

2025

UK Ethnicity Pay Gap Report

Sage

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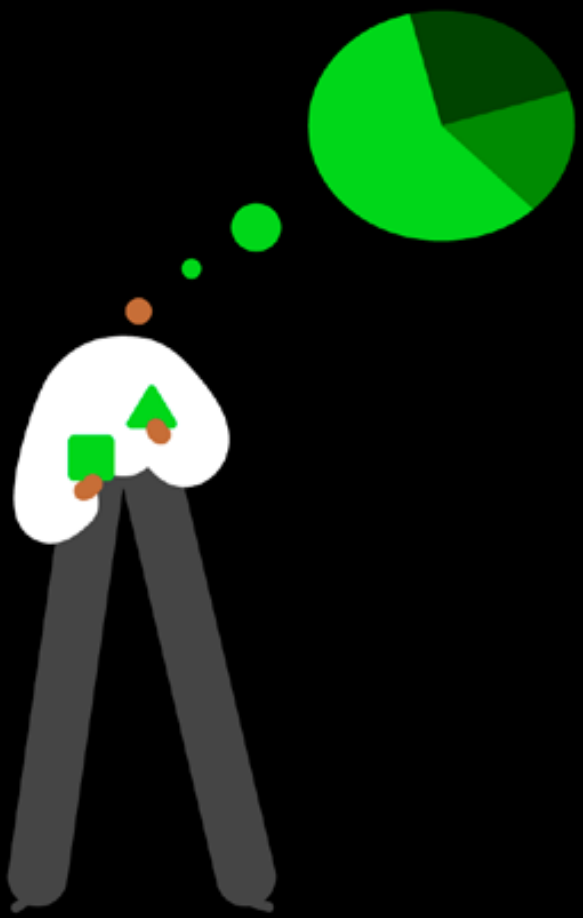
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2025 headlines

At the time of reporting 69.8% of our UK-based colleagues shared their ethnicity data with us and were eligible to be analysed.

Not all colleagues have shared their ethnicity data with us so the figures we report here may not fully reflect the true extent of our ethnicity pay gap.



2025

Mean pay gap

2.05%

Decrease of 3.37% v 2024

Median pay gap

-6.73%

Decrease of 2.82% v 2024

Mean bonus gap

33.82%

Decrease of 0.18% v 2024

Median bonus gap

-0.54%

Increase of 30.88% v 2024

Pay gap data

To drive meaningful action in reducing our ethnicity pay gap, we publish aggregated pay gap data across every UK business entity, regardless of size.

This gives us a clear view of where disparities exist, enabling us to target interventions more effectively and track progress year on year.

2025

Mean pay gap

2.05%

Median pay gap

-6.73%

2024

Mean pay gap

5.42%

Median pay gap

-3.91%

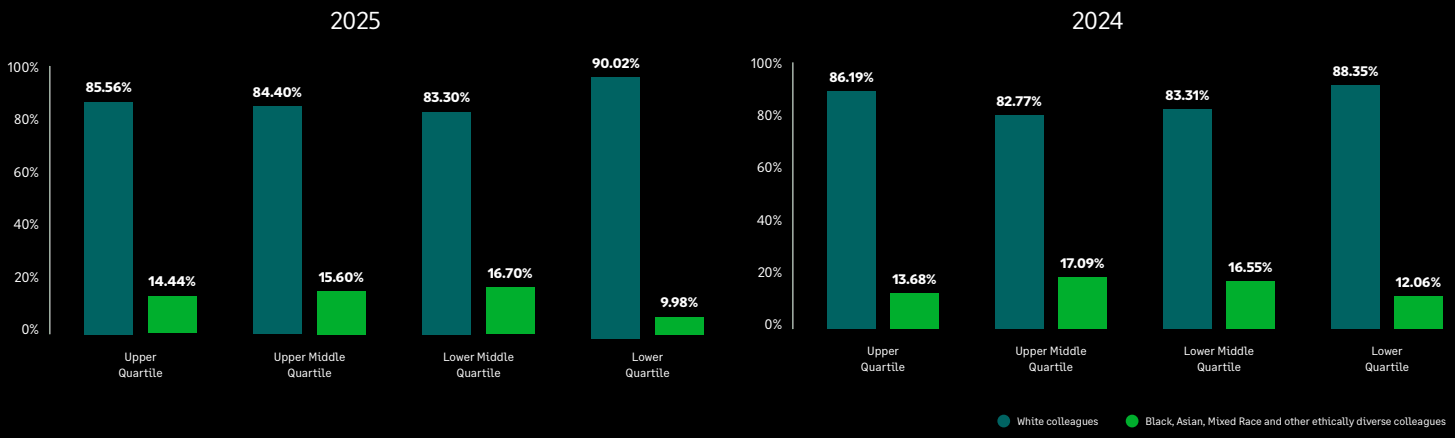
Our mean ethnicity pay gap is higher than our median ethnicity pay gap which means that our data is affected by a group of high earners who are white.



