

Our journey.

**Diversity, Equity, and Inclusion
Impact Report 2022**

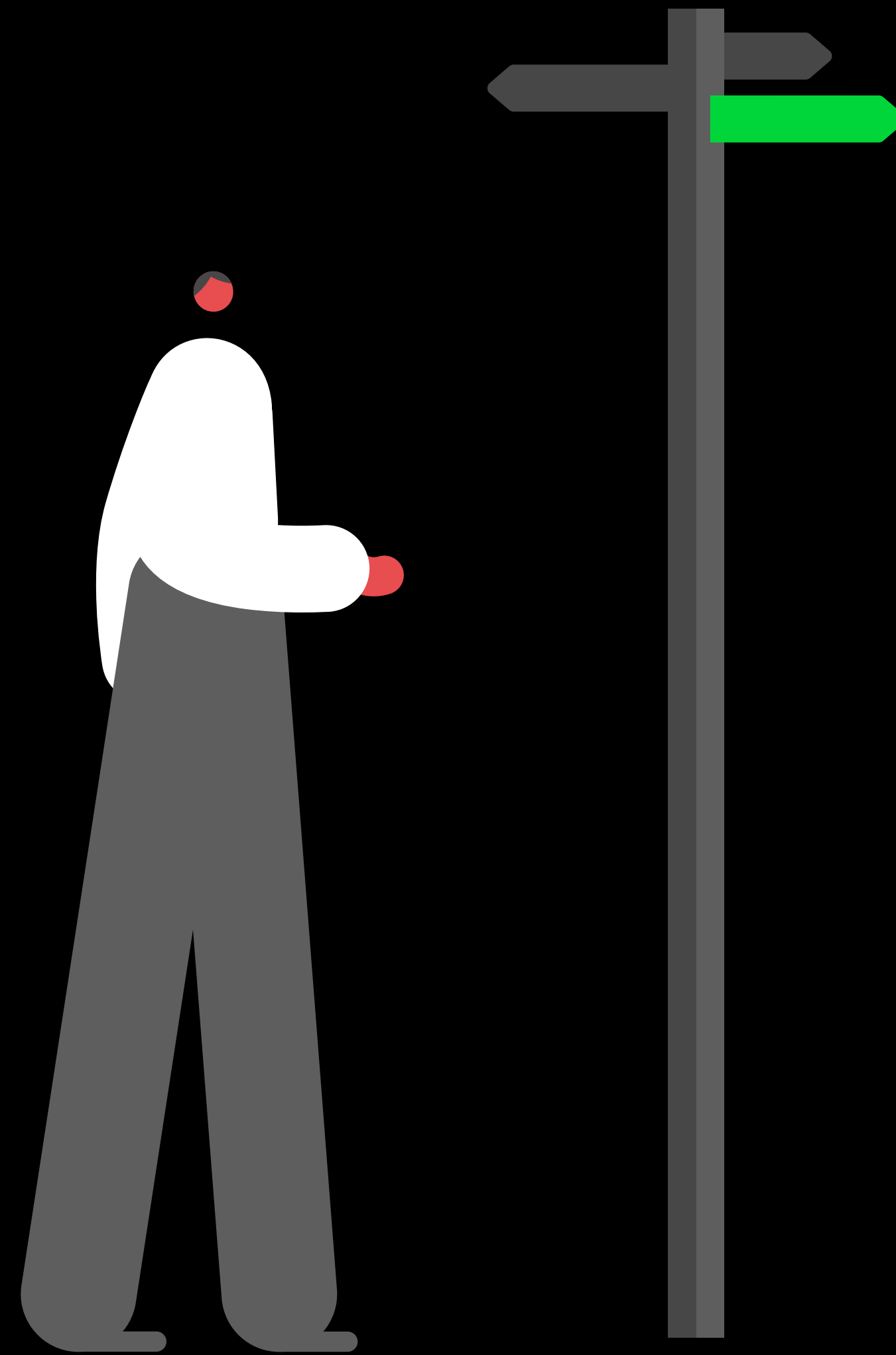
Sage



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Useful links





 Sage ARA 2022



 Sage Sustainability and Society Report 2022

Other reports

-  Gender Pay Gap Report 2022
-  Modern Slavery Statement 2022

An introduction to Diversity, Equity, and Inclusion (DEI) at Sage



Amanda Cusdin
Chief People Officer
and Chair of the
DEI Advisory Board

“At Sage we are serious about creating a diverse and equitable company, which represents the customers we serve and the local communities we recruit from within.

