



The Sage Group plc.

Notice of the 2022 Annual General Meeting to be held on Thursday, 3 February 2022

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the action you should take, you should immediately seek your own advice from your stockbroker, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your ordinary shares in The Sage Group plc., you should pass this Notice of the Meeting and accompanying documents (except any personalised form of proxy), as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, so they can pass these documents to the person who now holds the shares.

Chair's Letter

2 December 2021

The Sage Group plc.
C23 – 5&6
Cobalt Park Way, Cobalt Park
Newcastle Upon Tyne
NE28 9EJ
United Kingdom
www.sage.com

Dear shareholder

FY21 Annual Report and Accounts and 2022 Annual General Meeting

I am pleased to provide details of the thirty-fourth Annual General Meeting of The Sage Group plc. (the "Company") (the "2022 Annual General Meeting", or the "Meeting") and enclose our Annual Report and Accounts for the year ended 30 September 2021 (the "FY21 Annual Report and Accounts"), the Notice of the Meeting and Form of Proxy. The Meeting will be held at, and broadcast from, our registered office at C23 - 5 & 6, Cobalt Park Way, Cobalt Park, Newcastle Upon Tyne, NE28 9EJ, on Thursday, 3 February 2022 at 12 noon, with facilities to attend electronically.

The Notice of the Meeting is set out on pages 3 and 4, together with explanatory notes on pages 5 to 10. The FY21 Annual Report and Accounts and the Notice of the Meeting are also available on our website at sage.com/investors.

Arrangements for the 2022 Annual General Meeting - combined physical and electronic general meeting

Shareholders' views are important to us, and we consider the Annual General Meeting to be an important event in our calendar and a significant opportunity to engage with our shareholders. We have been mindful when planning for our 2022 Annual General Meeting both of the need to ensure a Covid-19 secure Meeting for any shareholders who may wish (subject to government guidelines) to attend the Meeting at the physical venue, and of the importance of providing shareholders with the opportunity to attend the meeting electronically, should they so prefer.

The 2022 Annual General Meeting will be held as a combined physical and electronic general meeting as permitted by the Company's Articles of Association, and we have made the following arrangements to support this.

• Attending the Meeting at the physical venue

At the time of writing the Notice of the Meeting, the UK government is not imposing restrictions on public gatherings or travel. It is therefore anticipated that we will be able to welcome our shareholders to the Meeting in person. If you would like to attend the physical venue, we ask you to please register your intention as soon as possible with Equiniti, our Registrars, by ticking the tick box on either the Form of Proxy (which you should return to Equiniti), or on www.sharevote.co.uk, to help us plan appropriately. Depending on any UK government requirements or recommendations at the time of the Meeting, we may ask everyone attending at the physical venue to adhere to safety measures, which could include wearing a face covering and observing appropriate social distancing. Unfortunately, there will be no circulation of shareholders or Directors before or after the Meeting, and (with the exception of carers) guests of shareholders will not be permitted entrance to the Meeting this year. In view of the unpredictability of the Covid-19 pandemic, we also ask you please to check the latest Government guidelines before you consider travelling to the Meeting venue and to monitor our website, sage.com/investors, where we will inform you of any changes to our arrangements for the Meeting.

• Attending the Meeting electronically

This year, we will be enabling all shareholders to attend and participate in the Meeting electronically, and I would encourage you to make full use of the facilities available to you, if you are not planning or are unable to attend the physical venue. Shareholders will be able to view the Board conduct the business of the Meeting via a live webcast and to submit questions in real time via the Lumi platform on any matter pertaining to the business of the Meeting. You will also be able to cast your vote during the Meeting this year. Please refer to pages 14 and 15 for fuller information on how to attend the Meeting electronically, ask questions and vote.

Shareholders who would like to appoint their own named proxy or corporate representative for the Meeting with the intention that the person will attend electronically should follow the processes set out in notes 3 to 9 on pages 11 and 12, noting that the deadline for receipt by our Registrars of all proxy appointments is 12 noon on Tuesday, 1 February 2022. In addition, to ensure your proxy or corporate representative is able to access the Meeting electronically, please contact the Company's Registrars before 12 noon on Wednesday, 2 February 2022 on 0371 384 2859 or +44 121 415 7047, or by emailing hybrid.help@equiniti.com, to arrange a unique username and password.

• Shareholder questions

I strongly encourage you to submit your questions about the business of the Meeting in advance, by emailing agm2022@sage.com no later than close of business on 27 January 2022. Please include your full name and SRN in your email. You may also, if you prefer, ask questions during the Meeting, whether you are attending at the physical venue or electronically. The Directors will aim, where possible, to answer all questions on the business of the Meeting, live at the Meeting. A full transcript of the questions asked on the business of the Meeting, and the answers, will be made available on the Company's website in due course following the conclusion of the Meeting.

In addition, and similarly to last year, our external Auditors (Ernst & Young LLP) will be available to answer any questions from shareholders, at the Meeting.

Chair's Letter

• Voting at the Meeting

Your vote is important to us. Shareholders attending the Meeting at the physical venue or electronically will be able to vote in real time during the Meeting.

If you are planning to attend the physical venue, we ask you to please register your intention as soon as possible, with Equiniti, our Registrars, by ticking the tick box on either the Form of Proxy (which you should return to Equiniti) or on www.sharevote.co.uk. You will be provided with a poll card at the venue.

If you are planning to attend the Meeting electronically and would like to cast your vote during the Meeting, please refer to pages 14 to 15 for fuller information on the process.

Shareholders who are unable to attend the Meeting or who would prefer to vote in advance are strongly encouraged to appoint the Chair of the Meeting as proxy, with voting instructions. Voting at the Meeting will be on a poll, and will reflect all proxy voting instructions duly received. Information on how to appoint a proxy (whether you choose the Chair of the Meeting or your own named proxy to attend on your behalf) is on pages 11 and 12. Please note that the deadline for receipt by our Registrars of all proxy appointments is 12 noon on Tuesday, 1 February 2022.

The results of the poll will be announced to the London Stock Exchange and will be published on our website www.sage.com/investors as soon as reasonably practicable after the Meeting.

• Sage website and updates to 2022 Annual General Meeting arrangements

Any changes to our Meeting arrangements will be communicated to shareholders via the Company's website. Our corporate website, www.sage.com/investors is the principal means we use to communicate with our shareholders, and we therefore encourage you to watch for updates about the 2022 Annual General Meeting. In view of the ongoing Covid-19 pandemic, please also check the latest government guidelines at the time of the Meeting before you consider travelling to the physical venue.

