

# MODERN SLAVERY STATEMENT 2025

Sage

# Introduction

This Statement has been prepared for The Sage Group plc. (“Sage”), in accordance with section 54(1) of the Modern Slavery Act 2015 (“MSA”) in respect of financial year ending 30 September 2025 (“FY25”).

## What’s inside?

- 1 Introduction
- 2 Our business and supply chain
- 4 Our governance and policies
- 5 Colleague training and awareness
- 6 Understanding risk
- 7 ESG due diligence processes
- 8 FY25 progress and effectiveness

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. This Statement is made on behalf of all subsidiaries within the Sage group of companies (“Sage Group”) and was approved by the Board on 17 November 2025. All data contained within this statement is accurate as of 30 September 2025.

This is Sage’s eleventh MSA Statement; previous statements can be accessed from the [Sage Group website](#).

Like all businesses, we run the risk of modern slavery within our direct operations and supply chain. As a software business, our sector carries a limited risk of modern slavery compared to other industries.

However, we recognise our responsibility in managing our business and supply chains responsibly, to mitigate and where necessary remediate the risks of modern slavery.

No concerns relating to modern slavery were raised to us through our due diligence processes, including our whistleblowing hotline, during FY25. This statement received input from Sage’s Compliance, Legal, and Sustainability teams, and externally from Slave Free Alliance, a non-profit social enterprise dedicated to helping organisations combat modern slavery.

