

EBOOK

Sage Supplier  
Code of Conduct

*September 2020*



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# Paul Harris

## *EVP Property and Procurement*

**At Sage, our overarching value is 'do the right thing'. We are committed to ensuring that the way we do business always represents the highest possible standards of ethical conduct and this commitment supports our vision to become a great SaaS company for customers and colleagues alike.**

Sage works with suppliers all over the world. It is essential that our suppliers hold similar values to us, promote ethical business practices and conduct their business in accordance with applicable laws and regulations. That's why the principles set out in this Supplier Code of Conduct are shared principles; we follow them in our business and we expect our suppliers to as well.

**It is essential that our suppliers hold similar values to us.**

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# What does Sage's Supplier Code of Conduct mean for me?

The Supplier Code of Conduct ("**Code**") sets out the principles that we expect all of the suppliers with whom we work to follow. By working together to promote good practices, we can ensure these principles are reflected in both Sage's, and our supply chain's ways of working.

The Supplier Code of Conduct applies to all Sage suppliers of products or services and their employees, agents consultants and subcontractors (collectively "**Suppliers**", "**you**").

Sage Suppliers are expected to monitor their own compliance with this Code; however, we may request to audit compliance from time to time. The Supplier agrees to respond transparently to any reasonable request that Sage, or professional advisors acting on our behalf, make of them to demonstrate the Supplier's compliance with any part of this Code. As part of this, the Supplier may be required to provide Sage, or our professional advisors, appropriate access to review the Supplier's own standards and practices.

# Our Principles

As a minimum, we expect our Suppliers to comply with the following principles at all times during their relationship with Sage:

## Compliance with laws

Suppliers have a responsibility to comply with all applicable laws and regulations in the countries in which they operate or conduct business. If the principles in this Code are stricter than local legal requirements, we expect Suppliers to meet Sage's requirements.

We require Suppliers to notify us promptly where they become subject to material criminal or civil legal action or sanctioned in any way by a regulator.

## Anti-Bribery and Corruption

It's important to Sage that we do the right thing to maintain trust with our customers, partners, investors and suppliers. Bribery, corruption, and fraud can damage this trust so we, and our Suppliers, must comply with the UK Bribery Act in addition to local bribery and corruption requirements in all jurisdictions in which we operate.

Sage adopts a zero-tolerance approach to all instances of fraud, bribery and corruption and we expect every Supplier to adopt this approach and act in a manner consistent with good ethical practices to prevent bribery and corruption. Suppliers should adopt and maintain appropriate practices, policies and procedures to prevent bribery and corruption.

**Suppliers should make sure that they are aware of and assess situations that could be open to fraud, bribery or corruption and that they speak up and report anything that doesn't feel right.**

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At a minimum, our Suppliers must not:

- (i) offer, promise or give anything of value to influence improper performance or to obtain business or an advantage in the conduct of business;
- (ii) request, agree to receive, or accept anything of value to influence improper performance or to obtain business or an advantage in the conduct of business; or
- (iii) bribe a foreign public official.

In each case this applies to encouraging others to do so and also to direct or indirect conduct (e.g. through an intermediary).

A bribe can be anything of value, not just money. For example, it could be a gift, hospitality or a job offer. Kickbacks and facilitation payments are also prohibited.

Our Suppliers must never make payments to political candidates or parties and they should disclose to us any close connections that they may have with government officials.

Suppliers should put in place and at all times maintain comprehensive whistleblowing procedures and ensure that their recruitment processes are robust and that their employees, contractors and agents are made aware of and understand the need to comply with anti-bribery laws.

**EXAMPLE:** An IT infrastructure company is assisting Sage with the set-up of a new office space. Some of the equipment that is needed in the office is stuck at customs, but a customs official has told an employee at the IT company that he can speed up the process and clear the goods for release if they pay him \$500. The team have a tight project schedule so should the employee pay the customs official?

No, making this payment would be a bribe. Sage does not make, or accept bribes and neither should our suppliers. The supplier should let Sage know about the offer via one of the channels set out in this Code.

### **Tax Evasion**

Sage has a zero-tolerance approach to all forms of tax evasion, whether under UK law or the law of any other country.

We are committed to complying with the Criminal Finances Act 2017, which introduced the Corporate Criminal Offence (CCO) for failure to prevent the facilitation of tax evasion. A company will be guilty of an offence under this Act if a person associated with that company, acting in their capacity as an associated person, facilitates tax evasion by another person. An 'associated person' includes employees, agents, or another person acting on behalf of the company (which can include service providers).

