

Report

ESG Databook 2023



Sage

Welcome

This document complements our FY23 Sustainability and Society Report and our FY23 Climate Report. It contains information on Sage's FY23 performance with focus on our most material topics, including quantitative metrics and related narrative. It also includes our Global Reporting Initiative (GRI) 2021 Standards Content Index, Sustainability Accounting Standards Board (SASB) Sustainability Accounting Standard for the Software and IT Services Industry index, and mapping of our activities in relation to relevant UN Sustainable Development Goals (SDGs).

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Limited Assurance

Summary Statement from Bureau Veritas UK Limited

Bureau Veritas UK Limited (Bureau Veritas) has provided limited assurance of selected sustainability disclosures included in the Sage Group plc (Sage) Sustainability and Society Report, Climate Report, and ESG Databook for the financial year 2023 (collectively the 'Report'). The information and data reviewed in this assurance engagement covered the period 1 October 2022 – September 30 2023.

The full Independent Assurance Report including Bureau Veritas' assurance conclusion, assessment standard, scope of work, summary of work, and exclusions and limitations can be found in the FY23 Sustainability and Society Report [pages 44-46](#).

Our reporting ecosystem



Annual Report and Accounts (ARA)



Sustainability and Society Report



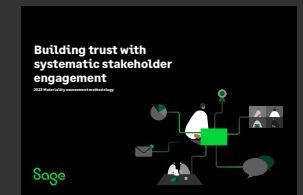
Climate Report¹



UK Gender Pay Gap Report



UK Ethnicity Pay Gap Report



Materiality assessment methodology



[UK Modern Slavery Act Statement](#)



[Check out our thought leadership podcast](#)

1. Includes Task Force on Climate-related Financial Disclosures (TCFD), and Transition Plan Taskforce (TPT) disclosures.

2023 Performance Data

- 1 Protect the Planet
- 2 Tech for Good
- 3 Human by Design
- 4 Sustainability by Design



Protect the Planet

Energy consumption within the organisation

GRI 302-1

Source	Unit	2020	2021	2022	2023
Total energy consumption within the organisation	GJ	85,243	65,848	48,749	47,430
Electricity	GJ	62,281	49,872	42,755	40,371
Gas	GJ	22,962	15,975	5,994	7,060
Total fuel consumption within the organisation from non-renewable sources, and including fuel types used					
Liquid Petroleum Gas (LPG)	GJ	0.68	—	3	—
Diesel Fuel	GJ	945	27	3,009	4,522
Petroleum	GJ	604	18	195	5,574
Other	GJ	1,885	52	1,104	1,580
Total	GJ	3,435 ¹	97 ²	4,311	11,676
Total electricity consumption within the organisation, including renewable sources					
Electricity from Certified Renewable sources	GJ	13,231	16,981	19,380	27,333
Electricity from Non-Renewable Sources	GJ	49,050	32,891	23,375	13,038
Total Electricity Consumption	GJ	62,281	49,872	42,755	40,371
Renewable %	%	27%	35%	45%	68%

Note: Please see standards, methodologies, assumptions, and/or calculation tools used on page 9.

1&2 Restatement: Following limited assurance by EcoAct. See EcoAct Verification statement on [pages 47 to 48 of Sustainability and Society Report](#).

Energy consumption outside of the organisation

GRI 302-2

Disclosure	Unit	2023
Energy consumption outside of the organisation	GJ	1,267,183

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 14 and 15.

Energy intensity

GRI 302-3

Disclosure	Unit	2020	2021	2022	2023
Revenue (GBP £m)	£	1,903	1,846	1,949	2,184
Energy Used (MWh)	MWh	23,679	18,291	13,541	13,175
Energy Intensity (MWh/Revenue)	Ratio	12.4	9.9	6.9	6.0

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

Reduction of energy consumption

GRI 302-4

Disclosure	Unit	2023
Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives		
Electricity	GJ	147.3

Note: Calculation based on estimated model reduction taking into account volume of products installed and the direct energy saving per product compared with base product energy consumption. This energy reduction initiative is in relation to an LED project in our South Africa office.

Reductions in energy requirements of products and services

GRI 302-5

Disclosure	Unit	2023
Reductions in energy requirements of sold products and services achieved during the reporting period, in gigajoules.	GJ	112,565

Note: Total GJ reduction is estimated reduction in energy required to support Scope 3—Category 11 Use of Sold Products in 2023 compared with 2022. See methodology statement on pages 14 and 15.

Protect the Planet—continued

Emissions (Scope 1, 2, and 3)

GRI 305-1, 305-2, 305-3

Disclosure	Unit	2020	2021	2022	2023
Direct (Scope 1)					
Natural gas	tCO ₂ e	1,172.80	812.80	303.90	315.8
Refrigerants	tCO ₂ e	167.3	187.60	187.20	157.0
Fuels (diesel, kerosene, LPG)	tCO ₂ e	N/A	8.3	186	75.2
Company-owned vehicles	tCO ₂ e	1,643	52	121.2	677.6
Subtotal	tCO ₂ e	2,985	1,060.70	798.30	1,225.6
Indirect (Scope 2)					
Location-based emissions	tCO ₂ e	7,107.0	4,326.3	3,505.1	3,255.5
Market-based emissions	tCO ₂ e	6,250.0	3,300.2	2,040.6	1,408
Subtotal (location based)	tCO ₂ e	7,107.0	4,326.3	3,505.1	3,255.5
Indirect (Scope 3)					
Cat.1— Purchased Goods and Services	tCO ₂ e	87,768.0	92,613.0	88,851.0 ⁱ	84,060.1
Cat. 2—Capital Goods	tCO ₂ e	1,767.0	7,974.7	100.7	83.0
Cat. 3—Energy-Related Activities (T&D/WTT)	tCO ₂ e	1,740.0	1,624.8	1,098.4	1,158.3
Cat. 4—Upstream Transport and Distribution	tCO ₂ e	380.0	493.5	390.3	402.0
Cat. 5—Waste	tCO ₂ e	246.0	107.6	116.5	53.6
Cat. 6—Business Travel	tCO ₂ e	6,364.0	411.3	6,080.0	7,583.1
Cat. 7—Employee Commuting and Homeworking	tCO ₂ e	8,808.0	14,734.3	11,746.2	10,078.8
Cat. 11—Use of Sold Products (direct)	tCO ₂ e	2,058.0	2,113.9	2,131.0	1,845.2
Cat. 11—Use of Sold Products (indirect)	tCO ₂ e	95,308.0	97,736.0	100,828.7	86,021.2
Cat. 15—Investments	tCO ₂ e	30.0	35.0	35.0	32.4
Subtotal	tCO ₂ e	204,555	217,864	201,998²	191,317.8
Total gross emissions market-based (tCO₂e)	tCO ₂ e	213,789	222,225	204,837	193,951.4
Total gross emissions location-based (tCO₂e)	tCO ₂ e	213,788	222,224	206,301	195,799.9
Summary					
Gross direct (Scope 1) GHG emissions (tCO₂e)	tCO ₂ e	2,985	1,060.7	798.30	1,225.6
Gross indirect (Scope 2) GHG emissions (tCO₂e)	tCO ₂ e	7,107.0	4,326.3	3,505.1	3,255.5
Gross other indirect (Scope 3) GHG emissions (tCO₂e)	tCO ₂ e	204,555	217,864	201,998	191,317.8

Note:

i. Base year for calculation is 2019 (FY19), aligned to Sage near-term SBTi base year.

ii. Emissions in base year 2019 (FY19), Total (location-based) 233,117.

Please see standards, methodologies, assumptions, and/or calculation tools used on pages 6 to 15.

1 Restatement: Following limited assurance by EcoAct. See EcoAct Verification statement on [pages 47 to 48 of Sustainability and Society Report](#).2 Restatement: Following limited assurance by EcoAct. See EcoAct Verification statement on [pages 47 to 48 of Sustainability and Society Report](#).

Protect the Planet—continued

GHG emissions intensity

GRI 305-4

Disclosure	Unit	2020	2021	2022	2023
GHG emissions intensity ratio for the organisation	Ratio	113.00	121.00	111.00	89.7

Note: Carbon intensity ratio: location-based CO₂e emissions per total GBP £1,000,000 revenue (Scope 1, 2, and 3) (tonnes/revenue).

Global revenue is £2,184 million for Sage during the reporting period. Global revenue for 2022 was £1,949 million.

Reduction of GHG emissions

GRI 305-5

Disclosure	Unit	2023
Emissions reduced as a direct result of reduction initiatives		
Scope 1 GHG emissions	tCO ₂ e	N/A
Scope 2 GHG emissions	tCO ₂ e	249.6
Scope 3 GHG emissions	tCO ₂ e	15,093.3
Total GHG emissions	tCO ₂ e	15,342.9

Note:

Scope 2 methodology: the difference between location-based emissions in FY22 and FY23.

Scope 3 methodology: the difference between Use of Sold Products in FY22 and FY23.

These calculations are from a base year of 2022 as consequence of GRI 2021 reporting requirements.

Emissions of ozone-depleting substances (ODS)

GRI 305-6

Disclosure	Unit	2023
Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent	tonnes	0

Note: No production or export of ODS. Annual total ODS emissions from Sage operations are 0.08169 of R22a and R410a.