Diversity, Equity, and Inclusion (DEI) has always been important to Sage and we have made real progress since the beginning of our DEI journey. In FY22 we started to share our commitments and progress externally, publicly launching our Global DEI Strategy.

As CPO and Chair of our DEI Advisory Board, I want us to be transparent in sharing the progress we have made over the past year. The things that have worked well, but also the lessons we have learnt.

I am looking forward to continuing our DEI journey over the coming year, and we will continue to share our progress with you as we do.”



Peter de Norville

Global Head of Diversity, Equity, and Inclusion

“My goal for FY22 was to build a solid foundation that will deliver permanent systemic and cultural change, in the short, medium, and long term. During this year we published our first Global DEI Strategy, as well as the commitments that will guide our values and behaviours along the way.

We also established and embedded our governance structure, comprising of a DEI Accountability Board, chaired by our CEO and consisting of our Executive Leadership Team (ELT), which is responsible for setting the strategic direction for DEI. We have also set up a DEI Advisory Board, chaired by our CPO and consisting of our ELT Ambassadors for DEI and external DEI experts, which is responsible for challenging our strategy and driving constant innovation.

Over the last year, our two DEI Boards have agreed and refined the key initiatives that will deliver our strategy, and we are starting to see the first signs of change. But we still have a long way to go, and we can and must do more.”



Sandra Kerr CBE

Race Equality Director at Business in the Community and Sage DEI Advisory Board Member

“Sage established an independent DEI Advisory board to increase their accountability for action and progress on the Diversity, Equity and Inclusion strategy and plans within their organisation. As part of that Advisory board, I have a first-hand view of the commitment to effective delivery and measurement of the impact of their plans.

Much has been done to lay the groundwork to deliver tangible results now and in the future. Not only in changing the face of representation of diverse talent within the organisation, to enhance team effectiveness, but for creating an inclusive culture where innovation, creativity and optimal performance thrives, and all employees feel that they are valued, and belong.”

Why we are publishing a DEI Impact Report



We have a long way to go, and the only way to get there is to be open about where we are now, and what we need to do differently.

The business case for DEI is well established. At Sage we know that DEI delivers increased innovation, makes us more agile, and adds millions in additional revenue when we reflect on our customers. We also know that this increase in business success is only sustainable when our DEI strategy is underpinned by a deep rooted desire to do the right thing.

During FY22 and into FY23, there has rightly been increasing pressure from colleagues, customers, and investors who want to see companies set transparent targets and present a clear action on how they will be achieved.

