 22) Human by Design, Diversity, Equity and Inclusion, Governance (page 57)</p>	
	2-13 Delegation of responsibility for managing impacts	<p>Non-Financial Statement General disclosures, Governance and business conduct (page 11) Human by Design, Diversity, Equity and Inclusion, Governance (page 57) Protect the Planet, Climate change, Governance (page 22)</p>	
	2-14 Role of the highest governance body in sustainability reporting	<p>Non-Financial Statement General disclosures, Governance and business conduct (page 11)</p> <p>Annual Report and Accounts Corporate governance report, Governance framework (pages 80 to 81)</p>	
	2-15 Conflicts of interest	<p>Annual Report and Accounts Non-financial and sustainability information statement (page 45) Corporate governance report, Managing conflicts of interest (page 82) Directors' Report, Directors and their interests, Major shareholdings (page 154)</p>	
	2-16 Communication of critical concerns	<p>Annual Report and Accounts Non-financial and sustainability information statement (page 45)</p> <p>Non-Financial Statement General disclosures, Governance and business conduct (page 13)</p>	
	2-17 Collective knowledge of the highest governance body	<p>Annual Report and Accounts Corporate governance report, Board composition (pages 72, 81, 104) Nomination Committee, Succession planning for the Executive Leadership Team and senior management (pages 104 to 105)</p>	
	2-18 Evaluation of the performance of the highest governance body	<p>Annual Report and Accounts Corporate Governance Report, Board evaluation (pages 100 to 101) Board Performance Review Nomination Committee, Committee performance and evaluation (page 105)</p>	
	2-19 Remuneration policies	<p>FY23 Annual Report and Accounts Remuneration Committee (pages 117 to 151) Directors Annual Remuneration Report, Remuneration Policy 2025 (pages 127 to 131)</p> <p>Non-Financial Statement General disclosures, Governance and business conduct, Remuneration schemes (page 12)</p>	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Strategy, policies, and practices			
	2-20 Process to determine remuneration	<p>Annual Report and Accounts Remuneration Committee (pages 117 to 151) Directors' Annual Remuneration Report (pages 132 to 151) Remuneration Policy 2025 (pages 127 to 131)</p>	
	2-21 Annual total compensation ratio	<p>Annual Report and Accounts Directors' Annual Remuneration Report (pages 132 to 151)</p>	
	2-22 Statement on sustainable development strategy	<p>Non-Financial Statement Welcome, Chair's Introduction (page 2)</p> <p>Annual Report and Accounts Chair's statement (pages 10 to 11) CEO's Review (pages 12 to 14)</p>	
	2-23 Policy commitments	<p>Non-Financial Statement General disclosures, Governance and business conduct, Policies overview (page 14) Protect the Planet, Climate change policies, actions, targets, and metrics (page 31) Tech for Good, Innovation to empower customers and SMBs, Policies (page 45) Tech for Good, AI and data ethics, Policies (page 47) Tech for Good, Cybersecurity and data privacy, Policies (page 49) Tech for Good, Local community investment and support, Policies (page 53) Human by Design, Diversity, equity and inclusion, Policies (page 59) Human by Design, Product accessibility, Policies (page 71) Human by Design, Colleague development and retention, Policies (page 73) Appendix, Key Policies & Documents (pages 85 to 88)</p> <p>Code of Conduct: https://www.sage.com/investors/governance/code-of-conduct/</p> <p>Supplier Code of Conduct: https://www.sage.com/en-gb/-/media/files/company/documents/pdf/about%20sage/supplier%20terms/supplier-code-of-conduct-en-2022.pdf</p>	
	2-24 Embedding policy commitments	<p>Non-Financial Statement Appendix, Key Policies & Documents (pages 85 to 88) General disclosures, Governance and business conduct, Due diligence (page 13)</p>	
	2-25 Processes to remediate negative impacts	<p>Non-Financial Statement General disclosures, Governance and business conduct, Due Diligence (page 13) Protect the Planet, Climate change policies, actions, targets, and metrics, Whistleblowing Policy (page 31) Appendix, Key Policies & Documents, Whistleblowing Policy (page 87)</p> <p>Annual Report and Accounts Non-financial and sustainability information statement (page 45)</p>	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Strategy, policies, and practices continued			
	2-26 Mechanisms for seeking advice and raising concerns	<p>Non-Financial Statement General disclosures, Governance and business conduct, Due Diligence (page 13) Appendix, Key Policies & Documents, Whistleblowing Policy (page 87)</p> <p>Annual Report and Accounts Non-financial and sustainability information statement (page 45)</p>	
	2-27 Compliance with laws and regulations	There were no significant instances of non-compliance during the reporting period.	
	2-28 Membership associations	<p>EU/Global: World Business Council for Sustainable Development Organisation for Economic Co-operation and Development (OECD) D4SME (digital for SME initiative) International Chamber of Commerce The Business and Industry Advisory Committee to the OECD (BIAC) European Business Summit</p> <p>France: Medef (Movement of the Enterprises of France) France Digitale FNFE (Le Forum National de la Facture Électronique et des Marchés Publics Électroniques) SDDS (L'association pour la Simplification et la Dématérialisation des Données des Sociétés) France Digitale France FinTech METI (Mouvement des Entreprises de Taille Intermédiaire)</p> <p>Spain: Confederación Española de Organizaciones Empresariales (CEOE): Business Association AMETIC: ICT Industry Association Chamber of Commerce of Spain Foment del Treball: Business Association in Catalunya Asociación Española de Directivos (AED): Spanish Association of Directors Asociación para el Progreso de la Dirección (APD): Spanish Association for Direction Progress</p> <p>US/Canada: Information Technology Industry Council (ITI) Metropolitan Atlanta Chamber of Commerce Technology Association of Georgia</p> <p>Canadaian Chamber of Commerce</p> <p>UK: Confederation of British Industry (CBI) TechUK North East England Chamber of Commerce Newcastle Gateshead Initiative Enterprise Forum Secretariat for the Policy Liaison Group on Environmental, Social, and Governance</p>	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Stakeholder engagement			