Suppliers should conduct their business in a way that ensures that the opportunity for, and occurrence of, tax evasion is prevented.

**EXAMPLE:** A company in Sage's supply chain has suggested that it would be possible to get a lower price if we could pay them without the company having to issue an invoice. Is this okay?

No, the company should not be paid unless they issue a valid invoice. If they refuse to raise an invoice, this could be an indicator that they are attempting to evade tax on any payments they receive. If you have any concerns, you can raise them via one of the channels set out in this Code.

### **Insider Trading**

As a Sage Supplier, you may have access to material, non-public information about Sage or its group companies. Suppliers should ensure that robust systems are in place at all times to ensure that their employees and advisors do not undertake insider trading or dealing in Sage shares whilst in the possession of such information, and that they do not provide the information to others who may trade on it.

### **Gifts and Hospitality**

We recognise that business gifts and hospitality on a modest and infrequent scale can be a legitimate tool in building good relationships. Modest hospitality such as social events or meals may be offered if there is a genuine business purpose and the cost is reasonable and proportionate.

Suppliers should avoid the potential that a gift or hospitality could influence or be perceived to influence a business relationship, regardless of value.

Suppliers must not offer or give cash or cash equivalents to our employees or offer gifts and entertainment to any government officials on behalf of Sage. We also expect our Suppliers to do the right thing and report to Sage any lavish gifts or hospitality offered by our employees to their own employees.

**Under no circumstances must Suppliers offer or provide to our employees any hospitality, expenses or gifts during active contract negotiations or tender processes (including up to and soon after contract award).**

**EXAMPLE:** A supplier is currently bidding for a contract for the supply of services to Sage. They have some tickets for a sporting event and want to invite some of their Sage contacts along. Is this okay?

No, the supplier should not offer the tickets to Sage. The offer could be perceived to interfere with the proper procurement process, and influence the awarding of the contract. Hospitality such as this may be appropriate if there was not an active tender, but it should always be reasonable and proportionate.

### **Money Laundering**

Suppliers must not accept, process or otherwise become concerned in any arrangement(s) involving any funds known or suspected to be associated with criminal activity. We expect our Suppliers to only deal with reputable parties involved in legitimate business activities, and whose funds are derived from legitimate sources. Suppliers must take reasonable steps to prevent and detect any illegal form of payments and prevent its financial transactions being used by others to launder money.

## Sanctions

Sage operates around the world and adheres to both international and local sanctions regimes that prohibit us from doing business with certain countries, individuals, governments and entities. Suppliers have a responsibility to ensure that they, and those within their supply chain, fully comply with applicable sanctions regimes (for example, United Nations, EU, UK and OFAC sanctions) and that they do not transact with any sanctions targets whether they are countries, entities or individuals. We expect all of our Suppliers to adopt and maintain appropriate processes to ensure compliance with applicable sanctions regimes.

**EXAMPLE:** A Sage supplier wants to sub-contract some of its work to a company in Iran – sub-contracting the work could be very cost-effective for Sage. What should they do?

Iran is subject to widespread sanctions which means that Sage, and its suppliers should not be conducting any business there (directly or indirectly). As sanctions lists and targets are frequently updated, suppliers should have processes and procedures in place to carry out sanctions checks and ensure they know where they can and can't do business.

## Competition

Open and fair competition is good for consumers and good for business. We expect our Suppliers to act in full compliance with applicable anti-trust and competition laws as they apply to both Sage's and our Supplier's respective business activities. For example, you must not attempt to lock competitors out of the supply chain, fix prices or illegally share markets.

Engaging in anything which could result in the prevention, restriction or distortion of competition which may affect trade would be anti-competitive behaviour and, in many places, illegal.

## Conflicts of Interest

When doing business with us, we expect our Suppliers to inform us of any potential conflicts of interest between us or otherwise related to their activities as a Sage supplier. For example, you should let us know if there is a personal connection between people in our respective organisations who are involved in a contract or transaction.

## Fair Treatment of Supply Chain

We expect Suppliers to treat their supply chain fairly. Suppliers should make payments on time except in the case of genuine dispute.



## **Employees and working conditions**

### **Human Rights**

Our Suppliers have a responsibility to respect international standards on human rights.