• Business of the Meeting

In addition to our standard Annual General Meeting resolutions, we are also asking shareholders to approve the 2022 Directors' Remuneration Policy (the "2022 Remuneration Policy" or the "Policy"), which sets out the Company's updated policy relating to the Directors' remuneration. We conducted a broad engagement programme on the Policy in 2021, engaging with shareholders controlling around 60% of our issued share capital and three major proxy advisers: IVIS/the Investment Association, ISS and Glass Lewis. Details on the Policy and on consultation can be found in our FY21 Annual Report and Accounts on pages 126 and 130 to 139.

The current policy was approved at the 2019 AGM. The new Policy, if approved by shareholders, is intended to apply for up to three years from the date of the Meeting, and unless the Company wishes to change the Policy, no further shareholder approval will be required during this period.

• Final dividend

Subject to approval at the 2022 Annual General Meeting, the final dividend for the financial year ended 30 September 2021 of 11.63 pence per ordinary share will be paid on 10 February 2022 to those members whose names appear on the register at the close of business on 14 January 2022.

• Recommendation

The Directors are of the opinion that all resolutions to be proposed at the 2022 Annual General Meeting are in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends that you vote in favour of all the proposed resolutions.

Yours sincerely



Andrew Duff
Chair

The Sage Group plc.

Notice of 2022 Annual General Meeting

Notice is hereby given that the thirty-fourth Annual General Meeting of The Sage Group plc. (the "Company") (the "2022 Annual General Meeting", the "Meeting") will be held at C23 - 5 & 6, Cobalt Park Way, Cobalt Park, Newcastle Upon Tyne, NE28 9EJ, at 12 noon on Thursday, 3 February 2022 to transact the following business:

To consider and, if thought fit, to pass resolutions 1 to 18 (inclusive), which will be proposed as Ordinary Resolutions, and resolutions 19 to 22 (inclusive), which will be proposed as Special Resolutions:

ORDINARY RESOLUTIONS

Annual Report and Accounts

1. To receive the Annual Report and Accounts of the Company together with the reports of the Directors and of the Company's Auditors for the financial year ended 30 September 2021 (the "FY21 Annual Report and Accounts").

Approval of the Directors' Remuneration Report

2. To approve the Directors' Remuneration Report for the financial year ended 30 September 2021, set out on pages 120 to 157 of the FY21 Annual Report and Accounts (excluding the part setting out the Directors' Remuneration Policy, which is on pages 130 to 139).

Approval of the Directors' Remuneration Policy

3. To approve the Directors' Remuneration Policy, set out in full on pages 130 to 139 of the FY21 Annual Report and Accounts.

Final dividend

4. To declare a final dividend recommended by the Directors of 11.63 pence per ordinary share for the financial year ended 30 September 2021 to be paid on 10 February 2022 to members whose names appear on the register of members at the close of business on 14 January 2022.

Election and Re-election of Directors

5. That Andrew Duff be elected as a Director of the Company.
6. That Derek Harding be elected as a Director of the Company.
7. That Sangeeta Anand be re-elected as a Director of the Company.
8. That Dr John Bates be re-elected as a Director of the Company.
9. That Jonathan Bewes be re-elected as a Director of the Company.
10. That Annette Court be re-elected as a Director of the Company.
11. That Drummond Hall be re-elected as a Director of the Company.
12. That Steve Hare be re-elected as a Director of the Company.
13. That Jonathan Howell be re-elected as a Director of the Company.
14. That Irana Wasti be re-elected as a Director of the Company.

Re-appointment and Remuneration of the Auditors

15. To re-appoint Ernst & Young LLP as Auditors to the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
16. That the Audit and Risk Committee of the Board be authorised to determine and agree the remuneration of the Auditors to the Company.

Political Donations

17. That, in accordance with section 366 of the Companies Act 2006, the Company and all companies that are subsidiaries of the Company at any time during the period for which this resolution has effect are authorised to:

- (a) make political donations to political parties or independent election candidates not exceeding £100,000 in total;
- (b) make political donations to political organisations other than political parties not exceeding £100,000 in total; and
- (c) incur political expenditure not exceeding £100,000 in total,

provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000 in total, during the period beginning with the date of the passing of this resolution and ending at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 31 March 2023.

For the purpose of this resolution the terms "political donations", "political parties", "independent election candidates", "political organisations" and "political expenditure" have the meanings set out in sections 363 to 365 of the Companies Act 2006.

Authority to allot new shares

18. That:

- (a) the Directors be and are hereby generally and unconditionally authorised in accordance with article 7 of the Company's Articles of Association and section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:
 - (i) up to a maximum nominal amount of £3,586,180.90 (such amount to be reduced by the nominal amount of any equity securities (as defined in article 8 of the Company's Articles of Association) allotted under paragraph (ii) below in excess of £3,586,180.90); and
 - (ii) comprising equity securities (as defined in article 8 of the Company's Articles of Association) up to a maximum nominal amount of £7,172,361.80 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue (as defined in article 8 of the Company's Articles of Association);
- (b) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, or, if earlier, at the close of business on 31 March 2023; and
- (c) all previous unutilised authorities under section 551 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

The Sage Group plc.

Notice of 2022 Annual General Meeting

SPECIAL RESOLUTIONS

Authorities to disapply pre-emption rights

General disapplication of pre-emption rights

19. That:

- (a) in accordance with article 8 of the Company's Articles of Association, the Directors be given power to allot equity securities for cash as if section 561 of the Companies Act 2006 did not apply;
- (b) the power under paragraph (a) above (other than in connection with a rights issue, as defined in article 8 of the Company's Articles of Association) shall be limited to the allotment of equity securities having a nominal amount not exceeding in aggregate £538,465.60;
- (c) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 31 March 2023.