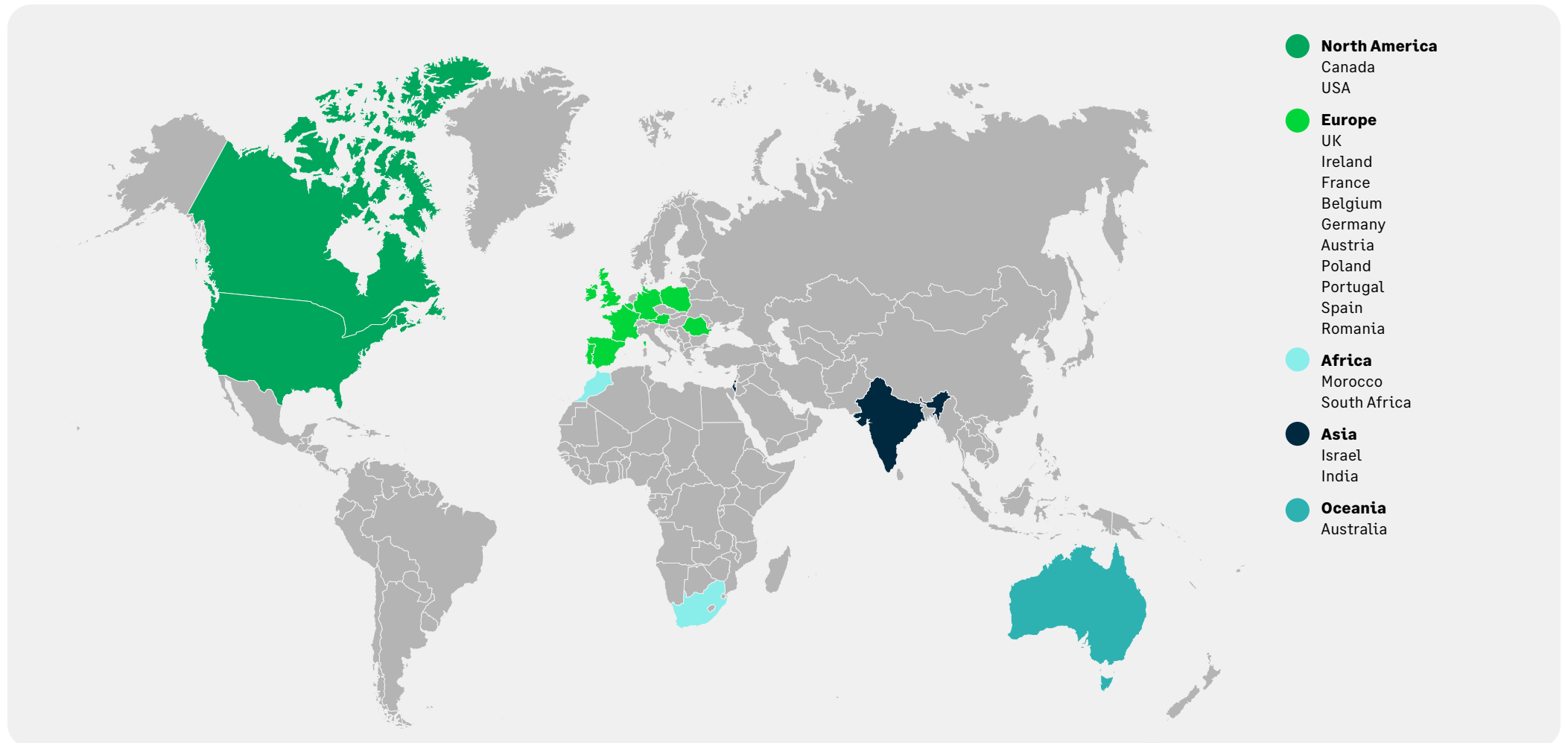


# Our business and supply chain

Sage was born in the North-East of England over 40 years ago and is now a leader in accounting, financial, HR and payroll technology for small and medium businesses (“SMBs”). Customers trust our finance, HR and payroll software to make work and money flow.

By digitising business processes and relationships with customers, suppliers, employees, banks and governments, our AI-powered platform connects SMBs, removing friction and delivering insights. Knocking down barriers also means we use our time, technology, and experience to tackle digital inequality, economic inequality and the climate crisis. Our ambition is creating the world’s most trusted, thriving network for SMBs, powered by AI.

Sage operates across 17 countries, with 11,086 colleagues serving millions of customers around the world across North America, Europe, Africa, and Asia Pacific.



# Our business and supply chain continued

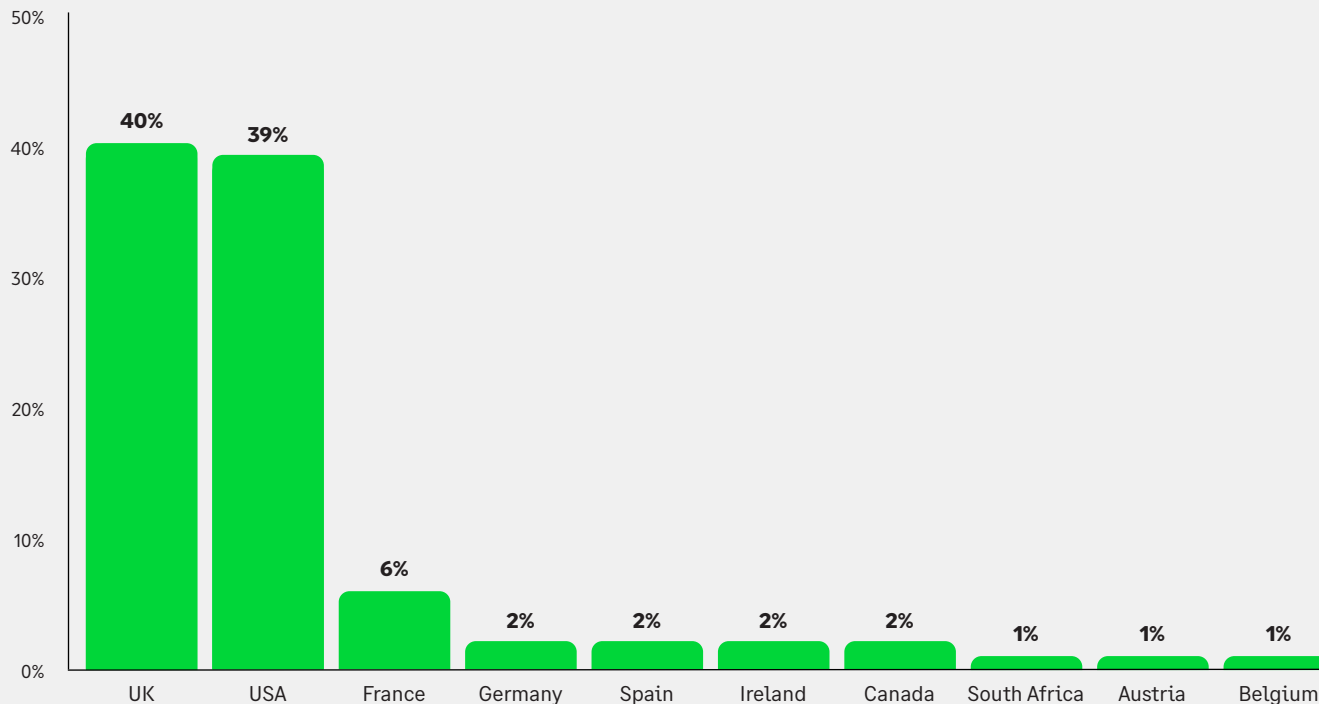
Sage's supply chain is predominantly indirect, with the top three suppliers by spend providing media services and hosting for our products. A significant portion of this hosting is delivered via third-party data centres located globally, which support and run our cloud-native products. Sage's other main procurement categories by spend include consulting services and software applications and platforms.