	2-29 Approach to stakeholder engagement	<p>Non-Financial Statement General disclosures, Our stakeholder engagement (pages 8 to 10)</p> <p>Annual Report and Accounts Sustainability and Society (pages 30 to 34) Stakeholder engagement (pages 90 to 97) Board composition and governance (pages 80 to 81) How the board monitors culture (pages 98 to 99) Board associate, Rendezvous with Amy Cosgrove, VP North America and Product (page 95) Directors' Report, Engagement with colleagues (page 153) Remuneration Committee governance (pages 123 to 124) Directors' Annual Remuneration Report (pages 132 to 151)</p>	
	2-30 Collective bargaining agreements	We continue to cooperate closely with our Works Councils and we respect the right to collective bargaining. All colleagues in the EU are covered by collective bargaining agreements but none are covered by such agreements in the UK or North America.	
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	<p>Non-Financial Statement General disclosures, Double Materiality Assessment (pages 16 to 19)</p> <p>Annual Report and Accounts Sustainability and Society, Strategy and materiality review (pages 30 to 31)</p>	
	3-2 List of material topics	<p>Non-Financial Statement General disclosures, Double Materiality Assessment (page 17)</p>	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Strategically significant material topics			
Material topic: Climate change			
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>Non-Financial Statement Protect the Planet, Climate change (page 22) Protect the Planet, Water and marine resources (page 39) Protect the Planet, Resource use and circular economy (page 39) Protect the Planet, Pollution (page 40) Protect the Planet, Biodiversity and ecosystems (page 40) Tech for Good, AI and data ethics (page 47) Tech for Good, Cyber security and data privacy (page 49) Tech for Good, Local community investment and support (page 52) Human by Design, Diversity, Equity and Inclusion (page 57) Human by Design, Product accessibility (page 71) Human by Design, Colleague development and retention (page 73) Human by Design, Colleague health, safety and wellbeing (page 81) Human by Design, Human rights (page 83)</p> <p>Annual Report and Accounts Sustainability and Society, Protect the Planet (page 32) TCFD, The Task Force on Climate-related Financial Disclosures (pages 35 to 44) Principal Risks and uncertainties, Environment, social, and governance (page 66)</p>	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	<p>Non-Financial Statement Protect the Planet, Impacts, Risks and Opportunities, Material topic: Climate change (page 21) Protect the Planet, Climate scenario analysis (page 30) Appendix, Basis of Reporting, Climate-related risk and opportunity assessment (page 90)</p> <p>Annual Report and Accounts TCFD, The Task Force on Climate-related Financial Disclosures disclosure (pages 35 to 44) Principal Risks and uncertainties, Environment, social, and governance (page 66) Notes to the consolidated financial statements, Climate change (pages 180 to 252)</p>	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Material topic: Climate change continued			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 34) Appendix, Basis of Reporting, Emissions methodology (page 90) Appendix, Basis of Reporting (pages 93 and 94) Appendix, Basis of Reporting (pages 103 and 104)	
	302-2 Energy consumption outside of the organisation	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 35) Appendix, Basis of Reporting, Emissions methodology (page 90)	
	302-3 Energy intensity	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 35) Appendix, Basis of Reporting, Emissions methodology (page 90)	
	302-4 Reduction of energy consumption	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 35) Appendix, Basis of Reporting, Emissions methodology (page 90)	
	302-5 Reductions in energy requirements of products and services	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 35) Appendix, Basis of Reporting, Emissions methodology (page 90)	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 36) Appendix, Basis of Reporting, Emissions methodology (pages 90 to 93) Annual Report and Accounts TCFD, The Task Force on Climate-related Financial Disclosures (pages 35 to 44)	
	305-2 Energy indirect (Scope 2) GHG emissions	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 36) Appendix, Basis of Reporting, Emissions methodology (pages 90 to 94) Annual Report and Accounts TCFD, The Task Force on Climate-related Financial Disclosures (pages 35 to 44)	
	305-3 Other indirect (Scope 3) GHG emissions	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 36) Appendix, Basis of Reporting, Emissions methodology (pages 90 to 94) Appendix, Basis of Reporting (pages 94 to 101) Annual Report and Accounts TCFD, The Task Force on Climate-related Financial Disclosures (pages 35 to 44)	
	305-4 GHG emissions intensity	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 37) Appendix, Basis of Reporting (page 92) Annual Report and Accounts TCFD, The Task Force on Climate-related Financial Disclosures (pages 35 to 44)	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Material topic: Climate change continued			
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 37) Appendix, Basis of Reporting (pages 91 and 92) Annual Report and Accounts TCFD, The Task Force on Climate-related Financial Disclosures (pages 35 to 44)	
	305-6 Emissions of ODS	Non-Financial Statement Protect the Planet, Climate change, Metrics (page 37)	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Non-Financial Statement Protect the Planet, Climate change, Supplier environmental impacts (page 38) Appendix, Basis of Reporting, Supplier-specific data (page 91)	
	308-2 Negative environmental impacts in the supply chain and actions taken	Non-Financial Statement Protect the Planet, Climate change, Supplier environmental impacts (page 38) Appendix, Basis of Reporting, Supplier-specific data (page 91)	
Material topic: Cyber security and data privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement Tech for Good, Cyber security and data privacy (pages 49 to 51) Annual Report and Accounts Sustainability and Society, Tech for Good (page 33) Stakeholder engagement (pages 90 to 97) Principal Risks and uncertainties (pages 61 to 66)	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Non-Financial Statement Tech for Good, Cyber security and data privacy (page 51)	All requirements Confidentiality constraints: Sage does not generally disclose this information due to customer and commercial confidentiality unless required by law. To the extent that any relevant regulator should find fault with our data breach management and/or data security practices, they will publish their findings/sanctions.