New suppliers that were screened using environmental criteria

GRI 308-1

Disclosure	Unit	2023
New suppliers that were screened using environmental criteria	%	17

Note: In 2023, we had 1,013 new vendors. Of these, 172 (17%) had spend over £25k and therefore were subject to a D&B (Dun & Bradstreet) ESG assessment.

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

GRI 308-2

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

Note:

a. In FY23, we had spend with 3,952 normalised vendors. Of these, we had data from either D&B, SBTi, EcoVadis or CDP on 1,235 (31%).

b. and c. We have not identified any actual or potential negative issues.

d. See omission statement.

e. Sage have not terminated any agreements as a result of an assessment.

Water and marine resources

Water consumption

GRI 303-5

Disclosure	Unit	2020	2021	2022	2023
Total water consumption	Megalitres	42	19	21	57

Note: Water consumption is from Sage office portfolio.

Resource use and circular economy

Waste generated

GRI 306-3

Disclosure	Unit	2020	2021	2022	2023
Total waste generated	Metric tons	669	298	446	354

Note: Waste consumption is from Sage office portfolio.

Protect the Planet—continued

Emissions methodology

FY23 emissions data

GRI 305-1, 305-2, 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 (~98%). Within Scope 3, the two largest categories of total emissions accounting for 86% are Category 1—Purchased Goods and Services emissions (40% 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 46% of our total carbon footprint.

We are continuously working to address data gaps in Scope 3 reporting. For the first time, in FY23 we used our suppliers' primary emissions data directly collected through the CDP Supply Chain questionnaire for 12 suppliers. This builds on our previous method of supplier data collection providing a more accurate underlying picture of our supply chain emissions which suppliers have allocated to our business. We continued to use the CDP Database to calculate supplier-specific emissions for a further 38 suppliers.

In FY24, we intend to further develop 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 FY23.

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

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

In FY23, total location-based emissions decreased by 5.1%. The main cause behind the decrease is the reduction in Scope 3 emissions from our most material categories, Category 1—Purchased Goods and Services (-5%), and Category 11—Use of Sold Products (-7%).

We saw an increase in a few Scope 3 categories including Category 3—Energy-Related Activities (+5%), Category 4—Upstream Transportation & Distribution (+3%), and Category 6—Business Travel (+43%) when compared with FY22. However, these categories account for a small percentage of the overall footprint, their increase has not impacted materially on our overall GHG emissions.

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 again 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, 305-2, 305-3, 305-5

In FY23, total location-based emissions from all Scopes were 195,799 tCO₂e.

Scope 1 emissions include direct emissions from natural gas, refrigerants, fuels (diesel), and company cars totalling 1,226 tCO₂e (<1% of emissions). Scope 2 location-based emissions from our purchased electricity were 3,256 tCO₂e (2% of emissions), and Scope 3 indirect emissions were 191,317 tCO₂e and therefore the principal source of emissions (98%).

We saw an increase in Scope 1, largely driven by a methodology change in our company car data. We included new mileage data this year which previously was unattainable. Company car emissions account for 55% 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 smaller, more efficient offices. In FY23, the plan included the following: closing Brussels, Atlanta Midtown, Bristol (serviced office), and Winnersh offices; downsizing Mönchengladbach by closing the second floor (350 sqm reduction), Mèrignac by closing one of the two buildings on-site and Leipzig by closing the first floor (1,254 sqm reduction). This creates less energy intensive office spaces and plays a role in reducing our direct emissions.

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

Category 11—Use of Sold Products was the main source of emissions, accounting for 45% in FY23. 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. We expect this model to further evolve in accuracy in FY24 as we engage with partners and customers to understand how our software is managed within their environments.

Category 1—Purchased Goods and Services was our second largest emissions source, accounting for 43% of total emissions.

Data from our suppliers accounts for ~15% of Purchased Goods and Services emissions (~1% CDP Supply Chain questionnaire and ~10% CDP Database), the remaining emissions (~89%) were calculated using spend data and an environmental extended input-output model. The principal hotspot categories within Purchased Goods and Services spend data are from our business services, marketing, and IT product purchases.

Protect the Planet—continued

Emissions methodology—continued

Category 7—Employee Commuting and Homeworking accounts for 5% of emissions and reduced by 14% during FY23. However, within this category, commuting emissions increased by 145% and homeworking emissions reduced by 39%. Employees continue to work from home and from the office in line with Sage's flexible working policy. 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.

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, 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 158 suppliers in total from CDP, with 109 suppliers removed from the calculations through our quality assurance process.

We therefore utilised supplier-specific data for 49 of our most material suppliers this year compared to 42 in FY22.

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. We plan to engage with our material suppliers to obtain more data in FY24. Further details on our methodologies can be found on pages 10 to 12.

Scope of carbon reporting

GRI 305-1, 305-2, 305-3, 305-4, 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, Switzerland, 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 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 and Investments.

Control approach

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

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).

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, 305-2, 305-3, 305-4, 305-5

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

In FY22, BEIS stopped publishing well to tank (WTT) factors for overseas electricity. The BEIS 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 BEIS 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 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.

Scope 3 emissions sources apply a combination of the Comprehensive Environmental Data Archive (CEDA Global—version 6) and UK government factors, depending on the data provided, e.g. expense data or primary data. Where supplier-specific data was used, this was obtained from the supply chain questionnaire from CDP and the CDP Database.

Protect the Planet—continued

Direct (Scope 1)

GRI 305-1, GRI 302-1

Emission data by activity	Activity	Methodology
Direct (Scope 1)	Natural gas	Data received: Monthly consumption values of gas per site. Approach: 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, 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	Data received: Refrigerant leakage top up in the reporting year. Approach: 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)	Data received: Diesel consumption in kWh per site. Approach: 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, electric)	Data received: Global mileage per fuel type and vehicle size for October 2021 to September 2022. Approach: - 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. 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. - WTT emissions included in line with best practice. WTT is included in Scope 3 Category 3.

Protect the Planet—continued

Indirect (Scope 2)

GRI 305-2, GRI 302-1

Emission data by activity	Activity	Methodology
Indirect (Scope 2)	Electricity	Data received: Monthly consumption values of electricity per site. 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. Where primary data was not provided, extrapolations have been conducted in line with the following: Assumptions - 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. Exclusions: 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. It represents 0.8% of total Newcastle electricity consumption.
Indirect (Scope 2)	Electricity (market-based)	- 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).

Protect the Planet—continued

Scope 3

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 1— Purchased Goods & Services	Hierarchy for data inclusion: 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. In FY23, we have expanded our hierarchical approach to include CDP Supply Chain data, subject to a number of quality controls as documented below. Emissions are calculated using the following hierarchy below. Where they are not appropriate at the higher level, they fall down the hierarchy. 1. CDP Supply Chain (Primary Data)—IF of adequate quality in line with inclusion criteria below. 2. CDP Database (Primary Data)—IF of adequate quality in line with inclusion criteria below. 3. Spend data—IF deemed relevant to the category and GHG footprint overall in line with list of exclusions. 4. Exclude totally. Step 1: CDP Supply Chain CDP Supply Chain—Methodology: Emissions from suppliers are included within the calculation if the following statements are true: • 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. CDP Supply Chain—Allocation Approach: <i>Where the CDP apportionment methodology is defined as “Revenue Apportionment”</i> • 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. <i>Where CDP intensities are not using revenue (e.g. FTE):</i> 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. • 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.

Protect the Planet—continued (Scope 3)—continued

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 1— Purchased Goods & Services —continued	CDP Supply Chain—Calculation Approach: Suppliers' Scope 1, 2, and upstream Scope 3/suppliers' revenue * Sage spend by supplier. CDP Supply Chain—Data received: • CDP Supply Chain questionnaire extracts. • CDP 2022 Database. • Sage supplier spend. Step 2: CDP Database: CDP Database—Methodology: 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. CDP Database—Allocation Approach: • 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. CDP Database—Calculation Approach: 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. CDP Database—Data received: • CDP 2022 Database. • Sage supplier spend.

Protect the Planet—continued (Scope 3)—continued

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 1— Purchased Goods & Services— continued	Step 3: Spend-Based Approach Spend-Based—Methodology: - The methodology includes both Category 1 (spend only), 2, and 4. - Sage provided EcoAct with spend data for the reporting period October 2022 to September 2023. This was reviewed and the same assumptions applied as 2022. - Spend is multiplied by emissions factors from CEDA v6. - Spend categories are excluded where they are accounted for elsewhere in the footprint—this was based on the same assumptions as the 2022 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. Spend-Based—Data received: - CEDA v6 emission factors. - Sage supplier spend. Impact of supplier-specific primary data on calculation During FY24, Sage received supplier-specific primary data from 158 suppliers in total. Following the above criteria, a total of 109 suppliers were removed from our CDP primary data calculation due to data quality and assurance criteria. In total, emissions from 50 suppliers were calculated using CDP Supply Chain or CDP Database data, accounting for 19% of our overall spend. Total emissions calculated using CDP Supply Chain were 546 MtCO₂e, 1% of total emissions. Total emissions calculated using CDP Database were 8,576 MtCO₂e, 10% of total emissions. Total emissions calculated using spend data and CEDA v6 emissions factors were 74,196 MtCO₂e, 89% of total emissions. Total emissions from taking a hybrid CDP and spend-based approach were 84,060 tCO₂e, compared with 88,895 tCO₂e if a spend-only approach was taken across all suppliers.
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)	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. The calculation includes the emissions from electricity and fuel, and includes the emissions from upstream generation, WTT, and T&D losses. From 2022, BEIS has stopped publishing WTT factors for overseas electricity. The BEIS 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 BEIS 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.
Scope 3	Cat. 4— Upstream Transport & Distribution	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: - Sage provided data on the number of letters and parcels that were delivered during 2023 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.