Sage's main outsourced services and activities include facilities management, customer operations, payroll, and product development. These services are provided by third parties primarily located in countries in which Sage has its own operations. Sage's products are distributed through, digital channels, telephone sales, and indirect

sales through partners, including accounts, resellers, and independent software vendors. For further details on Sage's value chain, please refer to the **Non-Financial Statement**.

In FY25, we spent approximately £770m with third parties. Of this figure, £703m was with third party suppliers, 79% of which was with suppliers based in the UK and the US, the remainder being located across geographies where Sage operates (see Figure 1). All our spend commitments are made using written contracts or purchase orders and we do not pay cash for services. Sage currently only has visibility of direct suppliers (Tier 1); however, we are evaluating how to improve transparency of our suppliers who provide goods and services to our direct suppliers (Tier 2), for higher risk supplier categorise in FY26.

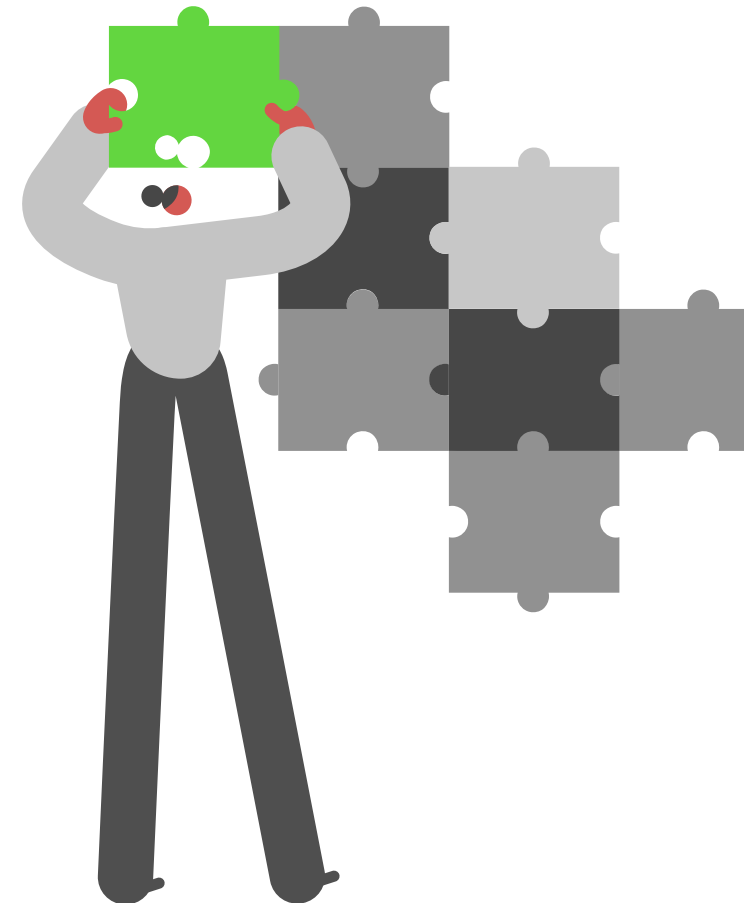
**Figure 1:** Our top 10 supplier countries by % of spend



## Sustainable Supply Chain Strategy

Sage's Sustainable Supply Chain Strategy helps address potential human rights and modern slavery risks. We partner with EcoVadis and engage with our top suppliers by emissions to complete the EcoVadis sustainability assessment. EcoVadis also gives our Procurement team access to key supplier KPIs, such as the presence of a Modern Slavery Statement and an Anti-Bribery and Corruption Policy.