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Material topic: Diversity, equity, and inclusion			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement Human by Design, Diversity, Equity and Inclusion (pages 57 to 70) Annual Report and Accounts Our people and culture (pages 24 to 29) Sustainability and Society, Human by Design (page 34) Chair’s introduction to governance (pages 72 to 73) Corporate governance report (pages 70 to 101) Nomination Committee (pages 102 to 108) Stakeholder engagement (pages 90 to 97)	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Non-Financial Statement Human by Design, Diversity, equity and inclusion, Metrics (pages 64 to 68) Appendix, Basis of Reporting (pages 106 and 107)	
	405-2 Ratio of basic salary and remuneration of women to men	Non-Financial Statement Human by Design, Diversity, equity and inclusion, Metrics (page 68) Appendix, Basis of Reporting (pages 107 and 108) UK Gender Pay Gap Report: https://www.sage.com/en-gb/company/about-sage/diversity-equity-and-inclusion/pay-gap Annual Report and Accounts Our people and culture (pages 24 to 29) Nomination Committee (pages 102 to 108)	Reason for omission: Information unavailable/incomplete Sage does not calculate or report this disclosure by employee category or by significant location of operation due to potential risks to data privacy and competitive advantage. We do publish for UK and Ireland but no other significant locations.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Non-Financial Statement Human by Design, Diversity, equity and inclusion (page 70)	
Material topic: Innovation to empower customers and SMBs			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement Tech for Good, Innovation to empower customers and SMBs (pages 44 to 46) Annual Report and Accounts Sustainability and Society, Protect the Planet (page 32) Sustainability and Society, Tech for Good (page 33)	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Material topic: AI and data ethics			
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>Non-Financial Statement Tech for Good, AI and data ethics (pages 47 and 48)</p> <p>Annual Report and Accounts Market review, Our market opportunity (pages 6 to 7) Our strategy (pages 15 to 18) Empowering our customers, The Agentic AI era for CFOs (pages 19 to 21) Sustainability and Society, Tech for Good (page 33) TCFD, The Task Force on Climate-related Financial Disclosures, Governance (pages 35 to 44) Stakeholder engagement, Society (page 96) Principal Risks and uncertainties (pages 61 to 66) Corporate governance report, The Sustainability, AI and Data Ethics Committee (page 81) Corporate governance report, Board evaluation (pages 100 to 101) Board Performance review</p>	
Very important material topics			
Material topic: Colleague development and retention			
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>Non-Financial Statement Human by Design, Colleague development and retention (pages 73 to 80)</p> <p>Annual Report and Accounts Our people and culture (pages 24 to 29) Sustainability and society, Human by Design (page 34) Stakeholder engagement, Colleagues (page 94) How the Board monitors culture (pages 98 to 99)</p>	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	<p>Non-Financial Statement Human by Design, Colleague development and retention, Metrics (pages 75 to 78) Appendix, Basis of Reporting (page 106)</p>	
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	<p>a. Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them: We do not have an overarching policy at group level on notice periods regarding operational changes. Each of our operating countries has its own individual policy.</p> <p>b. For organisations with collective bargaining agreements, report whether the notice period and provisions for consultation and negotiation are specified in collective agreements: Around 23% of our global workforce—predominantly those in Austria, Belgium, France, and Spain—are covered by collective bargaining agreements. Points on specific areas of terms and conditions are addressed by following local regulatory requirements.</p>	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Non-Financial Statement Human by Design, Colleague development and retention, Metrics (page 79) Appendix, Basis of Reporting (page 106)	
	404-2 Programs for upgrading employee skills and transition assistance programs	Non-Financial Statement Human by Design, Colleague Development and Retention, Actions and resources (pages 73 and 74)	
	404-3 Percentage of employees receiving regular performance and career development reviews	Non-Financial Statement Human by Design, Colleague Development and Retention, Metrics (page 80)	
Material topic: Local community investment and support			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement Tech for Good, Local community investment and support (pages 52 to 54) Annual Report and Accounts Sustainability and Society, Tech for Good (page 33) Stakeholder engagement, Society (page 96)	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Non-Financial Statement Tech for Good, Local community investment and support (page 54)	
Foundational topics			
Biodiversity and ecosystems			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement Protect the planet, Biodiversity and ecosystems (page 40)	
Business conduct			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement General disclosures, Governance and business conduct (page 15) Annual Report and Accounts Non-financial and sustainability information statement (page 45) Code of Conduct: https://www.sage.com/investors/governance/code-of-conduct/ Supplier Code of Conduct: https://www.sage.com/en-gb/-/media/files/company/documents/pdf/about%20sage/supplier%20terms/supplier-code-of-conduct-en-2022.pdf	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	<p>a. Total number and percentage of operations assessed for risks related to corruption. Sage response: Key operations are screened for risks related to corruption through the Fraud Risk Assessment process.</p> <p>b. Significant risks related to corruption identified through the risk assessment. Sage response: Based on a risk assessment conducted in FY24, Sage's most significant risks related to corruption are linked to falsifying financial figures, and theft of customer data through a cyber incident. For these areas, internal controls are in place to prevent and detect material fraud and have had a measured effect on reducing the residual risk exposure.</p>	
	205-2 Communication and training about anti-corruption policies and procedures	<p>Non-Financial Statement General disclosures, Governance and business conduct (page 15) Appendix, Key policies and documents, Anti-Bribery and Corruption Policy (page 87)</p>	
	205-3 Confirmed incidents of corruption and actions taken	<p>Non-Financial Statement General disclosures, Governance and business conduct (page 15)</p>	
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	<p>Non-Financial Statement General disclosures, Governance and business conduct (page 15)</p>	
GRI 415: Public Policy 2016	415-1 Political contributions	<p>Non-Financial Statement Tech for Good, Innovation to empower customers and SMBs, Metrics (page 46)</p> <p>Annual Report and Accounts Directors' Report, Political donations (page 153)</p>	
Human rights			
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>Non-Financial Statement General disclosures, Governance and business conduct (page 13) Human by Design, Foundational topics, Human rights (page 83) Appendix, Key policies and documents, Human Rights Charter (page 86) Appendix, Key policies and documents, Modern Slavery Statement (page 86)</p> <p>Annual Report and Accounts Non-financial and sustainability information statement (page 45)</p>	