Additional disapplication of pre-emption rights

20. That:

- (a) in addition to any authority granted under resolution 19, the Directors be authorised:
 - (i) subject to the passing of resolution 18, to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that resolution under section 551 of that Act; and
 - (ii) to allot equity securities as defined in section 560(3) of that Act (sale of treasury shares) for cash,

in either case as if section 561 of that Act did not apply to the allotment or sale, but this power shall be:

- (A) limited to the allotment of equity securities up to a maximum nominal amount of £538,465.60; and
 - (B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice;
- (b) this power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 31 March 2023; and
 - (c) the Company may, before this power expires, make an offer or enter into an agreement, which would or might require equity securities to be allotted after it expires, and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

Authority to purchase own shares on market

21. That in accordance with section 701 of the Companies Act 2006, the Company be and is hereby granted general and unconditional authority to make one or more market purchases (within the meaning of section 693 of the Companies Act 2006) of ordinary shares in the capital of the Company on such terms and in such manner as the Directors shall determine provided that:

- (a) the maximum number of ordinary shares which may be acquired pursuant to this authority is 102,374,941 ordinary shares in the capital of the Company;
- (b) the minimum price which may be paid for each such ordinary share (exclusive of all expenses) is its nominal value;
- (c) the maximum price which may be paid for each such ordinary share (exclusive of all expenses) shall not be more than the higher of:
 - (i) an amount equal to 105% of the average of the middle market prices shown in the quotations for the ordinary shares in the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that ordinary share is purchased; and
 - (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out;
- (d) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, or, if earlier, at the close of business on 31 March 2023 unless renewed before that time; and
- (e) the Company may make a contract or contracts to purchase ordinary shares under this authority before its expiry which will be or may be executed wholly or partly after expiry of this authority and may make a purchase of ordinary shares in pursuance of such contract.

Notice period for general meetings

22. That a general meeting (other than an Annual General Meeting) may be called on not less than 14 clear days' notice.

By Order of the Board



Vicki Bradin
Company Secretary

C23 – 5&6, Cobalt Park Way, Cobalt Park, Newcastle Upon Tyne,
NE28 9EJ, United Kingdom

Registered in England and Wales, Company number 02231246
2 December 2021

Explanatory notes to the Resolutions

Resolutions 1 to 18 (inclusive) are Ordinary Resolutions which require a simple majority of more than 50% of votes to be cast in favour to be passed. Resolutions 19 to 22 (inclusive) are Special Resolutions which require a 75% majority of the votes to be cast in favour to be passed.

ORDINARY RESOLUTIONS

Resolution 1 – Annual Report and Accounts

This resolution is to receive and consider the FY21 Annual Report and Accounts. The Directors are required to present the FY21 Annual Report and Accounts, including the independent Auditor's Report.

Resolution 2 – Approval of the Directors' Remuneration Report

This resolution is to approve the Directors' Remuneration Report as set out on pages 120 to 157 of the FY21 Annual Report and Accounts (excluding the part setting out the Directors' Remuneration Policy, which is on pages 130 to 139).

Section 439 of the Companies Act 2006 requires that the Directors' Remuneration Report for the financial year be put to a vote of shareholders at the Annual General Meeting. This vote is advisory and the Directors' entitlement to receive remuneration is not conditional on it.

Resolution 3 – Approval of the Directors' Remuneration Policy

The Directors' Remuneration Policy (the "2022 Remuneration Policy") sets out the Company's proposed policy on Directors' remuneration. The 2022 Remuneration Policy is set out on pages 130 to 139 of the FY21 Annual Report and Accounts.

Section 439A of the Companies Act 2006 requires that a directors' remuneration policy be put to vote by shareholders every three years, unless during that time it is to be changed or a new policy proposed. The vote is binding which means that payments cannot be made under the 2022 Remuneration Policy until it has been approved by shareholders. The current remuneration policy for Directors was previously approved by shareholders at the Annual General Meeting held in 2019 and can be found in full on <https://www.sage.com/investors/governance/remuneration-policy>.

The Remuneration Committee discussed the 2022 Remuneration Policy over a series of meetings which considered the strategic priorities of the business, talent requirements, stakeholder views and evolving market practice in consultation with its external remuneration advisers, Deloitte. The Remuneration Committee also consulted individually with Sage's top 17 shareholders controlling around 60% of our issued share capital and three major proxy advisers: IVIS/the Investment Association, ISS and Glass Lewis.

In drafting the 2022 Remuneration Policy we recognised that, overall, the framework applicable to our current remuneration policy for Directors remains relevant. We are however, proposing some changes from the existing policy, to further align our commitment to a long-term sustainable business for all our stakeholders. The key proposed amendments from the existing policy are set out below:

- (a) The post-employment shareholding guideline for Executive Directors has been updated to align with the Investment Association guidance and has been increased to 100% of each Executive Director's 'in-employment' guideline for two years after stepping down as a Director, further enhancing the long-term alignment of Directors and shareholders;
- (b) The CEO's 'in-employment' shareholding requirement will increase to 300% of salary;
- (c) Pension provision for Executive Directors will be fully aligned with the majority of the workforce, currently 10% of salary. Accordingly, the CEO's existing pension provision has been reduced from 15% to 10% of salary with effect from 1 October 2021;
- (d) The Remuneration Committee has the flexibility to set and measure bonus targets otherwise than on an annual basis. There is currently no intention to rely on this for FY22. It is expected that use of this flexibility will be reserved for exceptional circumstances, for example where there is limited visibility to set robust 12 month bonus targets; and
- (e) In recognition of the increased time commitment required from a Non-executive Director in our internationalised business, the 2022 Remuneration Policy will provide flexibility to make additional travel allowance payments to Non-executive Directors for time spent travelling internationally on Company business.

Resolution 4 – Final Dividend

This resolution seeks shareholder approval for the proposed final dividend of 11.63 pence per ordinary share. The final dividend declared cannot exceed the amount recommended by the Directors. An interim dividend of 6.05 pence per ordinary share was paid on 18 June 2021. The Board is proposing a final dividend of 11.63 pence per ordinary share, making a total dividend for the year of 17.68 pence per ordinary share. If approved, the final dividend will be paid on 10 February 2022 to members whose names appear on the register of members at the close of business on 14 January 2022.

This reflects the Group's strong business performance and cash generation during FY21 in line with the Company's policy of maintaining the dividend in real terms. Further information is set out on page 233 of the FY21 Annual Report and Accounts.

Explanatory notes to the Resolutions

Resolutions 5 to 14 – Election and re-election of Directors

In accordance with the provisions of the 2018 UK Corporate Governance Code and the Company's Articles of Association, the Directors are subject to election or annual re-election by shareholders.

Resolution 5 relates to the election by shareholders of Andrew Duff, who was appointed to the Board as an independent Non-executive Director on 1 May 2021 and as Non-executive Chair on 1 October 2021. Resolution 6 relates to the election by shareholders of Derek Harding, who was appointed to the Board as an independent Non-executive Director on 2 March 2021.