### **Equal Treatment**

Suppliers must ensure that all workers are treated fairly and equally. For example, suppliers must select workers based on ability and not on any personal characteristics such as sex, race, colour, ethnic origin, sexual orientation, gender identity, pregnancy, religion, trade union activity, political beliefs, disability or age.

**We expect Suppliers to adopt a zero-tolerance approach to violence, bullying, intimidation and abuse at work and to any other form of verbal, non-verbal or physical harassment or discrimination.**

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## **Diversity and Inclusion**

Sage is passionate about building a culture where colleagues feel like they can be their true self at work. We expect our Suppliers to treat all employees fairly and not to discriminate against any group or groups but instead proactively encourage an inclusive and diverse working environment at all levels of the organisation, including diversity of gender, age, disability, sexual orientation, ethnicity and nationality.

## **Slavery, Human Trafficking and Forced Labour**

Suppliers must do the right thing by not participating in any form of human slavery or human trafficking and they and their directors must prohibit the same within their own supply chain. We require our Suppliers to comply with any laws or conventions relating to slavery or human trafficking and they must not engage workers involuntarily or adopt practices that suggest forced or compulsory labour. Suppliers must ensure that workers are not required to hand over passports, ID cards or work permits as a condition of employment and they must be free to leave their employment on giving reasonable notice.

Sage requires all Suppliers to establish and implement appropriate systems to ensure that no involuntary or forced labour, or slavery or human trafficking is employed or otherwise used within its own supply chain.





### **Child Labour**

In no circumstances shall child labour (young people 15 or under, unless acceptable to the International Labour Organisation) be utilised by our Suppliers or within their supply chain. Sage is passionate about ethical working and we expect our Suppliers to respect and comply with applicable law and regulation concerning the minimum age of workers. Where young workers are lawfully employed, they shall be guaranteed proper working hours, wages and safe working conditions. Suppliers must ensure that persons under the age of 18 do not carry out hazardous work i.e. work which exposes the child to physical, psychological or sexual abuse, work underground or underwater, at dangerous heights, in confined spaces or with dangerous machinery, equipment or tools.

### **Working Hours and Payment**

It is our Suppliers' responsibility to ensure that every worker (and all workers within a Supplier's supply chain) are paid at least the minimum wage in the country of employment and paid overtime in accordance with local legal requirements or applicable collective agreements. Suppliers shall ensure workers are not, except in exceptional circumstances, required to work excessive hours during their working week and are given regular rest days in accordance with local laws and conventions.

### **Terms of Employment**

Suppliers must ensure that workers are provided with a written employment contract prior to commencing work. The contract should be written in a language understood by the worker. Workers must also be given access to grievance systems to enable employment related matters to be fully investigated to fair resolution.

### **Freedom of Association**

Supplier's workers should be allowed to associate freely and bargain collectively consistent with local laws and regulations. In countries where the right to freedom of association or to bargain collectively is restricted under local law, Suppliers must allow workers to freely elect their own representatives.

**Workers should be able to communicate with management regarding working conditions without fear of harassment, reprisal or intimidation.**

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### **Health & Safety**

Sage is committed to a safety-first culture and protecting our people and those we work with is a priority. We expect our Suppliers to follow suit and to provide a safe, healthy and secure working environment for their employees, contractors, customers and those in the community who may be affected by their activities. Suppliers must adopt and maintain appropriate health and safety management systems, in accordance with their local laws, provide task specific training and display excellent risk management practices so that workers are protected from workplace injuries. Suppliers must report and investigate all workplace injuries to understand root cause and embed learning to prevent recurrence.

### **Environment & Sustainability**

Sage is committed to minimising the impact we have on the environment by embedding increasingly sustainable business practices both directly and through engagement with our supply chain. We expect our Suppliers to adopt responsible practices for managing positive social and environmental impacts and comply with applicable laws and internationally recognised standards. Suppliers should strive to minimise their environmental impact and deploy measures to prevent and reduce harm to the environment, and contribute positively to the

industries, societies and communities in which they operate. Sage expects Suppliers to seek to improve their own environmental and climate performance through environmental policies, objectives and targets and work towards resource efficiency, carbon reduction and sustainable waste management.

### **Conflict Minerals**

To the extent applicable to their activities, Suppliers should have in place appropriate policies and procedures to prevent against the acquisition of conflict minerals or unsustainable mined minerals in their supply chain.

### **Land rights**

We expect our Suppliers to respect the land rights of indigenous communities.