GRI content index continued

Material topic significance key: ● General disclosures ● Strategically significant ● Very important ● Foundational

GRI Standard/ other source	Disclosure	Location and direct answers	Omission
Pollution			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement Protect the planet, Pollution (page 40)	
Resource use and circular economy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement Protect the planet, Resource use and circular economy (page 39)	
GRI 306: Waste 2020	306-3 Waste generated	Non-Financial Statement Protect the planet, resource use and circular economy (page 39)	
Water and marine resources			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement Protect the planet, Water and marine resources (page 39)	
GRI 303: Water and Effluents 2018	303-5 Water consumption	Non-Financial Statement Protect the planet, Water and marine resources (page 39)	
Colleague health, safety and wellbeing			
GRI 3: Material Topics 2021	3-3 Management of material topics	Non-Financial Statement Human by Design, Colleague health, safety and wellbeing (pages 81 to 83)	
		Annual Report and Accounts Our people and culture, How we attract, develop and engage talent to fuel Sage growth (page 26) Sustainability and Society, Human by Design (page 34)	
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Non-Financial Statement Human by Design, Colleague health, safety and wellbeing (page 82)	
	401-3 Parental leave	Non-Financial Statement Human by Design, Colleague health, safety and wellbeing, Metrics (page 82)	
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	Annual Report and Accounts Directors' Remuneration Report (pages 132 to 151) Notes to the consolidated financial statements (pages 180 to 252)	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Non-Financial Statement Human by Design, Colleague health, safety and wellbeing (page 81)	
	403-9 Work-related injuries	Non-Financial Statement Human by Design, Colleague health, safety and wellbeing, Metrics (page 83)	

SASB index

Sustainability Accounting Standards Board

Topic	Code	Accounting metric	FY25 performance	FY25 further information
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.1	(1) Total energy consumed, (2) percentage grid electricity (3) percentage renewable	(1) Total GJ of energy: 51,841 (2) Percentage grid electricity: 74% (3) Percentage Renewable: 72%	Total energy consumption relates to Sage’s global office portfolio and is captured under Scope 1 and 2, as per the GHG Reporting Protocol. Total energy consumed comprises fuels, natural gas and electricity. All purchased Renewable Energy comes with the appropriate certification for guarantees of origin.
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	(1) 35,843m ³ , (2) 7,588m ³ is consumed in regions with High or Extremely High Baseline Water Stress	The figures relate to total water usage across Sage operations. Sage has a number of serviced offices where landlords do not meter for the Sage office area, hence we use estimated data. Sage uses regional intensity rates when estimating water consumption. Approx 61% of Sage’s water consumption calculation is extrapolated.
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data centre needs	Following the assessment of climate risks across our datacentre estate, work has continued to enhance the environmental reporting from our datacentre providers. This has included the evaluation of primary carbon emission data across our core providers such as AWS and Microsoft. During FY25, we continued to work alongside our Sustainable Supply Chain programme to integrate this primary data into our GHG reporting processes. This allowed transition away from spend based to primary data reporting.	For further information, please see FY25 Annual Report and Accounts TCFD section page 35.
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioural advertising and user privacy	We maintain a Personal Data Protection Policy and data protection accountability framework to ensure our customers and colleagues, and other individuals, are able to trust Sage to process their personal data responsibly. We recognise individuals’ rights to privacy and to control their own personal data. Information on how Sage manages the collection, use, retention, processing, disclosure, and destruction of user information can be found in Sage’s privacy notices here: https://www.sage.com/en-gb/trust-security/privacy/privacy-notice/#globalprivacynotices There is a specific section giving details on how we process personal data to communicate with and provide marketing to our customers. Further information can also be found on our Trust and Security pages relating to Privacy including Privacy FAQs for our customers: https://www.sage.com/en-gb/trust-security/privacy/	Our Data and AI Ethics Principles stress the importance of data privacy and security at Sage, and are overseen and governed by a dedicated SAIDE Committee, comprising members from the ELT. At Sage, we commit to doing the right thing for our customers, colleagues, partners, and shareholders. As part of this commitment, we treat people fairly and apply inclusivity principles.