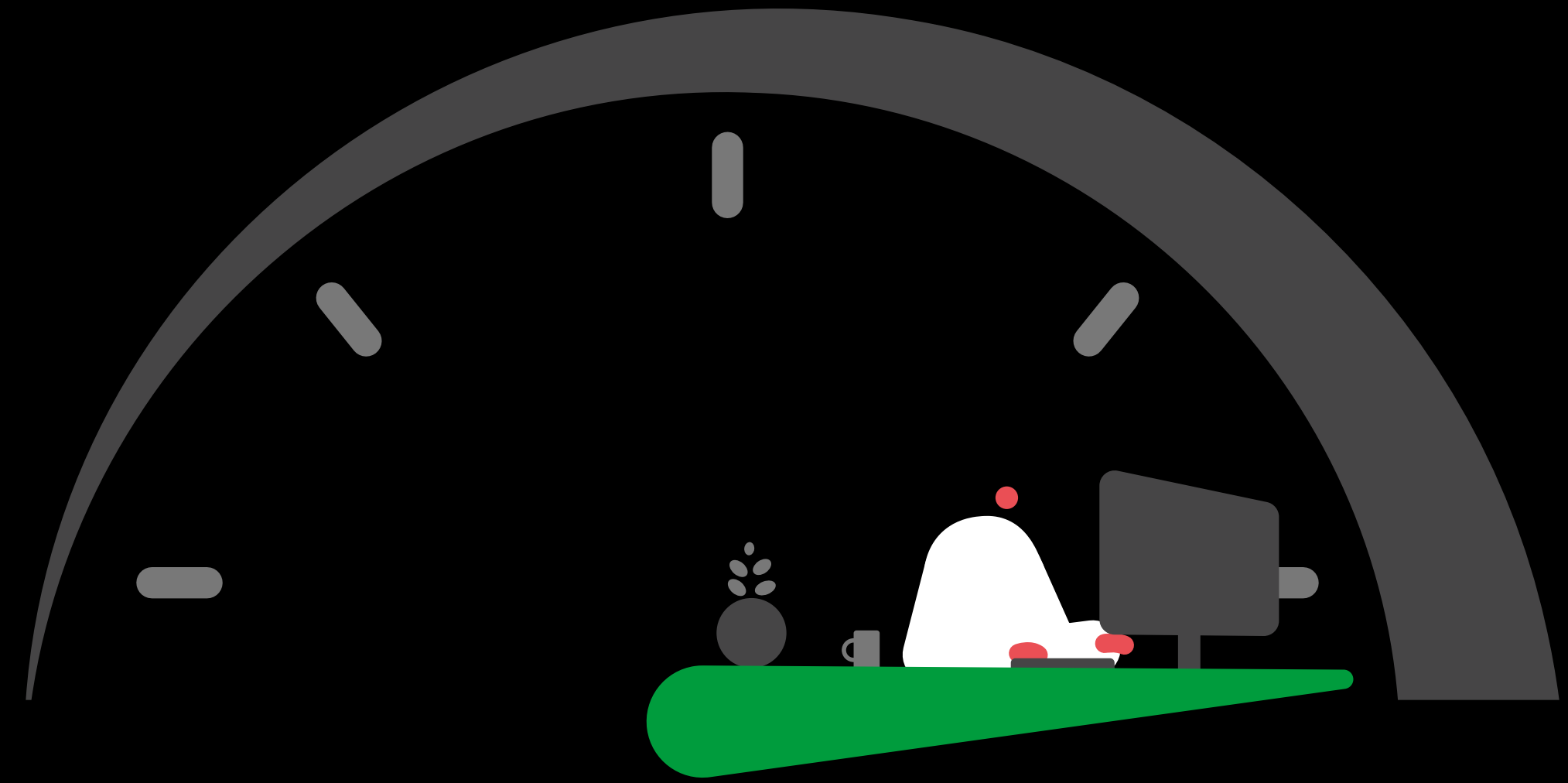
In our [Global DEI Strategy](#) we shared our DEI governance structure and key deliverables. We also made a commitment to be transparent about our progress, and this report is how we hold ourselves accountable.

During the first 12 months of our DEI Strategy, some things have worked and some things could have been done better—we have learnt a lot from both. This report will take you through those lessons and we will share the things that we will do differently as a result.



What we delivered in FY22

We published our Global DEI Strategy in December 2021, which outlined our DEI governance structure, key initiatives, and the delivery model that will drive our DEI agenda forward, as well as the targets that will be used to measure our progress, and show how we will be held accountable for the results.