Resolutions 7 to 14 relate to the re-election of the other remaining Directors, Sangeeta Anand, Dr John Bates, Jonathan Bewes, Annette Court, Drummond Hall and Irana Wasti as independent Non-executive Directors and Steve Hare and Jonathan Howell as Executive Directors.

The Board has considered the key strengths and experience of each Director and the contribution each Director brings to the Board. In FY21, the Board carried out an internal review of its own effectiveness, and that of its Committees and Directors, details of which can be found on pages 80 to 82 of the FY21 Annual Report and Accounts.

The interests and external time commitments of the Non-executive Directors have been considered and the Board has concluded that they are free from any relationships or circumstances that could affect their judgement and are accordingly considered independent. Andrew Duff was independent on his appointment to the Board, and as Chair.

The Board concluded that each Director continues to be effective and that they demonstrate commitment to their roles. It is the Board's view that the Directors' biographies below illustrate why the contribution of each Director standing for election/re-election is, and continues to be, important to the long-term sustainable success of the Company.

Resolution 5 – Election of Andrew Duff as a Director

Role: Chair

Appointment date: Independent Non-executive Director on 1 May 2021 and as Non-executive Chair on 1 October 2021

Committees: Chair of the Nomination Committee

Board contribution:

- Extensive experience as a non-executive director and chair
- Strong track record of transforming high-profile international businesses
- Effective leader with strategic insights and international experience

Key strengths and experience: Strong track record as a non-executive chair with focus on culture, purpose, customer centricity, and delivering value for all stakeholders. Andrew has previously served as a non-executive chair of Elementis plc and Severn Trent plc, non-executive director of Wolseley plc and chief executive officer of npower.

Key external commitments: Non-executive director of UK Government Investments Ltd (UKGI)

Resolution 6 – Election of Derek Harding as a Director

Role: Independent Non-executive Director

Appointment date: 2 March 2021

Committees: Member of the Audit and Risk Committee

Board contribution:

- Significant financial experience including leading business transformations
- Broad experience across a range of commercially focused financial and operational roles including strategy, investor relations, mergers and acquisitions

Key strengths and experience: Sharp financial acumen gained as chief financial officer at Senior plc, group finance director at Shop Direct and finance director of Wolseley UK.

Key external commitments: Chief financial officer at Spectris plc

Resolution 7 – Re-election of Sangeeta Anand as a Director

Role: Independent Non-executive Director

Appointed: 1 May 2020

Committees: Member of the Audit and Risk Committee

Board contribution:

- The Board benefits from her deep operating experience in transforming complex product portfolios and go-to-market to capture the cloud opportunity
- Technology and business experience includes cybersecurity, cloud, enterprise software, SaaS and application services

Key strengths and experience: Silicon Valley-based senior technology leader with extensive experience in leading P&L and growth across a range of public, PE-owned and startup companies including having served as chief marketing officer of Alkira Inc (disruptive SaaS networking startup), senior vice president of F5 Networks Inc (Listed on NASDAQ), general manager and corporate vice president of SafeNet (part of Thales Group) and vice president of Cisco Systems.

Key external commitments: None

Resolution 8 – Re-election of Dr John Bates as a Director

Role: Independent Non-executive Director

Appointment date: 31 May 2019

Committees: Member of the Nomination Committee and the Remuneration Committee

Board contribution:

- John brings his deep knowledge in the field of technology innovation including the use of Artificial Intelligence and Machine Learning functionality to improve the customer experience
- Wealth of experience in creating brand identity, go-to-market strategy, customers experiences, sales and support across diverse cultural regions
- Has led evolution of platforms for digital business

Key strengths and experience: Valuable technology skills having served as co-founder, president and chief technology officer of Apama (now part of Software AG), head of industry solutions and chief marketing officer at Software AG, chief executive officer of Terracotta, Inc. (a subsidiary of Software AG), executive vice president of corporate strategy and chief technology officer at Progress Software, and chief executive officer at Plat.One (now part of SAP). John has also very recently served as chief executive officer of the Eggplant Group, part of Keysight Technologies Inc.

Key external commitments: Executive chairman of SER Group Holding GmbH

Explanatory notes to the Resolutions

Resolution 9 – Re-election of Jonathan Bewes as a Director

Role: Independent Non-executive Director

Appointed: 1 April 2019

Committees: Chair of the Audit and Risk Committee

Board contribution:

- Wealth of accounting and financial experience
- Strong investment banking experience gained over a 25-year career in the sector including experience of serving as chairman on an audit committee makes him well suited to the role of independent Non-executive Director and Chair of the Audit and Risk Committee
- Advisor to boards of UK and overseas companies on a wide range of financial and strategic issues, including financing, corporate strategy and governance

Key strengths and experience: Jonathan is a seasoned investment banker, having worked at Robert Fleming, UBS and Bank of America Merrill Lynch.

Key external commitments: Senior independent director and chair of the audit committee of Next plc and vice chairman corporate and institutional banking at Standard Chartered Bank plc

Resolution 10 – Re-election of Annette Court as a Director

Role: Independent Non-executive Director

Appointed: 1 April 2019

Committees: Chair of the Remuneration Committee and member of the Audit and Risk Committee

Board contribution:

- The Board benefits from Annette's experience of both executive and non-executive director roles at the highest levels including as chair of a FTSE 100 company, and prior experience of serving as chair of a remuneration committee. This also means that Annette is appropriately placed to chair Sage's Remuneration Committee
- Strong technology background with a record of using e-commerce to drive commercial success
- Expertise in mentoring leaders to achieve greater clarity of purpose and provide a practical approach to problem-solving

Key strengths and experience: Annette's prior roles include senior independent director of Jardine Lloyd Thompson Group, chief executive officer of Europe General Insurance for Zurich Financial Services, chief executive officer of the Direct Line Group and director of the board of the Association of British Insurers and Foxtons Group plc

Key external commitments: Chair of Admiral Group plc

Resolution 11 – Re-election of Drummond Hall as a Director

Role: Senior Independent Director

Appointed: 1 January 2014

Committees: Member of the Audit and Risk Committee, the Nomination Committee and the Remuneration Committee

Board contribution:

- Experienced non-executive director and chair with wealth of knowledge gained across a number of customer-focused blue-chip businesses in the UK, Europe and the US
- Strong knowledge of marketing and customer service and bringing deep insight to how Sage may expand markets and delight customers

Key strengths and experience: Previously Drummond was the senior independent director of WH Smith plc and FirstGroup plc, a non-executive director then chair of Mitchells & Butlers plc and chief executive officer of Dairy Crest Group plc, prior to which the majority of his career was spent with Procter and Gamble, Mars and PepsiCo.