SASB index continued

Topic	Code	Accounting metric	FY25 performance	FY25 further information
Data Privacy & Freedom of Expression	TC-SI-220a.2	Number of users whose information is used for secondary purposes	Sage is committed to data protection and user privacy. We process personal data in accordance with our privacy policies and ensure we have a lawful basis for processing, whether in respect of the original purpose for which we have obtained that data or for any secondary purpose(s). Information on our process could be found in our Privacy Notice available at: https://www.sage.com/en-gb/legal/privacy/	
Data Privacy & Freedom of Expression	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	There have been no monetary losses as a result of legal proceedings associated with user privacy during FY25.	At Sage, we are committed to promoting open and fair competition. We work in compliance with the applicable competition laws in the countries where we operate.
Data Privacy & Freedom of Expression	TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	From time to time we may receive law enforcement requests in certain jurisdictions. Due to their sensitivity we would ordinarily only release metrics relating to such requests where there is a legal or regulatory requirement to do so. We will respond to or support those requests in circumstances where the relevant law enforcement body has provided us with satisfactory evidence of the legal or regulatory requirement compelling us to do so.	
Data Privacy & Freedom of Expression	TC-SI-220a.5	List of countries where core products or services are subject to government required monitoring, blocking, content filtering, or censoring	Sage is not aware of any such current country-specific restrictions on its products and services. In countries where products and services are offered by Sage, any applicable local legal and regulatory requirements are respected and adhered to.	
Data Security	TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Sage does not generally disclose the information on data breaches for reasons of customer and commercial confidentiality unless required by law. Qualifying incidents would be reported to the relevant regulators (e.g. the Information Commissioner's Office in the UK) and impacted individuals, where we are legally required to do so and within the timeframes mandated. To the extent that any relevant regulator should find fault with our data breach management and/or data security practices, they will publish their findings/sanctions.	
			For general information about data security risk management, please refer to the Sage FY25 Annual Report.	

SASB index continued

Topic	Code	Accounting metric	FY25 performance	FY25 further information
Data Security	TC-SI-220a.5	Description of approach to identifying and addressing data security risks, including use of third-party cyber security standards	<p>Sage is committed to maintaining and continually improving its data security programme. Cyber security is a Group Principal Risk, and a Global Risk Committee (GRC) is established to provide internal governance of these issues. The GRC is a management-level committee which provides overall oversight of cyber and information security risk management within Sage, with day to day operations managed by the Information Security team led by the EVP Global Chief Information Security Officer (CISO).</p> <p>The CISO advises management and Sage’s Board on Sage’s current cyber and information risk exposure, ensuring that the appropriate technical and organisational measures are in place. Key security indicators and metrics are reported to the Board and discussed at every meeting. Sage’s security controls are aligned to industry best practice and standards, and are continually reviewed. Sage products are managed under an Information Security Management System (ISMS) that is aligned and certified to ISO 27001. 26 of our strategic products are listed on our global ISO 27001 certification.</p> <p>We have SOC 2 Type 1 and SOC 2 Type 2 report for our flagship product (Intacct Financials) and SOC 2 report for 8 additional products and services. Our security controls are mapped to industry standards.</p> <p>Further information can be found in Sage’s FY24 Annual Report.</p> <p><u>Further information can be found in Sage’s FY25 Annual Report.</u></p>	

SASB index continued

Topic	Code	Accounting metric	FY25 performance	FY25 further information
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a.1	Percentage of employees that require a work visa	% of employees that require a work visa = 5.25%	Having a global resource pool is key to Sage’s growth agenda, enabling the right person to be placed in the right role. Sage employs a robust Talent Acquisition process, and a comprehensive Global Mobility framework is under development to manage the compliance and governance of risks associated with having colleagues reside in countries which are not their own—for example, immigration, tax, and employment law. Sage also partners with external specialist advisors to oversee and provide counsel. The procedures within the framework ensure parity across the colleagues and locations, and the management information enables accurate and timely reporting.
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a.2	Employee engagement as a percentage	eSAT continues to be our primary metric of colleague engagement and satisfaction in FY25. The question, “How happy are you working at Sage?” is asked in our bi-annual Your Voice Pulse as well as other key points in our colleague lifecycle. This question is proven to have the highest correlation with drivers of engagement, as well as retention. This question is asked to every colleague (excl. contractors, consultants, interns and colleagues on long term leave) invited to participate and provide voluntary feedback twice in FY25. After each survey, feedback is aggregated and action plans are agreed at levels across the business by managers, and at a function and region/country level. We are transparent with our results, surfacing insight for managers via our third-party provider, Microsoft Viva Glint and share these with colleagues to support ideas generation for improvements. We received an 84% response rate in March and an 82% response rate in September for this survey metric. The March eSAT score of 74/100 increased to 76 /100 in the September feedback from colleagues.	