Protect the Planet—continued (Scope 3)—continued

GRI 305-3

Emission data by activity	Activity	Methodology
Scope 3	Cat. 5—Waste	Data received: Annual waste generated per site categorised by waste disposal method and waste type where known. Approach: 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 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 (BEIS 2023).
Scope 3	Cat. 6—Business Travel	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 BEIS 2023 factors, where spend data was provided, we have used CEDA V6. The calculations are based on the following assumptions: Flights: - 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: - Short haul (to/from UK): Up to 3,700 km. - Long haul (to/from UK): Over 3,700 km. Hotel stays: - Number of nights was received by country and multiplied by BEIS 2023 emissions factors. Taxis: - Spend data was received and multiplied by CEDA v6 emissions factors. - Mileage data was also received and calculated using BEIS 2023 emissions factors. Trains: - 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 BEIS 2023 emissions factors. Grey fleet: - Mileage by fuel type and car size was provided and multiplied by BEIS 2023 factors.

Protect the Planet—continued (Scope 3)—continued

GRI 305-3, GRI 302-2, 302-5

Emission data by activity	Activity	Methodology
Scope 3	Cat. 7—Employee Commuting & Homeworking	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. 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 vs 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. Approach: Commuting Methodology: - 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. Work From Home (WFH) Methodology: - Data from Sage includes the FTE per region and the % of employees WFH in each region. - 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).
Scope 3	Cat. 11—Use of Sold Products	Approach Our approach considers the emissions related to use of our Sage products by our customers across 3 deployment types: 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:

Protect the Planet—continued (Scope 3)—continued

GRI 305-3, GRI 302-2, 302-5

Emission data by activity	Activity	Methodology
Scope 3	Cat. 11—Use of Sold Products—continued	Step 1: Customer Data Country level customer numbers for FY23 were provided by Sage split out by customer, product, and country and deployment type, as defined above. 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. Step 3: Emission Calculation We have accounted for the server power & 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. Data Received Sage customer data by product, deployment type, and country. WTT and T&D have been included in the calculations as per the calculation in Scope 3—Category 3. IEA Factors—https://www.iea.org/data-and-statistics/data-product/emissions-factors-2021#schedule. EcoAct purchases a database containing Scope 2 and Scope 3 T&D emission factors for worldwide electricity. This is updated on a yearly basis. OurWorldInData—https://ourworldindata.org/electricity-mix. This data source is updated on a yearly basis, using third-party research. IPCC Factors—https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_annex-iii.pdf.
Scope 3	Cat. 15—Investments	Approach 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: • Sector(s) the investee company operates in. • Revenue (£) for each investment for the year 2023. • Sage’s proportional share of equity in the investee company (%). The average data method involves using revenue data combined with EEIO data (CEDA v6 emissions 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 v6.

Tech for Good

Cyber security and data privacy

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

GRI 418-1

Disclosure	Unit	2023
Total number of complaints received concerning breaches of customer privacy from outside parties and substantiated by the organisation.	#	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. There were no such findings in FY23.
i. complaints received from outside parties and substantiated by the organisation;		
ii. complaints from regulatory bodies.		
Total number of complaints received concerning breaches of customer privacy from regulatory bodies.	#	
Total number of identified leaks, thefts, or losses of customer data.	#	

Local community investment and support

Sage Foundation performance indicators

GRI 413-1

Sage Foundation	FY22	FY23
Number of hours volunteered across significant locations	149,409	154,620
Funds raised to support non-profit organisations	\$1,044,665 ¹	\$777,096
Underserved entrepreneurs supported	13,871	10,581 ²
People equipped to access further opportunity	6,518	12,178

¹ In FY22 Sage and our business partner community embarked on a significant fundraising campaign in response to the Ukraine humanitarian crisis. This led to an increase in funds raised for non-profits providing aid at that time.

² The number of underserved entrepreneurs has declined as a result of:

(1) Natural and expected decrease in colleague and customer Kiva credit redemptions from year 1 to year 2 of our partnership with Kiva and (2) A single year partnership that supported entrepreneurs in FY22 but was not activated in FY23.

Human by Design

Diversity, equity, and inclusion (DEI)

Diversity of governance bodies and employees

GRI 405-1

Disclosure	Unit	2023
Total number of senior management and governance bodies members (by gender)		
Male (NED)	#	5
Male (ELT)	#	6
Male (ET)	#	48
Female (NED)	#	4
Female (ELT)	#	4
Female (ET)	#	34
TOTAL	#	101
Total number of senior management and governance bodies members (by age group)		
NED		
46–55	#	3
≥ 56	#	6
ELT		
36–45	#	3
46–55	#	2
≥ 56	#	5
ET		
26–35	#	5
36–45	#	18
46–55	#	43
≥ 56	#	16
TOTAL	#	101

Note: “Senior management and governance bodies members” refer to NED, ELT, and ET.

GRI 405-1

Disclosure	Unit	2022	2023
Total number of employees per employee category broken down (by gender)			
Females	#	4,832	4,774
Senior management positions	#	–	56
Middle management positions	#	–	1,044
Staff (Professional, Operational, and Administrative)	#	–	3,674
Males	#	6,553	6,399
Senior management positions	#	–	103
Middle management positions	#	–	1,699
Staff (Professional, Operational, and Administrative)	#	–	4,597
Undisclosed gender	#	189	82
Senior management positions	#	–	0
Middle management positions	#	–	29
Staff (Professional, Operational, and Administrative)	#	–	53
TOTAL	#	11,574	11,255 ¹
Total number of employees per employee category broken down by (age group)			
≤ 25 years	#		630
26–35 years	#		3,143
36–45 years	#		3,470
46–55 years	#		2,704
≥ 56 years	#		1,249
N/A (data not available)			139
TOTAL	#		11,335 ²

Note: Senior Management—Executive Leadership Team, EVPs, and VPs. Middle Management—Managers, Senior Managers, Directors, and Senior Directors. Staff—All others.

¹ This is calculated based on internal job bands. For colleagues in Austria, we don't currently record information for employee category by level. However, we are planning to do so from FY24.

² The total number 11,335 is inclusive of our 9 NEDs.

Human by Design—continued

Diversity, equity, and inclusion (DEI)—continued

GRI 405-1

SASB TC-SI-330a.3

Category	Male	Female	Undisclosed
Gender representation for all employees and racial/ethnic group representation by following 3 employee categories.			
(1) management			
Asian	56	41	
Black/African/Black S. African/Caribbean/ Black British/African American	31	34	
I do not wish to self-identify my race or ethnicity	45	15	4
Indigenous	5	5	
Multiple Ethnic Groups	20	20	
Other Ethnic Group	11	9	
White	511	336	3
Unknown	480	310	4
Total	1,159	770	11
(2) technical staff			
Asian	94	82	1
Black/African/Black S. African/Caribbean/ Black British/African American	9	14	1
I do not wish to self-identify my race or ethnicity	31	18	3
Indigenous	21	8	1
Multiple Ethnic Groups	18	10	
Other Ethnic Group	5	3	
White	427	185	3
Unknown	1,408	554	27
Total	2,013	874	36
(3) all other employees			
Asian	91	83	1
Black/African/Black S. African/Caribbean/ Black British/African American	75	96	1
I do not wish to self-identify my race or ethnicity	46	26	3
Indigenous	29	25	1
Multiple Ethnic Groups	26	41	2
Other Ethnic Group	27	36	
White	785	748	7
Unknown	2,198	2,105	20
Total	3,277	3,160	35

Note: (1) Management is calculated based on all managers at Sage. This category is based on the field “Is Manager” on Sage People which flags any person who has a direct report. (2) Technical staff methodology correlates to colleagues within our tech functions who are not managers.

Ratio of the basic salary and remuneration of women to men

GRI 405-2

Disclosure	Unit	Apr-19	Apr-20	Apr-21	Apr-22	Apr-23	Year-on-year
Gender Pay Gap							
Reward gaps							
Mean pay gap	%	10.2%	7.6%	7.3%	9.2%	7.3%	-1.9%
Mean bonus gap	%	28.6%	9.2%	8.6%	10.8%	12.6%	1.8%
UK Ethnicity Pay Gap 2022/2023							
Reward gaps							
Mean pay gap	%			7.8%	0.6%	2.1%	1.5%
Mean bonus gap	%			19.8%	18.8%	29.8%	11%

Note: At the time of reporting, Sage had 3,235 colleagues across several entities in the UK. Only 2 of those entities exceed the reporting threshold of 250 colleagues—Sage UK and Sage Global Services UK. The table above shows our combined Gender Pay Gap data for all our UK-based colleagues in both entities, as well as colleagues in entities below the 250-colleague threshold as of the snapshot date of 5 April 2023. It also shows Bonus Pay data for bonuses paid in the year. The Ethnicity Pay Gap reporting is based on a statistically significant data sample. This is based on 87% of our UK-based colleagues who met the calculation criteria and who have shared their ethnicity with us as part of our internally run “All About Us” campaign in FY23.