Key external commitments: None

Resolution 12 – Re-election of Steve Hare as a Director

Role: Chief Executive Officer

Appointed: Chief Executive Officer on 2 November 2018

3 January 2014 as Chief Financial Officer and as Chief Operating Officer on 31 August 2018

Committees: None

Board Contribution:

- Significant financial, operational and transformation experience which includes driving change programmes in a number of his previous roles
- Broad knowledge of Sage, having joined the Board in January 2014 as CFO
- Extensive understanding of the drivers and priorities needed to complete Sage's evolution to a SaaS company and to create a high-performance culture

Key strengths and Experience: Steve joined Sage in January 2014, having previously been operating partner and co-head of the Portfolio Support Group at the private equity firm Apax Partners. Prior to this he held leading roles in the finance function for listed companies including chief financial officer for Invensys plc, Spectris plc and Marconi plc.

Key external commitments: None

Explanatory notes to the Resolutions

Resolution 13 – Re-election of Jonathan Howell as a Director

Role: Chief Financial Officer

Appointed: Chief Financial Officer on 10 December 2018
15 May 2013 as Non-executive Director

Committees: None

Board Contribution:

- Highly experienced group finance director as well as experience as a chair and non-executive director
- Significant financial and accounting experience gained across a number of sectors which allows him to provide substantial insight into the Group's financial reporting and risk management processes
- Excellent working knowledge of Sage, having joined the Board in May 2013 as an independent Non-executive Director and acting as the chair of the Audit and Risk Committee for six years

Key strengths and experience: Prior to his appointment as Chief Financial Officer, Jonathan had been group finance director of Close Brothers Group plc and the London Stock Exchange Group plc. He has also been a non-executive director of EMAP plc and chairman of FTSE International.

Key external commitments: Independent non-executive director of Experian plc

Resolution 14 – Re-election of Irana Wasti as a Director

Role: Independent Non-executive Director

Appointment date: 1 May 2020

Committees: None

Board Contribution:

- Experienced leader driving international growth by enabling everyday entrepreneurs to start, grow and run their businesses online
- Irana brings her wealth of experience in creating brand identity, go-to-market strategy, customers experiences, sales and support across diverse cultural regions

Key strengths and experience: Irana recently held the role of president of GoDaddy EMEA and was previously senior vice president and general manager for GoDaddy's Productivity business, where she led teams that provide small businesses with tools and services to help run their ventures. While at Intuit, Irana oversaw the launch of QuickBooks POS with Mobile Payments integration, enabling more than 200,000 merchants to "go mobile" and has also held product and development roles at Google and IBM.

Key external commitments: Chief product officer of Typeform

Resolutions 15 and 16 – Re-appointment and remuneration of the Auditors

On the recommendation of the Audit and Risk Committee, the Board proposes the re-appointment of Ernst & Young LLP as the Auditors for the financial year 2022.

Resolution 16 authorises the Audit and Risk Committee, on behalf of the Board, to determine and agree the Auditor's remuneration. Further details of the Auditors are set out on pages 118 and 119 of the FY21 Annual Report and Accounts.

Resolution 17 – Political Donations

Part 14 of the Companies Act 2006, amongst other things, prohibits the Company and its subsidiaries from making UK political donations or from incurring political expenditure in respect of a political party or other political organisation or an independent election candidate unless authorised by the Company's shareholders. Aggregate donations made by the Group of £5,000 or less in any 12-month period will not be caught.

Neither the Company nor any of its subsidiaries has any intention of making any political donations or incurring any political expenditure. However, the Companies Act 2006 defines "political party", "political organisation", "political donation" and "political expenditure" widely. For example, bodies, such as those concerned with policy review and law reform or with the representation of the business community or sections of it, which the Company and/or its subsidiaries may see benefit in supporting, may be caught.

Accordingly, and in line with common practice, the Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breaches of the Companies Act 2006 through the undertaking of routine activities, which would not normally be considered to result in the making of political donations or in political expenditure being incurred.

As permitted under the Companies Act 2006, the resolution covers the Company and extends to all companies which are subsidiaries of the Company at any time the authority is in place. The proposed authority will expire at the next Annual General Meeting of the Company or, if earlier, at the close of business on 31 March 2023.

Resolution 18 - Authority to allot new shares

This resolution will be proposed to enable the Directors to renew their existing powers to allot ordinary shares in the capital of the Company without the prior consent of shareholders for a period expiring at the conclusion of the next Annual General Meeting of the Company or, if earlier, at the close of business on 31 March 2023.

Paragraph (a)(i) of resolution 18 will allow the Directors to allot ordinary shares up to an aggregate maximum nominal amount of £3,586,180.90 (representing approximately 33.3% of the nominal value of the Company's issued share capital, excluding shares held in treasury, on 1 December 2021, the latest practicable date prior to the publication of this document).

In accordance with the institutional guidelines issued by the Investment Association ("IA"), paragraph (a)(ii) of resolution 18 will allow Directors to allot, including the ordinary shares referred to in paragraph (a)(i) of resolution 18, further of the Company's ordinary shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum nominal amount of £7,172,361.80 (representing approximately 66.6% of the Company's existing issued share capital, excluding shares held in treasury, on 1 December 2021, the latest practicable date prior to the publication of this document). The Directors have no present intention of exercising this authority. However, if they do exercise the authority, the Directors intend to follow best practice as regards its use as recommended by the IA.

As at 1 December 2021, the latest practicable date prior to the publication of this document, the Company holds 97,039,881 shares in treasury, which represents approximately 9.48% of the total ordinary share capital (excluding shares held in treasury) in issue.