As of September FY25, 184 of our FY25 suppliers have a valid EcoVadis certificate and have achieved a score of at least 50/100 (2024: 142).



# Our governance and policies

Sage's Executive Leadership Team hold ultimate responsibility for sustainability issues, including modern slavery. The Sustainability, AI and Data Ethics Committee provides strategic oversight of human rights and modern slavery risk, providing updates to the Board, if required.

The Sustainability team is responsible for the identification, assessment and response to modern slavery, with support as required from Legal and the General Counsel and Company Secretary. The Procurement and Compliance teams have processes in place to assess ongoing modern slavery risks. The Legal team, with subject matter expertise from the Sustainability team, are responsible for responding to any identified concerns.

Sage's policies outline our commitment to complying with applicable laws and regulations and ethical business conduct, and set clear expectations for our colleagues, including on our approach to modern slavery and human rights risks.

These policies are supported and approved by the Policy Governance Forum ("PGF") which comprises several senior colleagues, including our General Counsel and Company Secretary, Chief Risk Officer, EVP of Sustainability and Foundation, and Chief Brand and Corporate Affairs Officer. PGF oversees the policy governance framework, which is in place to administer the review process and monitor the effectiveness of policies, best practice and Sage operations. Internal teams, such as Procurement, Compliance, Legal, People and Sustainability teams were involved in the development and review of Sage's policies related to human rights.

Policies are communicated to colleagues during onboarding and are accessible to colleagues via Sage's intranet. All global policies are translated into French and German, as well as additional local languages where the need is identified. Overall monitoring and oversight of policies is provided by the PGF, which is held quarterly.

Policies that support our approach to human rights and modern slavery include:

## Our Code of Conduct

Our Code of Conduct applies to all Sage colleagues and sets out clear expectations on how Sage promotes ethical business practices, conducts business in accordance with applicable laws and regulations, and behaves fairly towards customers, partners, colleagues, society and shareholders. Our Code of Conduct outlines Sage's commitment to respect and promote the most fundamental human rights across its value chain, including no child labour, no forced labour or modern slavery and the freedom of association. It details the human rights areas where Sage and our sector can have potentially higher impact through: respecting privacy and protecting data, developing inclusive and accessible products, responsible development and use of artificial intelligence ("AI"), and protection from modern slavery and promoting sustainable supply chain practices. It also provides a safe route for colleagues to raise concerns, either internally or via Sage's external whistleblowing service.

## Human Rights Charter

Following a human rights saliency assessment, Sage developed and published its first Human Rights Charter (the "Charter"). The Charter is guided by The Universal Declaration of Human Rights, The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and is aligned to the United Nation's Guiding Principles on Business and Human Rights. Our Charter outlines Sage's overarching approach to managing respect for human rights, including modern slavery. The consultancy, Business for Social Responsibility (BSR), provided specialist advice on the development of the Human Rights Charter.

## Supplier Code of Conduct

The **Supplier Code of Conduct** outlines Sage's expectations for responsible purchasing practices and the fair treatment of workers across the supply chain, including but not limited to: zero-tolerance towards modern slavery, child labour and human trafficking, and a commitment to anti-discrimination and fair working hours and payment. It also provides a safe route for suppliers to raise concerns.

The Supplier Code of Conduct is available on our website. Our purchase order terms and conditions contain a contractual obligation on the supplier to adhere to the Supplier Code of Conduct. It is also shared with bidders during our tender processes.



In the event that we became aware of a supplier's failure to adhere to the Supplier Code of Conduct regarding modern slavery, we would aim to stop any harmful activities and ensure the worker's safety by engaging with the supplier to seek corrective action or remediation, with the support of Slave Free Alliance.