Human by Design—continued

Diversity, equity, and inclusion (DEI)—continued

Inclusion score

Disclosure	Unit	2022	2023
Global DEI Glint Score	#	79.00	77.67

Note: 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 3 specific DEI-related questions asked in the full annual colleague engagement survey.

Diversity target

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.

Disclosure	Unit	2022	2023
Diversity target	%	33%	34%

Note: In FY23, we have included undisclosed colleagues as a gender group in our reporting, this also includes non-binary colleagues, as the total is below the privacy threshold. As our reporting evolves, we recognise that this will introduce a margin of error, positively or negatively, into our progress reporting. We are currently reporting on 810 teams and 137 teams contain undisclosed colleagues, which equates to 17% of the total. Of the 137, 41 teams comprised 3 or more colleagues and are solely made up of contractors and consultants who do not self-disclose sex assigned at birth data. The methodology will mature in FY24 and we will share the updated calculation to accompany our FY24 figures.

Other indicators of diversity

Disclosure	Unit	2022	2023
Colleague Success Network Membership	%	4%	18%
Glassdoor DEI Score	#	4.1	4.3

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.

Ethnic diversity

SASB TC-SI-330a.1

Disclosure	Unit	2023
Percentage of employees that are foreign nationals	%	7%
Percentage of employees that are located offshore from the entity's country of domicile, by region	%	0
Employee engagement as a percentage	%	76

Note: 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 FY23 Gender Pay Gap Report and the FY23 Ethnicity Pay Gap Report.

Calculation of foreign nationals—we identified the citizenship of the colleague and translated that to the country, e.g. Spanish = Spain, then performed a look up to establish where citizenship did not match with the country where the colleague was based.

Human by Design—continued

Diversity, equity, and inclusion (DEI)—continued

Non-discrimination

GRI 406-1

Disclosure	Unit	2022	2023
Northern Europe	#	4	17
Central Europe	#	0	0
Southern Europe	#	0	0
North America—US	#	6	10
North America—Canada	#		2
Africa and Middle East	#	0	0
Total	#	10	29

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

Total number of incidents of discrimination reviewed by Sage in the last year	#	10	29
Number of incidents with remediation plans currently being implemented (active)	#	3	5
Number of remediation plans that have been implemented, with ongoing follow up to check that all remains well	#	1	4
Number of incidents closed and no longer being monitored	#	6	20

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 colleagues' 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, whilst continuing to improve awareness of the support available to colleagues.

Colleague development and retention

Information on employees and other workers

GRI 2-7, 2-8

Disclosure	2022	2023
Total number of employees by employment contract (permanent and temporary), by gender		
Male		
Permanent	6,442	6,356
Temporary	111	93
Female		
Permanent	4,700	4,327
Temporary	132	477
Undisclosed		
Permanent	102	82
Temporary	87	0
Total number of employees by employment contract (permanent and temporary), by region		
Africa and Middle East		
Permanent	944	1,055
Temporary	95	12
Asia and Australia		
Permanent	636	720
Temporary	4	2
Central Europe		
Permanent	808	720
Temporary	24	60
North America		
Permanent	2,554	2,471
Temporary	49	14
Northern Europe		
Permanent	3,516	3,350
Temporary	113	191
Southern Europe		
Permanent	2,786	2,449
Temporary	45	291

Human by Design—continued

Colleague development and retention—continued

Colleague development and retention

Information on employees and other workers—continued

GRI 2-7, 2-8

Disclosure	2022	2023
Total number of employees by employment type (full-time and part-time), by gender		
Full time		
Male	6,455	6,356
Female	4,310	4,327
Undisclosed	188	82
Full time (%)		
Male	55.77%	56.07%
Female	37.24%	38.17%
Undisclosed	1.62%	0.72%
Part time		
Male	98	93
Female	522	477
Undisclosed	1	0
Part time (%)		
Male	0.85%	0.82%
Female	4.51%	4.21%
Undisclosed	0.01%	0%
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	114	87

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.

New employee hires and employee turnover

12-month average headcount has been considered for the purpose of calculating turnover.

GRI 401-1

Disclosure	Unit	2022	2023
Full-time			
Total turnover	#	2,127	1,587
Total number of full-time employees	#	10,953	10,972
Part-time			
Total turnover	#	110	31
Total number of part-time employees	#	621	363
Contractors/consultants (Contractors only; complete consultant data not recorded in our HCM)			
Total turnover	#	136	73
Total number of contractors	#	114	87 ¹
Turnover (by gender)			
Female			
Left the organisation	#	524	646
Average number of females in the organisation during the reporting period	#	4,727	4,862
Turnover of female employees (%)	%	12.3%	13%
Male			
Left the organisation	#	786	917
Average number of males in the organisation during the reporting period	#	6,274	6,520
Turnover of male employees (%)	%	14.2%	14%
Undisclosed			
Left the organisation	#	18	15
Average number of employees with undisclosed gender in the organisation during the reporting period	#	—	86
Turnover of employees with undisclosed gender employees (%)	%	22.2%	18%
Turnover (by age group)			

Human by Design—continued

Colleague development and retention—continued

New employee hires and employee turnover—continued

12-month average headcount has been considered for the purpose of calculating turnover.

GRI 401-1

Disclosure	Unit	2022	2023
≤25 years			
Number of employees that left	#	141	184
12-month average headcount	#	—	790
Percentage of employees that left	%	18.4%	23%
26–35 years			
Number of employees that left	#	627	580
12-month average headcount	#	—	3,233
Percentage of employees that left	%	20.4%	18%
36–45 years			
Number of employees that left	#	401	370
12-month average headcount	#	—	3,504
Percentage of employees that left	%	11.6%	11%
46–55 years			
Number of employees that left	#	171	193
12-month average headcount	#	—	2,648
Percentage of employees that left	%	6.8%	7%
≥ 56 years			
Number of employees that left	#	128	251
12-month average headcount	#	—	1,293
Percentage of employees that left	%	10.4%	19%
Total turnover (number)	#	1,468	1,578
Total 12-month average headcount	#	—	11,469
Total turnover rate	%	—	14%
Turnover (by region)			
Africa and Middle East			
Number of employees that left	#	119	144
12-month average headcount	#	—	1,070
Percentage of employees that left	%	19.3%	13%

Note: Total headcount (inclusive of contractors, students, and inactive colleagues), excludes consultants but includes unintegrated M&A heads. 14% total turnover rate is rounded up from 13.76%.

¹ The reduction in undisclosed hires can be explained by an improvement in our data collection processes.

Disclosure	Unit	2022	2023
Asia and Australia			
Number of employees that left	#	118	147
12-month average headcount	#	—	694
Percentage of employees that left	%	10.6%	21%
Central Europe			
Number of employees that left	#	147	202
12-month average headcount	#	—	788
Percentage of employees that left	%	15.9%	26%
North America			
Number of employees that left	#	425	394
12-month average headcount	#	—	2,494
Percentage of employees that left	%	18.4%	16%
Northern Europe			
Number of employees that left	#	443	445
12-month average headcount	#	—	3,625
Percentage of employees that left	%	13.7%	12%
Southern Europe			
Number of employees that left	#	217	246
12-month average headcount	#	—	2,799
Percentage of employees that left	%	7.5%	9%
Total turnover (number)	#	1,469	1,434
Total 12-month average headcount	#	11,084	11,469
Total turnover rate	%	20%	14%
Total New Hires (by gender)			
(Data included is based on staff headcount, excludes contractors and consultants)			
Female			
Number of new hires	#	1,084	734
New hire rate	%	—	42%
Male			
Number of new hires	#	1,374	974
New hire rate	%	—	57%
Undisclosed			
Number of new hires	#	743	20 ¹
New hire rate	%	—	1%
Total New Hires (by age group)			
≤25 years			
Number of new hires	#	479	346

Human by Design—continued

Colleague development and retention—continued

New employee hires and employee turnover—continued

12-month average headcount has been considered for the purpose of calculating turnover.

GRI 401-1

Disclosure	Unit	2022	2023
New hire rate	%	—	20%
26–35 years			
Number of new hires	#	1,246	779
New hire rate	%	—	45%
36–45 years			
Number of new hires	#	805	374
New hire rate	%	—	22%
46–55 years			
Number of new hires	#	345	141
New hire rate	%	—	8%
≥ 56 years			
Number of new hires	#	94	50
New hire rate	%	—	3%
Undisclosed (Several hires do not yet have birth dates so are N/A)			
Number of new hires ¹	#	228	38
New hire rate	%	—	2%
Total number of new hires	#	3,197	1,728
Total new hire rate	%	20%	15%
Total New Hires (by region)			
Africa and Middle East			
Number of new hires	#	174	262
New hire rate	%	16%	24%
Asia and Australia			
Number of new hires	#	147	234
New hire rate	%	24%	34%
Central Europe			
Number of new hires	#	81	64
New hire rate	%	9%	8%

¹ The reduction in undisclosed hires can be explained by an improvement in our data collection processes.