Explanatory notes to the Resolutions

SPECIAL RESOLUTIONS

Authorities to disapply pre-emption rights

Resolution 19 – General disapplication of pre-emption rights

Under Section 561 of the Companies Act 2006, if the Directors wish to allot any equity securities for cash (other than in connection with any employee share scheme) they must offer them to existing shareholders in the first instance in proportion to their holdings. This is called pre-emption rights. This resolution will give the Directors the authority to allot equity securities for cash without first being required to offer such shares to existing shareholders for a period expiring at the conclusion of the next Annual General Meeting of the Company or, if earlier, at the close of business on 31 March 2023. If approved, the resolution will empower the Directors to issue shares in connection with a rights issue or other pre-emptive offer and otherwise to issue shares for cash up to an aggregate maximum nominal amount of £538,465.60 (representing approximately 5% of the total issued ordinary share capital of the Company, excluding shares held in treasury, on 1 December 2021, the latest practicable date prior to the publication of this document), which includes the sale on a non-pre-emptive basis of any shares the Company holds in treasury for cash.

The Directors are aware of best practice and intend to adhere to the provisions in the Pre-Emption Group 2015 Statement of Principles for the dis-application of pre-emption rights (the "Statement of Principles"). The Directors do not intend to issue more than 7.5% of the total issued ordinary share capital of the Company for cash on a non-pre-emptive basis in any rolling three-year period (other than in connection with an acquisition or specified capital investment as described in the Statement of Principles) without prior consultation with the relevant investor groups.

This resolution will be proposed as a special resolution.

Resolution 20 – Additional disapplication of pre-emption rights

This resolution further requests shareholder approval, by way of a separate special resolution in line with the best practice guidance issued by the Pre-Emption Group, for the Directors to allot equity securities or sell treasury shares for cash without first being required to offer such securities to existing shareholders.

The authority granted by this resolution, if passed:

- (A) will be limited to the allotment of equity securities and sale of treasury shares for cash up to an aggregate nominal value of £538,465.60 which represents approximately 5% of the issued share capital of the Company (excluding shares held in treasury) as at 1 December 2021 (being the latest practicable date prior to publication of this document); and
- (B) will only be used in connection with an acquisition or other capital investment of a kind contemplated by the Statement of Principles, and which is announced contemporaneously with the allotment, or has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

The authority granted by this resolution would be in addition to the general authority to disapply pre-emption rights under resolution 19.

The maximum nominal value of equity securities which could be allotted if both authorities were used would be £1,076,931.20, which represents approximately 10% of the issued share capital of the Company (excluding shares held in treasury) as at 1 December 2021 (being the latest practicable date prior to publication of this document).

The proposed authority will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, at the close of business on 31 March 2023.

This resolution will be proposed as a special resolution.

Explanatory notes to the Resolutions

Resolution 21 – Authority to purchase own shares on market

This resolution gives the Company authority to purchase its own ordinary shares in the market in accordance with the Companies Act 2006 on such terms and in such manner as the Directors determine, subject to the following:

- the price which may be paid for each ordinary share will not be less than the nominal value of the share and will not exceed the higher of 5% above the average of the middle market quotations for prices of the ordinary shares of the Company (as derived from the London Stock Exchange Daily Official List) for the five business days before the purchase is made and an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out, in each case exclusive of any expenses payable by the Company;
- the maximum aggregate number of shares that may be purchased pursuant to this authority shall be limited to 102,374,941 shares which is equivalent to approximately 10% of the Company's issued share capital, excluding shares held in treasury, as at 1 December 2021, the latest practicable date prior to publication of this document; and
- the authority will remain in force until the conclusion of the next Annual General Meeting of the Company or, if earlier, the close of business on 31 March 2023.

The Company may agree before the authority terminates to purchase ordinary shares where the purchase(s) will or may be executed after the authority terminates (either in whole or in part). The Company may complete such purchase(s) even though the authority has ended.

The power given by the resolution will only be exercised if the Directors are satisfied that any purchase will increase the earnings per share of the ordinary share capital in issue after the purchase and, accordingly, that the purchase is in the interests of shareholders. The Directors will also consider gearing levels of the Company and its general financial position. The purchase price would be paid out of distributable profits.

A listed company may hold shares in treasury, as an alternative to cancelling them, following a purchase of own shares by the company in accordance with the Companies Act 2006. Shares held in treasury in this manner will be available for resale by the Company or may be transferred for the purpose of or pursuant to an employees' share scheme. Accordingly, if the Directors exercise the authority conferred by this resolution, the Company will have the option of holding those shares in treasury, rather than cancelling them. The Board will have regard to any guidelines published by any of the investor groups in force at the time of any such purchase, holding or resale of treasury shares.

The total number of options to subscribe for ordinary shares and awards to be satisfied by newly issued ordinary shares under other long-term incentive plans of the Group that were outstanding at 1 December 2021 (being the latest practicable date prior to the publication of this document) was 22,769,607. The proportion of issued share capital, excluding shares held in treasury, that they represented at that time was 2.22% and the proportion of issued share capital that they will represent if the full authority to purchase shares, existing and being sought, is used is 2.56%.

The Company has used its authority to purchase own shares in the market, as granted by shareholders at the last Annual General Meeting held on 4 February 2021, to buy back, under two share buyback programmes, and as at 1 December 2021, a total of 76,133,637 ordinary shares in Sage. Further information on the share buyback programmes is set out on page 161 of the FY21 Annual Report and Accounts. Information on transactions in own shares is also publicly available via the regulatory information service and on Sage's website at www.sage.com/investors.

This resolution will be proposed as a special resolution.

Resolution 22 – Notice period for general meetings

The notice period required by the Companies Act 2006 for general meetings of the Company is 21 clear days unless shareholders approve a shorter notice period, which cannot, however, be less than 14 clear days. Annual General Meetings must always be held on at least 21 clear days' notice.

This resolution will be proposed to allow the Company to call general meetings (other than an Annual General Meeting) on 14 clear days' notice. A resolution on the same terms was passed at the Annual General Meeting on 4 February 2021.

It is intended that the flexibility offered by this resolution will only be used for time-sensitive, non-routine business and where merited in the interests of shareholders as a whole. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

This resolution will be proposed as a special resolution.