SASB index continued

Topic	Code	Accounting metric	FY25 performance	FY25 further information
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical colleagues, and (3) all other employees	At Sage, Executive Management refers to our ELT team and Non-executive management refers to our NEDs. On pages 61 to 70 we report on gender, age and racial/ethnic group representation across senior management, middle management and all other employees. Senior management includes EVPs and VPs. Middle Management includes managers, senior managers, directors, and senior directors. Staff includes all other colleagues. NED gender and age is disclosed on page 64. For further information on colleague categories, please visit page 143. There is a slight variance in reporting against this Standard due to data availability.	
Intellectual Property Protection & Competitive Behaviour	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	There have been no monetary losses as a result of legal proceedings associated with anti-competitive behaviour in FY25.	At Sage, we are committed to promoting open and fair competition. We work in compliance with the applicable competition laws in the countries where we operate.
Managing Systemic Risks from Technology Disruptions	TC-SI-550a.1	Number of (1) performance issues, (2) service disruptions, and (3) total customer downtime		All incidents, major, minor are published externally on the Sage Status page—status.sage.com. This includes availability, incident history, live incident notifications. Further information on number of incidents is not disclosed due to potential competitiveness issues.

SASB index continued

Topic	Code	Accounting metric	FY25 performance	FY25 further information
Managing Systemic Risks from Technology Disruptions	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations		All incidents, major, minor are published externally on the Sage Status page—status.sage.com. This includes availability, incident history, live incident notifications. Further information on number of incidents is not disclosed due to potential competitiveness issues.
	TC-SI-000.A	(1) Number of licences or subscriptions, (2) percentage cloud based	Penetration Subscription: penetration 83.3%, +1.4pts year-on-year driven by growth in subscription revenue. Sage Business Cloud: penetration 89.7%, +2pts year-on-year driven by growth in Sage Business Cloud Portfolio.	This SASB metric has been modified to align with our business priorities and is represented by: (1) Subscription Penetration: Subscription revenue (no license sales included) as a % of our Total Revenue (which includes license sales). Calculated as the underlying software subscription revenue as a percentage of underlying total revenue. This metric shows the progress of migrating our customer base from licence and maintenance to a subscription relationship, and; (2) Sage Business Cloud penetration: the underlying recurring revenue from the Sage Business Cloud as a percentage of the underlying recurring revenue of the Future Sage Business Cloud Opportunity. This metric measures the progress in the migration of our revenue base to the Sage Business Cloud by connecting our solutions to the cloud and/or migrating our customers to cloud connected and cloud native solutions.
	TC-SI-000.B	(1) Data processing capacity, (2) percentage outsourced	The vast majority of data processing is outsourced to public cloud providers. FY25 has seen the completion of multi-year effort to migrate Sage Intacct away from co-location hosting to public cloud hosting. 100% of Intacct customers are now on cloud hosting. Sage currently has 26,000 virtual central processing units (vCPUs) in use. Over 95% of these are outsourced.	As the vast majority of Sage infrastructure is in public clouds, access to processing capacity data is more limited. At this time, vCPU counts are the most specific data that can be collected across all providers.
	TC-SI-000.C	(1) Amount of data storage, (2) percentage outsourced	The vast majority of data processing is outsourced to public cloud providers. FY25 has seen the completion of multi-year effort to migrate Sage Intacct away from co-location hosting to public cloud hosting. 100% of Intacct customers are now on cloud hosting. Sage currently has Sage has 8PB of data storage. Over 95% of this is outsourced.	

UN SDGs index

Mapping to the UN Sustainable Development Goals (SDGs)

Gender equality



Definition of SDG

Achieve gender equality and empower all women and girls.

Target and our response

- We have a target to achieve representation of no more than 60% of men, women, or non-binary people in any leadership team, anywhere at Sage, by the end of FY26.
- We are also working to reduce ethnic and gender pay gaps, and continue to promote equality through our DEI strategy. Creating teams with a wide range of backgrounds is a further commitment of Sage's DEI strategy.
- 40% of our teams are meeting their gender diversity target against a FY25 target of 50% (41% in FY24).
- Targeted sponsorship and career accelerator programmes, including a cross-region Career Accelerator for Women in South Africa and Product teams.
- Gender and ethnicity pay gap data, leadership diversity, and inclusion scores are published and tracked.

Strategic pillar

Human by Design

Decent work and economic growth



Definition of SDG

Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

Target and our response

- Our purpose-driven business model is centred on “knocking down barriers so everyone can thrive, starting with the millions of small and mid-sized businesses served by us, our partners, and accountants.” By digitising business processes and relationships, we can help SMBs grow and operate more efficiently.
- Our Tech for Good pillar focuses on supporting SMBs to thrive by building a trusted and inclusive digital network and solutions, directly contributing to sustained and inclusive economic growth.
- Sage's DEI strategy aims to create an inclusive, high-performing, and human-centred culture, with targets for gender and ethnic diversity in leadership, zero tolerance for discrimination, and programmes for neuroinclusion, disability inclusion, and LGBTQ+ support.
- Continued to invest in colleagues through leadership development, feedback culture, and performance enablement, with structured learning paths and initiatives like the Leadership Academy, Sales Academy, Cloud Academy, and early careers programmes (interns, apprentices, graduates).

Strategic pillar

Human by Design & Tech for Good

Reduced Inequalities



Definition of SDG

Reduce inequalities within and among countries.

Target and our response

- The Sage Foundation and Impact Entrepreneurship Programme focus on supporting underrepresented entrepreneurs and communities, providing funding, mentorship, training, and technology. Programmes target digital, technology, and AI skills for those who may otherwise lack access, including partnerships with non-profits in diverse regions (e.g., GirlCode in South Africa, Factoria5 in Spain).
- Over five years, Sage aims to empower 165 purpose-driven entrepreneurs to scale and grow. The first cohort (56 businesses) received funding, mentorship, training, and product support, with two years of alumni support for continued growth.
- Sage has set a target to raise \$5 million for non-profits globally by 2030, through colleague donations, fundraising, and match funding.
- Sage is active in OECD's multistakeholder dialogue on SMB sustainability reporting and supports the Partnership for Carbon Transparency (PACT), helping to shape standards that are fair and accessible for smaller businesses globally.