Disclosure	Unit	2022	2023
North America			
Number of new hires	#	612	480
New hire rate	%	26%	19%
Northern Europe			
Number of new hires	#	953	519
New hire rate	%	29%	14%
Southern Europe			
Number of new hires	#	222	169
New hire rate	%	8%	6%
Total number of new hires	#	2,189	1,728
Total new hire rate	%	20%	15%

Average hours of training per year per employee

GRI 404-1

Disclosure	Unit	2022	2023
By gender			
Male	hours	43.78	13.31
Female		35.80	13.34
Undisclosed		31.04	9.64
By employee category			
Senior management	hours	20.20	7.60
Middle management		19.42	11.77
Staff (Professional, Operational, and Administrative)		43.35	11.32
Average Hours of Training per employee per year		36.8	12.1

Note: Data is collected from various learning platforms (Sage Learning, Pluralsight, LinkedIn Learning, Saleshoo, goFLUENT, and regional/external training). Data collected from these platforms includes both completed and in progress learning, depending on the reporting capabilities of the platform. Since all types of colleagues have access to learning platforms, the headcount total used for calculating this includes colleagues, contractors, and consultants. 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.

Human by Design—continued

Colleague development and retention—continued

Percentage of employees receiving regular performance and career development reviews

GRI 404-3

Disclosure	Unit	%	2023
Males that receive regular performance and career development reviews	%	56.90%	6,444
Females that receive regular performance and career development reviews	%	42.38%	4,800
Employees with undisclosed gender that receive regular performance development reviews	%	0.72%	82
Total		100%	11,326¹
Senior management that receive regular performance and career development reviews	%	1.41%	159
Middle management that receive regular performance and career development reviews	%	24.63%	2,772
Staff (Professional, Operational, and Administrative) that receive regular performance and career development reviews	%	73.96%	8,324
Total		100%²	11,255²

¹ The total number 11,326 excludes our 9 NEDs.

² For colleagues in Austria, we don't currently record information for employee category by level. However, we are planning to do so from FY24.

Human by Design—continued

Wellbeing and colleague health and safety

GRI 401-2

Benefits provided to full-time employees that are not provided to temporary or part-time employees

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 minima. For the purposes of 401-2, significant locations of operation include the UK, US, France, Spain, South Africa, India, Germany, Canada, and Ireland.

Parental leave

GRI 401-3

Disclosure	Unit	2022	2023
Employees who are entitled to parental leave			
Female	#	3,153	3,045
Male	#	3,957	4,015
Employees who took parental leave			
Female	#	273	153
Male	#	234	172
Employees who returned to work in the reporting period after their parental leave ended			
Female	#	259	138
Male	#	243	155
Employees still employed 12 months after return to work from parental leave			
Female	#	238	160
Male	#	176	137
Return to work rate (females)	%	77%	82%
Return to work rate (males)	%	93%	95%

Note: Methodology—“Employees who took parental leave”—refers to colleagues who took parental leave during the reporting period (FY23: 1 October 2022 to 30 September 2023); “Returned to work after

their parental leave ended”—refers to colleagues whose parental leave ended in the reporting period (FY23: 1 October 2022 to 30 September 2023) and are currently employed; “Employees still employed 12 months after return from parental leave”—refers to colleagues who took parental leave in FY22 and are currently employed in the reporting period (FY23: 1 October 2022 to 30 September 2023).

Workers covered by an occupational health and safety management system

GRI 403-8

Disclosure	Unit	2023
Number of employees	#	11,335
Number of workers who are not employees but whose work and/or workplace is controlled by the organisation	#	47
Total number of employees and workers	#	11,382
Number of all employees who are covered by the occupational health and safety system	#	11,335
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
Total number of employees and workers covered by the occupational health and safety system	#	11,382
Percentage of all employees and workers who are covered by the occupational health and safety system	%	100%

Work-related injuries

GRI 403-9

Disclosure	Unit	2023
Total number of recordable work-related injuries	#	36
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

Note: During 2023, there were no employee fatalities as a result of work-related injuries, work-related ill health, and high-consequence work injury.

Sustainability by Design

Business conduct

Communication and training about anti-corruption policies and procedures

GRI 205-2

Disclosure	Unit	2023
Employees that the organisation's anti-corruption policies and procedures have been communicated to, and employees that have received training on anti-corruption, broken down by employee category and region.		
Governance body members		
Total number	#	101
Percentage	%	100%
Senior management		
Total number	#	58
Percentage	%	100%
Middle management		
Total number	#	2,772
Percentage	%	100%
Staff (Professional, Operational, and Administrative)		
Total number	#	8,324
Percentage	%	100%
Business partners		
Total number	#	N/A
Percentage	%	N/A

Disclosure	Unit	2023
Africa and Middle East		
Total number	#	1,067
Percentage	%	100%
Asia and Australia		
Total number	#	722
Percentage	%	100%
Central Europe		
Total number	#	780
Percentage	%	100%
North America		
Total number	#	2,485
Percentage	%	100%
Northern Europe		
Total number	#	3,541
Percentage	%	100%
Southern Europe		
Total number	#	2,740
Percentage	%	100%
Total		11,335

Note: Governance body is made up of NED, ELT, and ET. Senior management includes EVPs and VPs who are not a part of ET. Middle management includes Senior Directors and Directors. Staff includes all other colleagues.

Band information for colleagues based in Austria and Germany is not available. For colleagues in Austria, we don't currently record information for employee category by level. However, we are planning to do so from FY24.

The total number 11,335 is inclusive of our 9 NEDs.

Sustainability by Design—continued

Business conduct—continued

Confirmed incidents of corruption and actions taken

GRI 205-3

Disclosure	Unit	2023
Total number and nature of confirmed incidents of corruption.	#	0

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

GRI 206-1

Disclosure	Unit	2023
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

Political contributions

GRI 415-1

Disclosure	Unit	2023
Total monetary value of financial and in-kind political contributions made directly and indirectly by the organisation by country and recipient/beneficiary.	#	0

Reporting Frameworks

- 1 GRI 2021 Content Index
- 2 SASB index
- 3 UN SDGs index



GRI 2021 Content Index

Key  General disclosures

GRI 105-55

Statement of use	Sage has reported in accordance with the GRI Standards for the period 1 October 2022 to 30 September 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable
Publication date	5 December 2023

Sage has developed this GRI index based on the results of our recent double materiality assessment ([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 FY23 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 2022 to 30 September 2023.

GRI Standard/ Other Source	Disclosure	Location	Omission
General disclosures			
The organization and its reporting practices			
GRI 2: General Disclosures 2021	2-1 Organizational details	Annual Report and Accounts Sage at a glance (pages 2 to 3) Directors' Report, Major shareholdings (page 166) Group undertakings (pages 257 to 260) Back cover	
	2-2 Entities included in the organization's sustainability reporting	Sustainability and Society Report Welcome, Transparent disclosure (page 1)	
	2-3 Reporting period, frequency, and contact point	Annual Reports and Accounts Group undertakings (pages 257-260) Sustainability and Society Report Welcome, Transparent disclosure (page 1) Back cover, Get in touch	
	2-4 Restatements of information	Sustainability and Society Report Following external assurance undertaken by EcoAct, as provided on pages 47 to 48 of the FY23 Sustainability and Society Report, our FY22 GHG data has been restated to reflect material errors identified through the verification process.	
	2-5 External assurance	Sustainability and Society Report Welcome, Transparent disclosure (page 1) Bureau Veritas independent assurance report (pages 44 to 46) EcoAct independent assurance statement (pages 47 to 48)	

GRI content index—continued

Key  General disclosures

GRI Standard/ Other Source	Disclosure	Location	Omission
Activities and workers			
	2-6 Activities, value chain, and other business relationships	Annual Report and Accounts Building sustainable growth (inside front cover) Sage at a glance (pages 2 to 3) Our solutions (pages 4 to 5) Sustainability and Society Report Our business model (page 7) Visibility across the value chain (page 10)	
	2-7 Employees	ESG Databook 2023 Performance Data, Human by Design (pages 20 to 21) Annual Report and Accounts Our people and culture (pages 24 to 29)	
	2-8 Workers who are not employees	ESG Databook 2023 Performance Data, Human by Design (page 21)	
Governance			
	2-9 Governance structure and composition	Sustainability and Society Report Sustainability governance, risk management and engagement (page 11) Sustainability and Society strategy governance framework (page 11) Annual Report and Accounts Board of Directors (pages 88 to 89) Executive Leadership Team (pages 90 to 91) Our governance framework (page 92) Roles and division of responsibilities (page 93) Board governance (page 94) Corporate governance report (pages 94 to 97) Nomination Committee Report (pages 110 to 117)	
	2-10 Nomination and selection of the highest governance body	Annual Report and Accounts Corporate governance report (pages 94 to 97) Nomination Committee Report (pages 110 to 117)	
	2-11 Chair of the highest governance body	Annual Report and Accounts Board of Directors (pages 88 to 89) Executive Leadership Team (pages 90 to 91)	
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability and Society Report Sustainability governance, risk management and engagement (page 11) Climate Report Strategy and governance, Climate strategy oversight, governance and responsibility (pages 7 to 8) UK Ethnicity Pay Gap Report Introduction (page 2) UK Gender Pay Gap Report Introduction (page 2)	