## Data privacy and security

### Privacy

Sage is a proud and trusted custodian of customer and colleague's data and has always prioritized adherence to data privacy laws. We expect Suppliers to use due skill, care and diligence to prevent the unauthorised or unlawful processing of data. Data is fundamental to the services offered by Sage and we expect all of our Suppliers who process personally identifiable data to ensure that they meet the required standards under law and regulation to safeguard the interests of the individual.

### Security

The way we manage data could affect not only our business and our reputation, but our customers' and suppliers' businesses and reputations. Our Suppliers must ensure that they adopt and maintain appropriate governance structures to support a framework of applied controls that ensure the confidentiality, integrity and availability of information assets.

## We require our Suppliers to fully comply with all legislative requirements as they relate to information assets.

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Information assets encompass:

- all of the Supplier's own information;
  - information provided by Sage to the Supplier;
- or
- information that our Suppliers gain access to through interaction with Sage, our systems and our people (including but not limited to any information regarding Sage's customers and other third parties).



### How do Suppliers report concerns?

Every organisation faces the risk of things going wrong from time to time. It's impossible to set out every possible scenario that we could face so, guided by the principles in this Code, we rely on each other's good judgment to uphold the highest standards of ethical conduct.

We all have a responsibility to speak up if something is wrong and if you ever believe that there has been a suspected or actual breach of this Code either by Sage, or by someone in your own organisation, we ask that you raise this with us at the earliest opportunity so that we can work together to take appropriate action. We support a culture of speaking up and take seriously all such notifications raised to us in good faith.

There are a number of ways that Suppliers can report their concerns. Here's how:

1. Email their local Sage Procurement Contact
2. Email VP Procurement, Claire Brockdorff at [Claire.brockdorff@sage.com](mailto:Claire.brockdorff@sage.com)
3. Email EVP Property & Procurement, Paul Harris at [Paul.MHarris@sage.com](mailto:Paul.MHarris@sage.com) or Group General Counsel & Company Secretary, Vicki Bradin at [vicki.bradin@sage.com](mailto:vicki.bradin@sage.com)
4. Alternatively, Suppliers can use our free, confidential service, Safecall, to report breaches of this Code. There are three ways to submit a report through Safecall:
  - By email to [sage@safecall.co.uk](mailto:sage@safecall.co.uk)
  - By submitting an online form at [www.safecall.co.uk/report](http://www.safecall.co.uk/report)
  - Or, by calling the Safecall number in your country (free of charge)

#### Europe

Austria	00 800 72332255
Belgium	00 800 72332255
France	00 800 72332255
Germany	00 800 72332255
Ireland	1 800 812740
Italy	00 800 72332255
Netherlands	00 800 72332255
Poland	00 800 72332255
Portugal	00 800 72332255
Spain	00 800 72332255
Switzerland	00 800 72332255
UK	0800 9151571

#### North America

Canada	1877 5998073
USA	1866 9013295

#### AAMEA

Australia	0011 800 72332255
Botswana	0044 191 516 7764
Brazil	0800 8921750
Kenya	0044 191 516 7764
India	000800 4401256
Malaysia	1800 220054
Morocco	0044 191 516 7764
Namibia	0044 191 516 7764
Nigeria	0044 191 516 7764
Saudi Arabia	800 8442067
Singapore	001 800 72332255 (Singtel) 002 800 72332255 (M1) 008 800 72332255 (Starhub)
South Africa	00 800 72332255
Thailand	001 800 72332255
UAE	8000 4413376

Sage takes every report seriously and will investigate and respond appropriately. We expect our Suppliers to co-operate with any investigation and communicate with us in an honest and transparent manner throughout.

### **Consequence of non-compliance**

Sage is strongly committed to ensuring that we do the right thing and supporting Suppliers to do so. Where we reasonably believe that a Supplier is not in compliance with this Code, we will seek to raise the matter with the Supplier in an attempt to rectify the issue.

Breaches of this Code may therefore be considered a material breach of contract by the Supplier. In addition, we reserve the right to end our business relationship with any Supplier who is in non-compliance with this Code where:

- i. such non-compliance has a potentially serious adverse impact on our business (for example damage to our reputation, employees, customers, shareholders or supply chain) or the communities that we serve; or
- ii. the Supplier has repeatedly breached this Code and has failed to take appropriate steps to raise standards to ensure compliance with this Code.

### **Updates**

We may update this Code from time to time. It is the responsibility of the individual Supplier to ensure that it has read and is complying with the most up to date version of this Code.

### **Version**

This Code was last updated in September 2020.





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