By Order of the Board



Vicki Bradin
Company Secretary

2 December 2021

Eligibility to attend and vote

1. The arrangements for the 2022 Annual General Meeting are explained in the Chair's letter. Any changes to these arrangements will be communicated to shareholders through the Company's website at sage.com/investors. As explained in the Chair's letter, **the 2022 Annual General Meeting will be held as a combined physical and electronic general meeting as permitted by the Company's Articles of Association**. In view of the ongoing Covid-19 pandemic, please check the latest Government guidelines before you consider travelling to the physical Meeting venue. If you are planning to attend the physical Meeting venue, we ask you to please register your intention as soon as possible, with Equiniti, our Registrars, by ticking the tick box on either the Form of Proxy (which you should return to Equiniti) or on www.sharevote.co.uk so that we can make appropriate arrangements. You will be provided with a poll card at the venue. If you would like to attend and participate in the Meeting electronically, please refer to pages 14 and 15 for fuller information, including on how to ask questions and vote online during the Meeting. Shareholders who may be unable to attend the Meeting or who would prefer to vote in advance are strongly encouraged to appoint the Chair of the Meeting as proxy, with voting instructions, to ensure their vote will be counted.
2. Only those members registered in the register of members of the Company as at 6.30 pm on 1 February 2022 or, in the event that this Meeting is adjourned, in the register of members as at 6.30 pm on the day two days (excluding any non-working days) before the time of any adjourned meeting shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time.

Changes to entries in the register of members after 6.30 pm on 1 February 2022 or, in the event that this Meeting is adjourned, in the register of members after 6.30 pm on the day two days (excluding any non-working days) before the time of any adjourned meeting shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

Appointment of a proxy

3. A member entitled to attend and to speak and vote at the Meeting may appoint one or more proxies to exercise all or any of their rights to attend and to speak and vote instead of them. A proxy need not also be a member. You may appoint more than one proxy provided that each proxy is appointed to exercise rights attaching to different shares.
4. To be valid, a **Form of Proxy** and any power of attorney or other authority (if any) under which it is signed (or a duly certified copy thereof) must be lodged with the Company's Registrars, Equiniti, Aspect House, Spencer Road, Lancing BN99 6DA **no later than 12 noon on Tuesday, 1 February 2022**. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this document. The completion and return of a Form of Proxy will not prevent a member who wishes to do so from attending and voting at the Meeting.
5. If you do not have a Form of Proxy and believe you should have one, or if you require additional forms, please contact the Company's Registrars, Equiniti, on 0371 384 2859. Non-UK callers should dial +44(0) 121 415 7047. Lines are open 8.30am to 5.30pm, Monday to Friday (excluding public holidays in England and Wales). Shareholders who appoint a proxy (other than the Chair of the Meeting) with the intention that the proxy will attend the Meeting electronically should contact the Company's Registrars before 12 noon on 2 February 2022 on 0371 384 2859 or +44 121 415 7047, or by emailing hybrid.help@equiniti.com, to arrange a unique username and password.

Electronic appointment of a proxy

6. As an alternative to completing a hard copy Form of Proxy, a member can appoint a proxy electronically by visiting www.sharevote.co.uk. For security purposes, you will need to provide your voting ID, task ID and Shareholder Reference Number (SRN) (which are shown under your name on the Form of Proxy). Full instructions are given on the website. The **proxy appointment** and instructions should reach the Company's Registrars **no later than 12 noon on Tuesday, 1 February 2022**. CREST members may appoint a proxy through the CREST electronic proxy appointment service (please see note 8 below). You must inform the Company's Registrars in writing of any termination of the authority of a proxy.
7. If you return both paper and electronic proxy instructions, those received last by the Registrars before the latest time for receipt of proxies will take precedence. You are advised to read the website's terms and conditions of use carefully. Electronic communication facilities are available to all shareholders and those who use them will not be disadvantaged.

Electronic proxy appointment by CREST members

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the 2022 Annual General Meeting and any adjournment(s) of that meeting by using the procedures described in the CREST Manual, which is available at www.euroclear.com. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in note (4) above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

9. Any corporation that is a member can appoint one or more corporate representatives who may exercise on its behalf all of the same powers as the corporation could exercise if it were an individual member provided that they do not do so in relation to the same shares.

Indirect investors

10. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between them and the shareholder by whom he/she was nominated (the "Relevant Member"), have a right to be appointed (or to have someone else appointed) as a proxy for the 2022 Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the Relevant Member as to the exercise of voting rights. Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.
11. The statement of the rights of shareholders in relation to the appointment of proxies in notes 3, 4 and 5 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

Total voting rights

12. As at 1 December 2021 (being the latest practicable date prior to the publication of this document) the Company's issued share capital consists of 1,120,789,295 ordinary shares, of which 97,039,881 are held in treasury and 190,962 are held in The Sage Group plc. Employee Benefit Trust. Therefore, the total exercisable voting rights in the Company as at 1 December 2021 are 1,023,749,414.

Poll voting

13. All resolutions will be put to vote on a poll. This will result in an accurate reflection of the views of shareholders by ensuring that every vote is recognised. On a poll, each shareholder has one vote for every share held.

Publication of statement in relation to the audit of the Company

14. It is possible that, pursuant to requests made by members of the Company under section 527 of the Companies Act 2006, the Company may be required to publish on its website a statement setting out any matter relating to the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the 2022 Annual General Meeting or relating to any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual reports and accounts were laid. The Company may not require the members requesting such website publication to pay its expenses in complying with section 527 or 528 of the Companies Act 2006 and it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the 2022 Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on its website.

Documents available for inspection

15. Copies of the Company's Articles of Association, the service contracts and terms of appointment of the Directors are available for inspection during normal business hours by appointment at C23 – 5&6, Cobalt Park Way, Cobalt Park, Newcastle Upon Tyne, NE28 9EJ and will be available to review, on request, at the 2022 Annual General Meeting. In view of the ongoing Covid-19 pandemic and the possibility of changing Government guidelines, we would ask you to contact us by email at agm2022@sage.com if you would like to inspect any documents.

Website information

16. In accordance with section 311A of the Companies Act 2006, the contents of this document, details of the total number of shares in respect of which members are entitled to exercise voting rights at the 2022 Annual General Meeting, the total voting rights members are entitled to exercise at the 2022 Annual General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice can be found on our website at sage.com/investors.

Contacts for Sage's Registrars

17. Except as otherwise provided in this Notice above, members who have general queries about the 2022 Annual General Meeting should use the following means of communication (no other methods of communication will be accepted): calling our shareholder helpline on 0371 384 2859, Non-UK callers should dial +44(0) 121 415 7047. Lines are open 8.30am to 5.30pm, Monday to Friday (excluding public holidays); or writing to the Company's Registrars, Equiniti, Aspect House, Spencer Road, Lancing BN99 6DA. You may not use any electronic address provided either in this notice or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

Questions at the Annual General Meeting

18. Any member attending the Meeting has the right to ask questions relating to the business of the Meeting in accordance with section 319A of the Companies Act 2006. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered. Please refer to the Chair's letter for information asking questions on the business of the Meeting. If you are planning to attend the Meeting electronically, please also refer to our user guide on pages 14 and 15.