GRI content index—continued

Key  General disclosures

GRI Standard/ Other Source	Disclosure	Location	Omission
Governance continued			
	2-13 Delegation of responsibility for managing impacts	Sustainability and Society Report Our strategy, Sustainability governance, risk management and engagement (page 11) Climate Report Strategy and governance, Climate strategy oversight, governance and responsibility (page 7) UK Ethnicity Pay Gap Report Introduction (page 2) UK Gender Pay Gap Report Introduction (page 2)	
	2-14 Role of the highest governance body in sustainability reporting	Sustainability and Society Report Our strategy, Sustainability governance, risk management and engagement (page 11)	
	2-15 Conflicts of interest	Annual Report and Accounts Non-financial and sustainability information statement (page 46) Corporate governance report (page 97) Directors' Report (pages 165 to 166)	
	2-16 Communication of critical concerns	Annual Report and Accounts Non-financial and sustainability information statement (page 46) Sustainability and Society Report Business conduct, Policies and protocols (page 40)	
	2-17 Collective knowledge of the highest governance body	Annual Report and Accounts Corporate governance report (page 94 to 95) Nomination Committee Report (pages 110 to 117)	
	2-18 Evaluation of the performance of the highest governance body	Annual Report and Accounts Board evaluation (pages 108 to 109)	
	2-19 Remuneration policies	Annual Report and Accounts Directors' Remuneration Report (pages 129 to 163) Sustainability and Society Report Our strategy, Sustainability governance, risk management and engagement, Monitoring and engagement (page 11) Climate Report Strategy and governance, Climate strategy oversight, governance and responsibility (pages 7 to 8)	
	2-20 Process to determine remuneration	Annual Report and Accounts Directors' Remuneration Report (pages 129-163)	
	2-21 Annual total compensation ratio	Annual Report and Accounts Directors' Remuneration Report (page 153)	

GRI content index—continued

Key  General disclosures

GRI Standard/ Other Source	Disclosure	Location	Omission
Strategy, policies, and practices			
	2-22 Statement on sustainable development strategy	Sustainability and Society Report Leadership reflections (pages 3 to 6) Annual Report and Accounts Chair's statement (pages 6 to 7) Chair's introduction to governance (pages 86 to 87) Climate Report Leadership message (page 3)	
	2-23 Policy commitments	Sustainability and Society Report Business conduct, Overview (page 40) Policies and protocols (page 40) Promoting ethical practices across the value chain (page 41) Sustainability and Society Report 2022 Sage Policies (page 10) 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	
	2-24 Embedding policy commitments	Sustainability and Society Report Business conduct, Overview (page 40) Business conduct, Policies and protocols (page 40)	
	2-25 Processes to remediate negative impacts	Sustainability and Society Report Business conduct, Reporting and remediation of issues (page 41) Annual Report and Accounts Non-financial and sustainability information statement (page 46)	
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability and Society Report Business conduct, Reporting and remediation of issues (page 41) Annual Report and Accounts Non-financial and sustainability information statement (page 46)	
	2-27 Compliance with laws and regulations	There were no significant instances of non-compliance during the reporting period.	

GRI content index—continued

Key  General disclosures

GRI Standard/ Other Source	Disclosure	Location	Omission
Strategy, policies, and practices continued			
	2-28 Membership associations	EU/Global: World Business Council for Sustainable Development All-Party Parliamentary Group on Environmental, Social and Governance (APPG on ESG) International Chamber of Commerce Organisation for Economic Co-operation and Development (OECD) Business and Industry Committee on SMEs 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 US: Information Technology Industry Council (ITI) Metropolitan Atlanta Chamber of Commerce Technology Association of Georgia UK: TechUK North East England Chamber of Commerce Newcastle Gateshead Initiative Enterprise Forum	
Stakeholder engagement			
	2-29 Approach to stakeholder engagement	Sustainability and Society Report Materiality, Rigorous assessment process (page 10) Materiality assessment methodology Methodology and results, Stakeholder engagement (pages 4 to 5) Annual Report and Accounts Stakeholder engagement (pages 47 to 55) Section 172(1) statement (pages 56 to 59) Corporate governance report (pages 98 to 107) Directors' Report, Engagement with colleagues (page 165)	
	2-30 Collective bargaining agreements	Annual Report and Accounts Our people and culture (page 26)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability and Society Report Materiality, Rigorous assessment process (page 10) Annual Report and Accounts Sustainability and Society, Materiality assessment (page 31) Materiality Methodology Introduction (page 2) Methodology and results (pages 3 to 6) Next steps (page 7)	
	3-2 List of material topics	Sustainability and Society Report Strategy, Materiality, Visibility across the value chain (pages 9 to 10) Materiality Methodology Methodology and results (page 6) Material topics—definitions (pages 8 to 9)	
Material topic: Climate change			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report • a, b, e, & f. Climate change, Overview (page 16) • c. Climate change, Getting Sage to net zero (pages 17 to 18), Environmental stewardship, Planetary boundaries approach page 20 • d. Climate change, Getting Sage to net zero (page 18), Supporting SMBs to achieve net zero (page 19), Advocating for enabling policies and standards (page 19) • e. Climate change, Commitments and progress (page 16), Protect the Planet: Looking ahead page 20 • d & e. How are we doing? FY23 Progress Highlights (page 12) Climate Report • c & e. Sustainability and Society strategy: Protect the Planet (page 10) • d. Get Sage to Net Zero (pages 11 to 24), Get SMBs to Net Zero pages 25 to 28, Policy and advocacy pages 30 to 32 • e. Climate strategy oversight, governance and responsibility (page 7 and 10) • f. Supply chain page 23, Policy and advocacy page 30 Annual Report and Accounts Sustainability and Society, Protect the Planet (pages 32 to 33) TCFD disclosure (pages 38 to 45) Principal Risks and uncertainties, Environment, social, and governance (page 81)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topic: Climate change continued			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	ESG Databook 2023 Performance Data—Protect the Planet (pages 3, 8 to 9)	
	302-2 Energy consumption outside of the organization	ESG Databook 2023 Performance Data—Protect the Planet (pages 3, 14 to 15)	
	302-3 Energy intensity	ESG Databook 2023 Performance Data—Protect the Planet (page 3)	
	302-4 Reduction of energy consumption	ESG Databook 2023 Performance Data—Protect the Planet (page 3)	
	302-5 Reductions in energy requirements of products and services	ESG Databook 2023 Performance Data—Protect the Planet (pages 3, 14 to 15)	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	ESG Databook 2023 Performance Data—Protect the Planet (page 4, 6 to 15)	
	305-2 Energy indirect (Scope 2) GHG emissions	ESG Databook 2023 Performance Data—Protect the Planet (page 4, 6 to 15)	
	305-3 Other indirect (Scope 3) GHG emissions	ESG Databook 2023 Performance Data—Protect the Planet (page 4, 6 to 15)	
	305-4 GHG emissions intensity	ESG Databook 2023 Performance Data—Protect the Planet (pages 5)	
	305-5 Reduction of GHG emissions	ESG Databook 2023 Performance Data—Protect the Planet (pages 5 to 7)	
	305-6 Emissions of ozone-depleting substances (ODS)	ESG Databook 2023 Performance Data—Protect the Planet (page 5)	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	ESG Databook 2023 Performance Data—Protect the Planet (pages 5, 7)	
	308-2 Negative environmental impacts in the supply chain and actions taken	ESG Databook 2023 Performance Data—Protect the Planet (pages 5, 7)	GRI 308-2d Information unavailable. Tracking to be in place for our FY24 reporting cycle.
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate Report TCFD—climate risks and opportunities (page 8) TCFD disclosures (pages 33 to 44) Annual Report and Accounts TCFD disclosure (pages 38 to 45) Principal Risks and uncertainties, Environment, social, and governance (page 81) Notes to the consolidated financial statements, Climate change (pages 189 to 190)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topic: Cyber security and data privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report • a to f. Cyber security and data privacy, Overview (page 23) • e. Cyber security and data privacy, Commitments and progress (page 23) • d & e. How are we doing? FY23 Progress Highlights (page 13) Annual Report and Accounts Accelerating the pace of innovation (pages 16 to 17) Sustainability and Society, Tech for Good (pages 34 to 35)	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		Sage does not disclose this information for reasons of 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.
Material topic: Diversity, equity, and inclusion			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report • a, b, & f. Diversity, equity, and inclusion, Overview, Diverse teams and equitable culture (page 30) • c. Diversity, equity, and inclusion, Combating discrimination (page 32) • d & e. Diverse teams and equitable culture (page 31), Commitments and progress (page 30), Diversity self-declarations (page 31), Inclusive leadership (page 33), How are we doing? FY23 Progress Highlights (page 14) • f. Diversity, equity, and inclusion, Case study: DEI partnerships (page 32) UK Ethnicity Pay Gap Report • d, e, & f. Our progress, Looking ahead (pages 7 to 8) UK Gender Pay Gap Report • d, e, & f. Introduction (page 2), Our progress, Looking ahead (pages 7 to 9) Annual Report and Accounts Our people and culture (pages 24 to 29) Nomination Committee Report (pages 110 to 117)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topic: Diversity, equity, and inclusion continued			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees 405-2 Ratio of basic salary and remuneration of women to men	ESG Databook 2023 Performance Data, Human by Design (page 17) ESG Databook 2023 Performance Data, Human by Design (page 18) UK Gender Pay Gap Report An overview of our gender pay gap data (pages 4 to 5), Understanding our gender pay gap data (page 6) UK Ethnicity Pay Gap Report An overview of our ethnicity pay gap data (pages 4 to 5), Understanding our ethnicity pay gap data (page 6)	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.
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Sustainability and Society Report Diversity, equity, and inclusion, Combating discrimination (page 32) ESG Databook 2023 Performance Data, Human by Design (page 20)	
Material topic: Innovation to empower customers and SMBs			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report • a, c, d, e, & f. Innovation to empower customers and SMBs, Overview (page 22) • d. Innovation to empower customers and SMBs, Case study: Launching the Small Business Tracker, UK (page 22) • e. Innovation to empower customers and SMBs, Commitments and progress (page 22) • d & e. How are we doing? FY23 Progress Highlights (page 13) Annual Report and Accounts Accelerating the pace of innovation (pages 16 to 17) Sustainability and Society, Protect the Planet (pages 32 to 33) Sustainability and Society, Tech for Good (pages 34 to 35)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topic: Colleague development and retention			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report • a, b, c, & f. Future fit work, Overview (page 36) • d. Future fit work, Knocking down barriers, Skills pipeline (page 36), Our working practices (page 37) • e. Future fit work, Commitments and progress, Learning for the future (page 36), Human by Design: Looking ahead (page 37) • d & e. How are we doing? FY23 Progress Highlights (page 14) • f. Our working practices (page 37) Annual Report and Accounts Our people and culture (pages 24 to 29) Sustainability and society, Human by Design (page 36) Stakeholder engagement, Colleagues (pages 48 to 49) How the Board monitors culture (pages 104 to 105) Directors' Report, Engagement with colleagues (page 165)	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESG Databook 2023 Performance Data, Human by Design (page 21 to 23)	
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	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. b. For organizations 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.	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESG Databook 2023 Performance Data, Human by Design (page 23)	
	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability and Society Report Future fit work 36 to 37	
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG Databook 2023 Performance Data, Human by Design (page 24)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topic: Digital equality			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report - a, b, & c. Digital equality, Overview, Accelerating a more inclusive and responsible digital economy (page 27) d. Digital equality (page 28), Case study: Knocking down digital barriers in South Africa (page 27) e. Digital equality, Commitments and progress (page 27), Tech for Good: Looking ahead (page 28) - d & e. How are we doing? FY23 Progress Highlights (page 13) Annual Report Sustainability and Society, Tech for Good (pages 34 to 35)	
Material topic: Data and AI ethics			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report - a to e. Data and AI ethics, Overview (page 24) - c, d, & e. Data and AI ethics, Sage engages (page 24) e. Data and AI ethics, Commitments and progress (page 24) - d & e. How are we doing? FY23 Progress Highlights (page 13) Annual Report Accelerating the pace of innovation (pages 16 to 17) Sustainability and Society, Tech for Good (pages 34 to 35)	
Material topic: Local communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report - a, b, & f. Local community investment and support, Overview, Strategic update (page 25) - c & d. Local community investment and support, Governance and risk management (page 26), Case study: Barriers to entrepreneurship (page 25) e. Local community investment and support, Commitments and progress (page 25) - d & e. How are we doing? FY23 Progress Highlights (page 13) Annual Report Sustainability and Society, Tech for Good (pages 34 to 35) Stakeholder engagement, Society (pages 52 to 53)	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Through Sage Foundation's stakeholder engagement plans, we have conducted research and established partnerships that increase our ability to make an impact. We have reported internally developed metrics in relation to Sage Foundation's performance during the reporting period which are summarised in the ESG Databook. Sustainability and Society Report Local community investment and support (pages 25 to 26) Digital equality (pages 27 to 28) ESG Databook 2023 Performance Data, Tech for Good (page 16)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topic: Biodiversity and ecosystems			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report Environmental stewardship, Overview (page 20)	
Material topic: Business conduct			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report - a, b, c, d, & f. Business conduct, Promoting ethical practices across the value chain (page 41) - c, d, e, & f. Business conduct, overview, Policies and protocols (page 40) Annual Report and Accounts Non-financial and sustainability information statement (page 46)	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	b. 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. b. Significant risks related to corruption identified through the risk assessment. Sage response: Based on a risk assessment conducted in FY23, 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.	
	205-2 Communication and training about anti-corruption policies and procedures	ESG Databook 2023 Performance Data, Sustainability by Design (page 26)	
	205-3 Confirmed incidents of corruption and actions taken	ESG Databook 2023 Performance Data, Sustainability by Design (page 27)	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	ESG Databook 2023 Performance Data, Sustainability by Design (page 27)	
GRI 415: Public Policy 2016	415-1 Political contributions	ESG Databook 2023 Performance Data, Sustainability by Design (page 27)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topic: Governance effectiveness			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report Sustainability governance, risk management and engagement (page 11) Governance effectiveness and tax (page 42) Annual Report and Accounts Corporate governance report, Time commitment (page 96) How the Board monitors culture (pages 104 to 105) Board evaluation (pages 108 to 109)	
Material topic: Human rights			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report Business conduct, Promoting ethical practices across the value chain (page 41) Annual Report and Accounts Non-financial and sustainability information statement (page 46)	
Material topic: Pollution			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report Environmental stewardship, Overview (page 20)	
Material topic: Resource use and circular economy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report Environmental stewardship, Overview (page 20)	
	306-3 Waste generated	ESG Databook 2023 Performance Data, Protect the Planet (page 5)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topic: Tax and regulatory compliance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report Governance effectiveness and tax, Tax and regulatory compliance (page 42)	
GRI 207: Tax 2019	207-1 Approach to tax	Sustainability and Society Report Governance effectiveness and tax, Tax and regulatory compliance (page 42) Annual Report and Accounts Non-financial and sustainability information statement (page 46) Sage website https://www.sage.com/investors/governance/tax-strategy/ Sustainability and Society Report 2022 Key developments that impact our Tax Transparency Roadmap (page 10)	
	207-2 Tax governance, control, and risk management	Annual Report and Accounts Non-financial and sustainability information statement (page 46) Sage website https://www.sage.com/investors/governance/tax-strategy/	
	207-3 Stakeholder engagement and management of concerns related to tax	Annual Report and Accounts Non-financial and sustainability information statement (page 46) Sage website https://www.sage.com/investors/governance/tax-strategy/	
	207-4 Country-by-country reporting		The EU proposals for public CbCR have been enacted by member states and will be applicable to Sage's EU operations from FY25. Due to confidential business information, Sage does not currently publish CbCR. We provide full tax transparency to tax authorities and will comply with the public CbCR regulations as they are enacted.
Material topic: Water and marine resources			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report Environmental stewardship, Overview (page 20)	
GRI 303: Water and Effluents 2018	303-5 Water consumption	ESG Databook 2023 Performance Data, Protect the Planet (page 5)	