## Whistleblowing

Sage colleagues and individuals throughout our value chain are encouraged to speak up about any potential or suspected wrongdoing, either through internal reporting or via an independent whistleblowing provider which is available 24 hours a day, seven days a week. The whistleblowing service can be used anonymously and is accessible online, via email as well as by telephone. Reports made to the whistleblowing service are monitored by our General Counsel and Company Secretary and our Chief Risk Officer. Summary reports on escalated concerns raised via the whistleblowing service, as well as related investigations and, where appropriate, management actions to remediate issues identified, are made available to the Audit and Risk Committee at each Committee meeting. No concerns regarding suspected modern slavery were raised via the whistleblowing process in FY25.

# Colleague training and awareness

Sage policies are supported by e-Learning and awareness activities to ensure Sage remains a safe, compliant and competitive workplace. In FY25, delivered 14,984 hours of training with a 99% completion rate across our workforce.

We updated our mandatory Code of Conduct eLearning to include human rights more broadly, as well as updating a module focussed on Sage's zero-tolerance approach to modern slavery and human trafficking. The new Code of Conduct eLearning was delivered to colleagues via online modules, with re-certification required every two years.

All Procurement colleagues have completed the Chartered Institute of Procurement & Supply (CIPS) Ethical Procurement and Supply e-Learning, including all new Procurement team joiners in FY25. In addition, all Procurement team members completed an online training module on identifying modern slavery, provided by the Slave Free Alliance.

## Case study

### Partnering with Slave Free Alliance

In FY25, Sage strengthened its commitment to human rights by joining Slave Free Alliance, a non-profit social enterprise dedicated to helping organisations combat modern slavery. This three-year membership provides Sage with expert guidance to identify both potential and actual risks of modern slavery across its operations and supply chain. Through this partnership, Sage is enhancing its mitigation strategies, further embedding risk management into procurement practices, and building internal capacity through training, policy reviews, and sector collaboration.

Sage participates in Slave Free Alliance's Finance Sector Working Group, with other finance and technology companies, to drive collaborative action on human rights risk management.

**“Sage joined the Slave Free Alliance as part of its clear commitment to strengthening human rights due diligence across its business operations. We have supported Sage in reviewing and improving key risk management processes and documentation, and over the coming year, we will continue to help embed more effective safeguards against modern slavery in both strategic and operational areas.”**

Slave Free Alliance



# Understanding risk

During FY24, Sage undertook a human rights saliency assessment to identify and prioritise the most salient human rights risks across its value chain.

The assessment was conducted in collaboration with BSR, a consultancy specialising in sustainable business practices and human rights in the technology sector. It involved a comprehensive review of Sage's business activities, including analysis of internal resources, industry trends, and interviews with stakeholders from a number of Sage teams, including Data Governance and Ethics, Cybersecurity, Procurement, Compliance, Legal, and Cloud Services and Operations. Risks were prioritised based on severity and likelihood of occurrence.

The assessment outlined areas in the supply chain where there is potential risk for modern slavery, due to the nature of goods and services being procured. The assessment showed the potential for forced labour within the sourcing of merchandise, facilities management, events, and labour outsourcing. It also highlighted the potential low risk for child labour in the procurement of merchandise, such as textiles and technology products. Although the assessment did not find migrant or temporary labour as a potential risk for Sage, we acknowledge that migrant labour is at higher risk of modern slavery, particularly in the context of **geopolitical uncertainty and conflict**. BSR noted that like many businesses, the broader global geopolitical environment could present some potential risks within our supply chain.

The assessment identified broader human rights considerations across our value chain which were used to form our **Human Rights Charter**, including data privacy, developing inclusive and accessible products, and responsible development and use of Artificial Intelligence.

To manage the identified potential risks, a human rights risk register was established and integrated into Sage's Enterprise Risk Management system. The Sustainability leadership team reviews the management of sustainability related risks, including modern slavery, on a quarterly basis. If required, risks are escalated up to the Sustainability, AI and Data Ethics Committee.

To address the risk of modern slavery, Sage is committed to the ongoing strengthening of our due diligence processes around high-risk procurement categories. We continuously monitor our sustainability risk profile, including modern slavery, using Datamaran, an external AI-powered platform which provides alerts on emerging issues, regulatory changes and competitor disclosures.