Strategic pillar

Tech for Good

UN SDGs index continued

Climate action



Definition of SDG

Take urgent action to combat climate change and its impacts.

Target and our response

- Sage has a Net Zero Transition Plan, targeting a 50% reduction in Scope 1, 2, and 3 greenhouse gas (GHG) emissions by 2030 (from a 2019 baseline) and net zero by 2040.
- The launch of the Sage Carbon Accounting API allows partners (e.g., banks, fintechs) to offer carbon accounting insights to their customers, supporting decarbonisation.
- Programmes to reduce commuting emissions (e.g., MobilityWays, Liftshare, electric vehicle schemes, cycle to work) and business travel emissions (Travel Dashboard, shadow carbon pricing) are in place.
- Sage partnered with Resilience to model climate-related risks and opportunities under five global warming scenarios, covering both transition and physical risks.

Strategic pillar

Protect the Planet

Peace, justice, and strong institutions



Definition of SDG

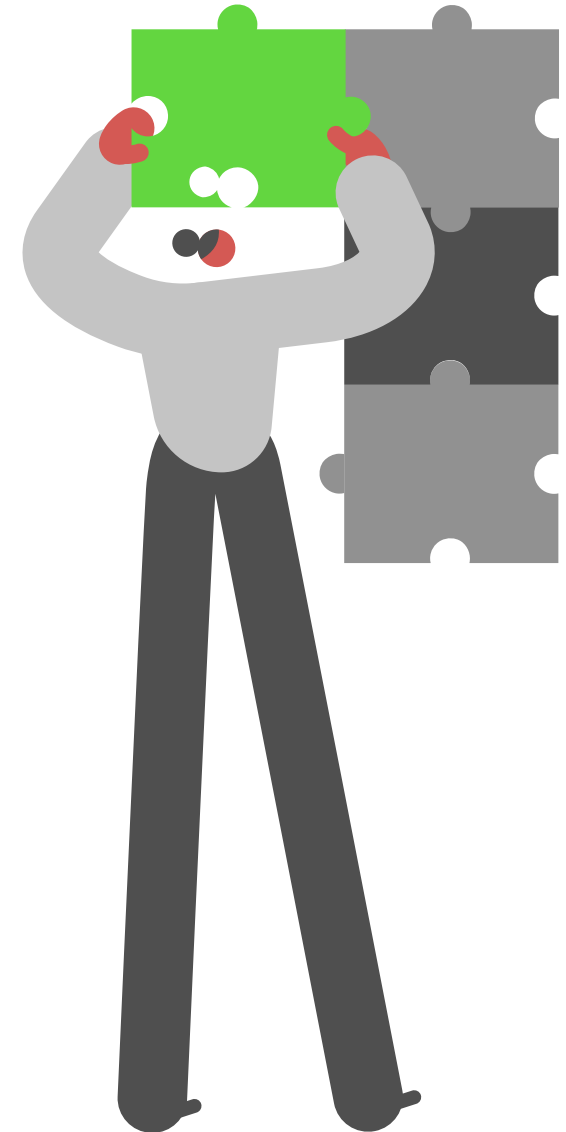
Business thrives in peaceful environments with effective institutions where operating costs are predictable and working environments are stable.

Target and our response

- Sage’s CEO and Executive Leadership Team (ELT) hold ultimate responsibility for sustainability and business conduct, with oversight from the Board and dedicated committees (e.g., Audit and Risk Committee, Sustainability, AI, and Data Ethics Committee).
- This year, we integrated our material IROs into our ERM system which also holds our Principal Risks and related sub-risks.
- Sage’s governance structure is supported by our Code of Conduct which sets clear expectations for ethical behaviour and transparency, while the Whistleblowing Policy encourages a “speak up” culture, ensuring all reports of misconduct are investigated.
- Internal Audit provided a review of our value chain, DMA, and reporting governance mechanisms and controls, supporting the completeness and accuracy of Sage’s disclosures.

Strategic pillar

Sustainability by Design



Glossary

CEO

refers to Chief Executive Officer

Colleague

refers to an individual that is directly employed by Sage on a full- or part-time, permanent, or temporary basis (excluding Early Careers), currently active and integrated into Sage's operating model.

Colleagues on a permanent contract (where applicable) typically hold a full-time position, with no pre-determined end date, whilst colleagues on a temporary contract, sometimes referred to as a fixed-term contract, typically have a pre-determined end.

Consultant

refers to an individual engaged by Sage, usually via a managed service provider or consultancy firm, to provide a capability that does not sit within Sage and on a temporary basis. This would normally be to fulfil a discreet engagement and individuals are only recorded in Sage People when access to Sage's systems is required and requested through Digital Services. Consultants do not take a position within Sage's operating model and organisation.

Contractor

refers to an individual that is indirectly employed by Sage on a temporary basis to fill a position within Sage. They may be employed independently or may be sourced via (talent, recruitment) agency or service company and possess specialised skills and expertise. They sit within Sage's organisation design and operating model. They are recorded in Sage People and have access to Sage systems. They may temporarily replace a colleague for a fixed period or fulfil a specific piece of work or project.

Corporate Sustainability Reporting Directive (CSRD)

A directive developed by EFRAG which requires companies to disclose detailed, standardised information on their environmental, social, and governance (ESG) performance.