Your guide to participating online

19. This year we will be providing you with the opportunity to attend the Meeting online, by logging onto <https://web.lumiagm.com>. For further details please refer to pages 14 and 15 which provide a user guide for people participating remotely, including information on how to ask questions and cast your vote during the Meeting. An active internet connection is required for you to attend and participate in the Meeting electronically. It is your responsibility to ensure you remain connected for the duration of the Meeting.

Members' resolutions

20. Under section 338 and section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the Meeting, notice of a resolution which may properly be moved and is intended to be moved at the Meeting; and/or (ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authenticated by the person or persons making it, must be received by the Company not later than 22 December 2021, being the date six clear weeks before the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

Shareholder helpline

If you have any questions relating to the enclosed documents, please call the Company's Registrars, Equiniti, on 0371 384 2859. Non-UK callers should dial +44(0) 121 415 7047. Lines are open 8.30am to 5.30pm, Monday to Friday (excluding public holidays in England and Wales). The helpline cannot give any financial, legal or tax advice.

Financial calendar

Dividend payments

FY21 Final payable: 10 February 2022
*H1 FY22 Interim payable: 17 June 2022

Results announcements

Q1 FY22 Trading update: 26 January 2022
H1 FY22 Interim results: 13 May 2022
Q3 FY22 Trading update: 28 July 2022
FY22 Full Year results: 16 November 2022

* Subject to Board and, in the case of the final dividend, shareholders' approval, as appropriate.

Please note that these dates are provisional and subject to change. Please access our financial calendar at sage.com/investors, which is updated regularly.

User guide to participating remotely at the Sage 2022 Annual General Meeting

For the 2022 Annual General Meeting, The Sage Group plc. is enabling shareholders to attend, participate and vote in the Meeting electronically.

Accessing the Annual General Meeting Website

Please visit <https://web.lumiagm.com> using most well-known internet browsers such as Chrome, Firefox and Safari on a PC, laptop or internet-enabled device such as a tablet or smartphone.

Logging In

On accessing the Meeting website, you will be asked to enter a 'Meeting ID' which is 158-329-605. You will then be prompted to enter your unique username, which is your Shareholder Reference Number (SRN), and PIN which is the first two and last two digits of your SRN. These can be found printed on your Form of Proxy. Access to the Meeting via the website will be available from 10.30 a.m. on Thursday, 3 February 2022. Please note that your ability to vote will not be enabled until the Chair formally opens the poll during the Meeting.

Broadcast

Once logged in, and at the commencement of the Meeting at 12 noon on Thursday, 3 February 2022, you will be able to view the Directors conduct the proceedings of the Meeting on your device.

Voting

Once the Chair has formally opened the Meeting, he will explain the voting procedure. Voting will be enabled on all resolutions during the formal Meeting, on the Chair's instructions. This means that shareholders may, at any time while the poll is open, vote electronically on any or all of the resolutions in the Notice of Meeting. Once the resolutions have been proposed, the list of resolutions will appear along with the voting options available. Select the option that corresponds with how you wish to vote: "FOR", "AGAINST" or "WITHHELD". Once you have selected your choice, the option will change colour and a confirmation email will appear to indicate that your vote has been cast and received. There is no submit button. If you make a mistake, or wish to change your vote, simply select the correct choice. If you wish to "cancel" your vote, select the "cancel" button. You will be able to do this any time whilst the poll remains open and before the Chair announces its closure at the end of the Meeting.

If you are unable to attend the Meeting or would prefer to vote in advance, we strongly encourage you to appoint the Chair of the Meeting as your proxy, with voting instructions. The deadline for proxy appointments is 12 noon on Tuesday, 1 February 2022.

Questions

Shareholders participating electronically may ask questions via the website (<https://web.lumiagm.com>) by selecting the messaging icon from within the navigation bar and type your question at the top of the screen. To submit your question, click on the arrow icon to the right of the text box.

Requirements

An active internet connection is required at all times in order for you to cast your vote when the poll opens, submit questions and view the broadcast. It is the user's responsibility to ensure you remain connected for the duration of the Meeting.

Representatives of shareholders

Shareholders who appoint their own named proxy or corporate representative for the Meeting with the intention that the person will attend electronically should please contact the Company's Registrar before 12 noon on 2 February 2022 on 0371 384 2859 or +44 121 415 7047, or by emailing hybrid.help@equiniti.com to arrange a unique username and password. Please refer to notes 3 to 8 on pages 11 and 12 for information on how to appoint a proxy, noting that the deadline for receipt by our Registrars of all proxy appointments is 12 noon on Tuesday, 1 February 2022.

User guide to participating remotely at the Sage 2022 Annual General Meeting

Meeting ID: 158-329-605

To login you must have your SRN and PIN (which is the first two and last two digits of your SRN)

Access

Step 1



Navigate to <https://web.lumiagm.com> and you will be prompted to enter the Meeting ID. If a shareholder attempts to login before the meeting is live*, a pop-up dialogue box will appear.

* After 10.30 a.m. on Thursday, 3 February 2022.

Step 2




After entering the Meeting ID, you will be prompted to enter your unique username (SRN) and PIN (which is the first two and last two digits of your SRN).

Webcast

Step 3



When successfully authenticated, you will be taken to the Home Screen. The Meeting presentation will appear automatically if viewing through a web browser to the side of the page. This can be minimised by pressing the  button.

Voting

Step 4

When the Chair declares the poll open, a list of resolutions and voting choices will appear.

Scroll through the list to view all resolutions.

Step 5

For each resolution, press the choice corresponding with the way in which you wish to vote.

When selected, a confirmation message will appear.

Step 6


To change your vote, simply press the alternate choice to override your previous selection. To cancel your vote, press "cancel".

To return to the voting screen whilst the poll is open, select the voting icon.

Questions

Step 7



If you would like to ask a question live at the Meeting, please select the messaging icon .

Messages can be submitted at any time during the Q&A session up until the Chair of the Meeting closes the session. Type your message within the chat box at the top of the messaging screen.

Once you are happy with your message, press send. Questions sent via the 'Lumi AGM' online platform will be moderated before being sent to the Chair of the Meeting to avoid repetition.