GRI content index—continued

Key Material topic significance



Strategically significant



Very important



Foundational

GRI Standard/ Other Source	Disclosure	Location	Omission
Material topic: Wellbeing and colleague health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability and Society Report • a, b & f. Wellbeing and colleague health and safety, Overview (page 34), Preventing accidents and injuries (page 35) • c & f. Wellbeing and colleague health and safety, Scaling our wellbeing offer (page 34), Prevents accidents and injuries (page 35) • d. Wellbeing and colleague health and safety, Scaling our wellbeing offer (pages 34 to 35) • e. Wellbeing and colleague health and safety, Commitments and progress (page 34), Prevents accidents and injuries (page 35) Annual Report and Accounts Our people and culture, Creating a colleague experience that engages and retains high-performing talent (page 27) Sustainability and Society, Human by Design (page 36)	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability and Society Report Wellbeing and colleague health and safety, Prevents accidents and injuries (page 35)	
GRI 401: Employment 2016	403-9 Work-related injuries	ESG Databook 2023 Performance Data, Human by Design (page 25)	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG Databook 2023 Performance Data, Human by Design (page 25)	
	401-3 Parental leave	ESG Databook 2023 Performance Data, Human by Design (page 25)	
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	Annual Report and Accounts Directors' Remuneration Report, Delivering our remuneration principles in FY24 (page 133) Directors' Remuneration Report (page 139 to 142) Directors' Remuneration Report, Pension and benefits (page 156) Directors' Remuneration Report, All-employee share options (page 160) Notes to the consolidated financial statements, Post-employment benefits (pages 225 to 227)	

SASB index

Sustainability Accounting Standards Board

Topic	Code	Accounting metric	FY23 performance	FY23 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: 47,430 (2) Percentage grid electricity: 32% (3) % Renewable Electricity: 68%	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 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) Zero, (2) 57 megalitres, less than 1% is consumed in regions with High or Extremely High Baseline Water Stress	Sage does not currently collect data on water use related to hardware infrastructure, including our third-party infrastructure providers. 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 65% 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	Sage production environments are hosted on a combination of leased co-location and public cloud providers. During FY23, Sage completed an assessment of climate risk across our datacentre estate, the outputs of which will inform business continuity plans. Work has continued throughout FY23 to enhance the environmental reporting from our datacentre providers, including the evaluation of primary carbon emission data across our core providers such as AWS and Microsoft. In FY24, working alongside our Sustainable Supply Chain programme, we will integrate this primary data into our GHG reporting processes, to allow a transition away from spend based to primary data reporting.	For further information, please see FY23 Climate Report TCFD section pages 33 to 44 .