Disclosure Requirement (DR)

The specific information that a company must disclose under ESRS. Each standard contains multiple DRs, which are essentially the "building blocks" of sustainability reporting.

Double Materiality Assessment (DMA)

The structured process companies use to identify, prioritise, and validate their material topics. A central principle of the ESRS based on two complementary perspectives:

Impact materiality

- Considers the actual or potential positive and negative impacts the company has on people and the environment throughout its value chain.

Financial materiality

- Considers how sustainability matters create risks or opportunities that could influence the company's financial position, performance, or cash flows in the short, medium, or long term.

ELT

refers to the Executive Leadership Team, which is made up of our CEO and his direct reports.

ELT-1

In previous years we referred to the Executive Team (ET) as one of our key leadership categories. The ET included our ELT, EVPs, MDs and a selected group of colleagues in key roles. In May 2025, acknowledging the progress this group had facilitated since its inception, we discontinued the ET ensuring that the synergies this group created are addressed in other ways. Going forward we will be drawing more on our MDs and EVPs—commercially focused leaders, who hold the most responsibility for execution and further leverage existing forums such as the Quarterly planning workshops, Critical governance forums, (e.g. Global Risk Committee and the Sustainability, AI and Data Ethics Committee) and Focused project squads. Going forward the ET reporting and commentary will be replaced with ELT-1 (direct reports to ELT).

European Financial Reporting Advisory Group (EFRAG)

The technical advisor to the European Commission on both financial and sustainability reporting.

European Sustainability Reporting Standards Sustainability Reporting Standards (ESRS)

A set of standards developed by EFRAG to support the Corporate Sustainability Reporting Directive (CSRD), defining sustainability-related information companies should disclose in a structured and comparable way.

Impact, Risk, and Opportunity (IRO)

Impacts: positive or negative effects the company has on people or the environment.

Risks: potential adverse financial or sustainability-related consequences for the company.

Opportunities: potential positive financial or sustainability-related benefits.

Management

refers to the total number of senior and middle management colleagues.

Middle management

refers to Managers, Senior Managers, Directors, and Senior Directors.

NED

refers to Non-Executive Director.

SAIDE

refers to the Sustainability, AI and Data Ethics Committee. This committee plays a central role in overseeing Sage's approach to managing Impacts, Risks, and Opportunities (IROs) across areas such as sustainability, climate change, cyber security, artificial intelligence, diversity, equity and inclusion (DEI), and community investment

Senior management

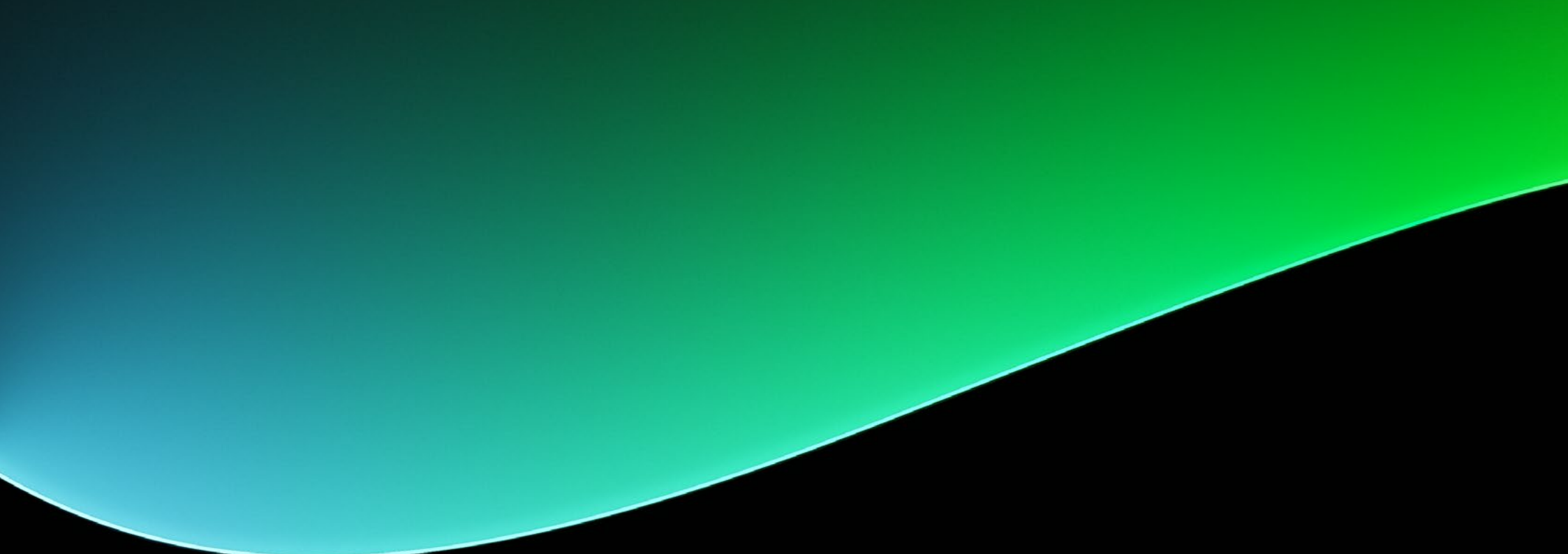
includes EVPs and VPs.

Senior management and governance bodies members

refers to NED, ELT, and ELT-1.

Technical staff

refers to colleagues who work in IT, Information Security, and Data, who are not captured in the management category.



Get in touch

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Find out more at [sage.com](https://www.sage.com)

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