Our measures

All About Us (AAU) Self Declaration

Measure:

AAU participation as a % of population

FY22 start point:

11%

100%

FY22 end point:

43%

100%

Colleague Success Network Engagement

Target:

Network engagement as a % of population

FY22 start point:

4%

100%

FY22 end point:

14%

100%

Gender Diversity by Leadership Team

Target:

% of leadership teams meeting gender target

FY22 start point:

19%

100%

FY22 end point:

33%

100%

Glassdoor DEI Rating*

Measure:

Glassdoor DEI rating for FY22

FY22 start point:

4.2

5

FY22 end point:

4.4

5

*The Glassdoor DEI rating is one of five individual scores that make up Sage's overall Glassdoor rating

What worked and what we could do better



What worked

Publishing our Global DEI Strategy and our DEI Commitments was well received by colleagues, customers, and investors as proof of our commitment to DEI

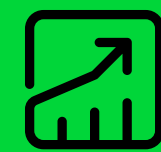
The governance structure is well established, with a DEI Accountability Board that leads on strategy and decision making, and a DEI Advisory Board that leads on innovation

We increased Colleague Success Network membership, and new Colleague Success Networks continue to be established at the request of our colleagues

Our focused approach to specific dimensions of diversity including gender, race and ethnicity, LGBTQ+, disability, neurodiversity and social mobility, has delivered a measurable increase in the sense of belonging within those groups

Our global "All About Us" data capture participation, increased from 11% to 43%, after a successful regional pilot increased participation from 16% to 68% in the UKI

Allyship for leaders training was designed and is ready for global delivery during FY23, as a way of further embedding DEI across the business and creating a greater sense of belonging at Sage



What we could do better

Enhanced communication of the strong connection between the DEI strategy and the business strategy, will help to embed DEI more widely across the business

Provision of more detail in the DEI strategy about how the key strategic initiatives will be delivered

Deliver more consistency in the support experienced by our Colleague Success Networks, as this will enable them to operate even more effectively

Capture more data through the "All About Us" project which will allow us to establish global and regional targets for more dimensions of diversity

Ensure our DEI goals for leaders are measurable and more directly linked to performance management, as this will help to speed up the pace of change

Our focused approach to specific dimensions of diversity has led to some colleagues feeling we are not taking an intersectional approach to diversity

Progress against targets and measures

Internal

DEI index score

This score is an aggregate of the three DEI questions in our annual employee engagement survey. It is currently 79% with no comparison available until March 2023

Global gender diversity target of no more than 60% of any one gender, in any leadership team, anywhere in Sage, by FY26

Number of leadership teams meeting this target has risen from 19% to 33% during FY22

Representation Goal for Race and Ethnicity, LGBTQ+, and Colleagues with underlying health conditions, by the end of FY26

We did not have sufficient levels of internal data to set and measure targets during FY22. By increasing participation in our 'All About Us' data capture, we intend to enhance our data to set meaningful targets in FY23

Network engagement goal of 20% of our colleagues engaged with one or more Colleague Success Network or Inclusion Squad by the end of FY24

This has increased from 4% to 14% during FY22

Publish our "All About Us" participation data

Participation has increased from 11% to 43% during FY22 and in the United Kingdom and Ireland this has increased from 16% to 68%, which is above the statistically meaningful 65% and will allow us to set additional targets

External



Glassdoor DEI rating

Increased from 4.2 out of 5 to 4.4 out of 5



Global, Diversity, Equity, and Inclusion Benchmark (GDEIB)

This has been used effectively to assess internal processes such as senior hiring for equity and inclusion, and provide insight into where improvements can be made



CEO to sign the "Change the Race Ratio" at a group level, the Managing Director of the United Kingdom and Ireland to sign the Race at Work Charter, and our Managing Director of North America, to sign the CEO Action for Diversity and Inclusion, then publish our progress against these commitments

These have all been signed and our commitments are being met



Publish progress against our Valuable 500 Charter commitments in support of colleagues and customers with underlying health conditions

This has been signed and our commitments are being met



Measure progress against the Stonewall Workplace Equality Index

Our ranking has not been published yet but we will share our score and our progress during FY23

Next steps

We have learnt a lot during FY22 and as always, we will constantly evaluate everything we are doing, and identify what we can do better. Below is a summary of the main changes you will see in FY23 and beyond.





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