# Environmental, Social, and Governance (ESG) due diligence processes

Sage's Procurement team conducts ESG screening of new suppliers with an anticipated spend exceeding £25,000 (or local currency equivalent) as part of our supplier onboarding process.

This screening is carried out via a Dun & Bradstreet risk analytics tool which includes scores for human rights abuses and labour relations; a score of <50 will trigger us to send the supplier our ESG questionnaire to get further information before proceeding with onboarding. It should be noted that as the data in the tool is drawn from publicly available sources, scoring of these criteria is not available for suppliers in all geographies.

At the 'Request for Proposal' stage we ask suppliers specific questions around labour and human rights policies, monitoring and training. Sustainability clauses have been included in standard procurement contracts for both new agreements and renewals, in

addition to existing anti-slavery and human trafficking provisions (including the MSA where applicable). Negotiated contracts include a requirement for suppliers and their sub-contractors to adhere to our **Supplier Code of Conduct** (or demonstrate equivalent standards in their own code of conduct) and agree to our separate modern slavery clauses.

In FY25, we enhanced our supplier due diligence approach by targeting higher-risk procurement categories identified through our human rights saliency assessment. With support from Slave Free Alliance, we developed a tailored due diligence questionnaire for suppliers involved in merchandise, facilities management, events and outsourced labour. The questionnaire is designed to ensure suppliers have appropriate safeguards in place to mitigate the risk of forced and child labour. We have also met with Cushman & Wakefield LLP, our facilities management services provider, to discuss their management of modern slavery risks in their supply chain in detail, to supplement their questionnaire responses.

Xceleration Partners LLC, which provides the Sage Shop through which merchandise is sourced, have completed the EcoVadis assessment at our request for the first time. We have encouraged them to develop and implement their own supplier code of conduct, working together to uphold shared standards across our value chain.

The Sustainability team runs ESG due diligence on the businesses that we acquire, ensuring that our due diligence process assesses potential human rights (including modern slavery) risks and labour considerations, including the employment status of the workforce (e.g. contracted, direct employment, etc.). This assessment determines whether further action is required in the integration phase in order to meet Sage's human rights commitments. In some circumstances, we commission third party experts to support with this review.



# FY25 progress and effectiveness

We continue to review policies and practices to ensure our response to modern slavery remains effective, recognising that this is a process of continuous improvement. Below is a table outlining the progress made on areas we identified for development in our previous statement.

FY25 objective	Performance	Status
<b>Evolve supplier due diligence to an approach based on higher-risk procurement categories identified in the human rights saliency assessment, such as merchandise and facilities management.</b>	<p>With support from Slave Free Alliance, we developed a tailored due diligence questionnaire for suppliers involved in merchandise, facilities management, events and outsourced labour.</p> <p>Please refer to <a href="#">page 7</a> for information on our due diligence approach.</p>	✓
<b>Implement a human rights risk register, including modern slavery, and assign appropriate risk owners from across the business.</b>	<p>A human rights risk register has been established and integrated into Sage's Enterprise Risk Management system. The Sustainability leadership team reviews the management of sustainability related risks, including modern slavery, on a quarterly basis.</p> <p>Please refer to <a href="#">page 6</a> for information on our risk management approach.</p>	✓
<b>Develop and deliver training on human rights for colleagues.</b>	<p>Human rights was integrated into our mandatory Code of Conduct eLearning for all colleagues.</p> <p>Please refer to <a href="#">page 5</a> for information on colleague training and awareness.</p>	✓

## During FY26, we are committed to:

- Continuing to refine our due diligence approach based on higher-risk procurement categories identified in the human rights saliency assessment and define key performance indicators to monitor progress.
- Evaluating how to improve transparency of our suppliers who provide goods and services to our direct suppliers (Tier 2), for higher risk supplier categorise.
- Reviewing Sage's existing compliance due diligence tool and processes from a modern slavery perspective.

Our Modern Slavery Statement 2025 is available on our website on Sage.com/investors and on the Modern Slavery Act Statement registry at [www.gov.uk](http://www.gov.uk).



**Steve Hare**  
CEO

17 November 2025