SASB index—continued

Topic	Code	Accounting metric	FY23 performance	FY23 further information
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioural advertising and user privacy	We launched Data and AI Ethics Principles and a related policy in 2023. These Principles stress the importance to Sage of data privacy and security from an ethical perspective, amongst other data and AI ethical considerations, and are overseen and governed by a dedicated Data and AI Ethics Council comprising members from the ELT. At Sage, we commit to do the right thing for our customers, colleagues, partners, and shareholders. As part of this commitment, we treat people fairly and openly, and apply inclusivity principles. We recognise individuals' rights to privacy and to control their own personal data. 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, and risks are appropriately identified and controlled, with data privacy identified as a Group Principal Risk.	Information on how and why Sage processes personal data can be found in our privacy notices: https://www.sage.com/en-gb/trust-security/privacy/ Data and AI Ethics Principles https://www.sage.com/en-gb/trust-security/data-ethics/
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).	
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 FY23.	

SASB index—continued

Topic	Code	Accounting metric	FY23 performance	FY23 further information
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. 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 this information 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. There were no such findings or sanctions in FY23. For general information about data security risk management, please refer to the Sage FY23 Annual Report.	

SASB index—continued

Topic	Code	Accounting metric	FY23 performance	FY23 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	Sage is committed to maintaining and continually improving its data security programme. Cyber security is a Group Principal Risk, and a Global Security Committee has been established for internal governance. The Global Security Committee is a management-level committee that provides oversight and direction to all aspects of cyber and information security within Sage. This includes advising management and Sage's Board on Sage's current cyber and information risk exposure, and ensuring that the appropriate technical and organisational measures are in place. Security Improvement Programmes report into the Committee and are also discussed at every Board meeting. Sage's security controls are aligned to industry best practice and standards and are continually reviewed. Further information can be found in Sage's Annual Report, pages 68 to 73 (Risk management) and pages 74 to 81 (Principal Risks and uncertainties).	
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a. ¹	Percentage of employees that are (1) foreign nationals and (2) located offshore	% foreign nationals = 7% % located offshore = less than 0.3% ESG Databook 2023 Performance Data, Human by Design (page 19)	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.

¹ TC-SI-330a.1 Foreign nationals: employee's entity is not the same country/region as their nationality. Located offshore: Colleagues temporarily assigned to territories other than their normal location. It does not include those who have permanently relocated. Undisclosed: There are certain territories in which we are not permitted to hold information on colleagues' nationalities, e.g. Germany due to Works Council rules. Therefore the % stated do not include this data element. A Sage region may include multiple countries, i.e. Sage Technology Ltd entity is set up across UK and Ireland.

SASB index—continued

Topic	Code	Accounting metric	FY23 performance	FY23 further information
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a.2	Employee engagement as a percentage	+ 76 eSAT (employee satisfaction %) + 23 eNPS (employee net promoter score)	eSAT is our primary metric of colleague engagement. eSAT represents Engagement and Satisfaction. eSAT scores range from 0 (worst) to 100 (best), and reflect the average response to the question: “How happy are you working at Sage?” This question is proven to have the highest correlation with drivers of engagement, along with outcomes such as retention and productivity. The eSAT question is asked with every employee engagement survey and allows us to continuously track colleague engagement. eNPS methodology is an additional measure asking colleagues to score in response to the statement “I would recommend Sage as a place to work to friends and family” on a scale of 0–10. A final score between -100 and +100 is calculated based on percentage of promoters minus percentage of detractors. Colleagues are asked for voluntary feedback, at least twice a year, following which aggregate feedback 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 and share these with colleagues to support ideas generation for improvements.
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	ESG Databook 2023 Performance Data, Human by Design (page 18)	
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 FY23.	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.

SASB index—continued

Topic	Code	Accounting metric	FY23 performance	FY23 further information
Managing Systemic Risks from Technology Disruptions	TC-SI-550a.1	Number of (1) performance issues, (2) service disruptions, and (3) total customer downtime	Service Level Agreement (SLA) performance of the global product portfolio, excluding Sage Intacct, achieved 99.959% availability. 136 products achieved 100% availability for the year. Sage Intacct is separately tracked and reported. The 12-month rolling availability at the end of FY23 was 99.987% for Sage Intacct, which is viewable at https://www.sageintacct.com/system-status .	
	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	All outages, planned and unplanned, of Sage products are reported on https://status.sage.com . Incident management is in place to now include all products, including Sage Intacct. Onboarding processes for acquisitions require products to be on-boarded to global incident management with the highest priority and no longer than 6 months from acquisition deal close.	
Managing Systemic Risks from Technology Disruptions	TC-SI-000.A	(1) Number of licences or subscriptions, (2) percentage cloud based	Penetration Subscription: penetration 79%, +4pts year-on-year Sage Business Cloud: penetration 84%, +9pts year-on-year ¹	Sage considers subscription penetration and Sage Business Cloud penetration rates to be key performance indicators for measuring progress in our strategy to transition from licence sales and professional services implementation.
	TC-SI-000.B	(1) Data processing capacity, (2) percentage outsourced	The vast majority of data processing capacity is outsourced to public cloud providers. FY23 has seen the start of a multi-year migration process for Sage Intacct from contracted co-location facilities to AWS/Azure. Approximately 25% of Intacct customers are now on outsourced cloud hosting. Overall, 85% of data processing capacity is outsourced across the Sage landscape.	
	TC-SI-000.C	(1) Amount of data storage, (2) percentage outsourced	The vast majority of data storage capacity is outsourced to public cloud providers. FY23 has seen the start of a multi-year migration process for Sage Intacct from contracted co-location facilities to AWS/Azure. Approximately 25% of Intacct customers are now on outsourced cloud hosting. Overall, 85% of data storage capacity is outsourced across the Sage landscape.	

Footnotes:

¹ % Subscription Penetration: Underlying software subscription revenue as a percentage of underlying total revenue.

% Sage Business Cloud Penetration: Underlying recurring revenue from the Sage Business Cloud (native and connected cloud) as a percentage of the underlying recurring revenue of the Future Sage Business Cloud Opportunity.

UN SDGs index

Mapping to the UN Sustainable Development Goals (SDGs)

SDGs	Definition of SDG	Target and our response	Strategic pillars
 Gender equality	Achieve gender equality and empower all women and girls.	- At Sage, we have a target of no more than 60% of any one gender, 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. - In FY23, we were listed in the Business in the Community (BITC)/Times Top 50 Employers Gender Equality List, recognising our efforts to target inequities in hiring, retention, and progression. We are using these qualitative insights alongside our internal data to continue taking action to increase gender equity at all stages throughout a colleague's journey such as attraction, onboarding, and career development. In the UK, our mean gender pay gap decreased from 9.2% to 7.3%.	Human by Design
 Decent work and economic growth	Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.	- Sage is an accredited Living Wage Foundation employer, meaning we pay the real Living Wage to all colleagues in the UK, and contract with suppliers who pay the real Living Wage to all regularly contracted staff who are not employees. - As part of our DEI strategy, we have a commitment to provide mentoring, financial, and digital support for individuals from under-represented groups who want to start businesses, and to create opportunities for young people from all backgrounds to learn life-changing digital skills.	Human by Design
 Reduced inequalities	Reduce inequalities within and among countries.	- Sage is working to promote female entrepreneurs and STEM education for women and girls through the work of Sage Foundation. - Sage is partnering with The BOSS Network to deliver grants and sponsored university places for Black female entrepreneurs in the US. - Sage Foundation has partnered with Newcastle Rugby Foundation (NRF) to launch a 5-week programme called Tackling Insights aimed at making STEM subjects more accessible and engaging for regional school pupils. https://www.sage.com/en-gb/news/press-releases/2023/03/sage-and-newcastle-rugby-foundation-team-up-to-tackle-stem-skills-gap-with-tech/	Tech for Good

UN SDGs index—continued

SDGs	Definition of SDG	Target and our response	Strategic pillars
 Climate action	Take urgent action to combat climate change and its impacts.	• In FY23, SBTi validated our near-term climate target. Our net zero target was also submitted for validation, confirming our commitment to become net zero by 2040. • In FY23, we developed a Net Zero Transition Plan and modelled a glidepath to reach our mid-term goal of 50% emissions reduction by 2030. The plan includes detailed action plans and executive sponsorship for each priority area, and was independently reviewed by a third-party sustainability consultancy. • Working with industry experts on carbon accounting, we are developing an approach to model the full lifecycle carbon impact of our products, starting with Sage 100 and Sage Intacct. • We launched a carbon literacy pilot training in the UK and sustainable rewards strategy to support upskilling colleagues and incentivising climate action. • In FY23, we launched a project involving our 50 highest-emitting suppliers and are engaging with them to secure commitments regarding service-specific emissions data and emissions reduction targets. • Sage Earth is now powering NatWest's Carbon Planner, making it simpler for UK businesses to understand their carbon footprint, reduce their emissions, and tackle climate change more effectively.	Protect the Planet
 Peace, justice, and strong institutions	Business thrives in peaceful environments with effective institutions where operating costs are predictable and working environments are stable.	• Our Group-wide principles go beyond complying with laws and regulations to include mandatory training for all colleagues on our Code of Conduct. Sage has a governance structure that is strengthened by its clear roles and responsibilities across the organisation, demonstrating how oversight, challenge and assurance are provided alongside business activities, including ethical conduct. • In FY23, we implemented our Sustainable Supply Chain Strategy which supports Sage's broader Sustainability and Society strategy. • In support of our zero tolerance of modern slavery, we adopted a risk-based approach on additional supplier information requests. Whilst no issues have been identified for remediation at this stage, we recognise the importance of remaining vigilant and further developing Sage's approach to human rights.	Sustainability by Design



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Sage

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