Our progress in reducing our mean pay gap is reflected in the increase of more Black, Asian, Mixed Race and other ethnically diverse colleagues in our upper pay quartile. This has increased by 0.76%, from 13.68% in 2024 to 14.44% in 2025. We have also seen representation of ethnically diverse colleagues increase slightly in our lower middle quartile as well.

This quartile is our internal pool of talent into leadership roles and shows that we are beginning to build a more diverse talent pipeline.

Quartiles are calculated by ranking pay for all colleagues from lowest to highest and then splitting into four equally sized groups, showing the percentage of white colleagues and Black, Asian, Mixed Race, and other ethnically diverse colleagues in each group so we can understand ethnicity representation across the organisation.





Bonus gap pay

This year, the mean bonus gap remained high, with white colleagues receiving higher bonus payments than ethnically diverse colleagues.

This trend corresponds to lower representation of ethnically diverse colleagues in senior roles, as indicated by quartile data showing a greater proportion of white colleagues in senior positions, which are typically linked to larger bonuses.

Our median bonus gap of -0.54% indicates that median bonus values between white colleagues and Black, Asian, Mixed Race and other ethnically diverse colleagues was nearly equal. The significant change in our median bonus gap suggests that bonus distribution has become more balanced.

2025

Mean bonus gap

33.82%

Median bonus gap

-0.54%

2024

Mean bonus gap

34.00%

Median bonus gap

-31.42%

Proportion of colleagues who received bonus pay



Closing the gap

Building ethnically diverse teams

In line with the **Parker Review** recommendations, we introduced a goal of 20% of our leadership group – Executive Leadership Team (ELT) and their direct reports – made up of colleagues from a historically underrepresented race or ethnic group by the end of 2027. (The goal of 20% is based on UK census data as the majority of our leadership team is based in the UK.) At the end of this financial year we are at 11.43%.

Creating an inclusive culture

Our colleagues' experience
The increase in our UK ethnicity pay gap in 2023 and 2024, alongside anecdotal feedback from colleagues, prompted us to deep dive into the experience of UK and Ireland-based colleagues from historically underrepresented ethnicities in 2025. The outcome of this quantitative and qualitative data gathering project, in collaboration with **Business In The Community**, was the creation of a race and ethnicity action plan to improve the experiences of our colleagues from historically underrepresented ethnicities. Details of these actions are in 'Further actions'.

Black Tech Fest Sponsorship
As part of our commitment to creating a more inclusive technology sector for our Black colleagues, candidates and customers we sponsored **Black Tech Fest**. Black Tech Fest is one of Europe's leading events at the intersection of innovation, technology, and culture, bringing together thousands of professionals and industry leaders. Twenty colleagues attended the event. We led a workshop on engineering ethics and societal responsibility, joined a panel on building a winning sales culture and our Talent Acquisition team hosted a booth to connect with potential talent.



Further actions

We aim to foster a culture where colleagues from historically underrepresented ethnicities feel they belong -- by seeing themselves represented in leadership and experiencing equal access to progression opportunities.

For FY26 (October 2025 to September 2026) we are prioritising these four workstreams, with progress tracked using scores from our bi-annual colleague sentiment surveys:

Building ethnically diverse teams
We will continue to raise awareness around this goal with managers. We will build more anti-bias interventions into our hiring and retention process, also providing easy access to educational materials to managers around barriers faced by candidates and colleagues alike.

Talent acquisition
We will review the executive hiring processes and implement improvements. This review will ensure better attraction and engagement with candidates from historically underrepresented ethnicities seeking to remove any barriers within the hiring stages.

Sponsorship programs
After sponsorship pilots in 2025 in South Africa and UK and Ireland, we will be refining the program design based on learnings and feedback from colleagues and sponsors. We will also focus on how we can scale our sponsorship program by implementing the program into Talent Marketplace, our internal talent mobility tool.

Policy review
We will review our anti-discrimination, bullying and harassment policy, supporting resources and reporting process, incorporating colleague feedback to build colleague trust and confidence in Sage's zero tolerance approach to discrimination, bullying and harassment beyond legislative compliance.

FAQ

What is the ethnicity pay gap?
The ethnicity pay gap is the difference between the average hourly earnings for colleagues in the broad categories of white and Black, Asian, Mixed Race, and other ethnically diverse colleagues in an organisation, regardless of their roles.

How is the ethniciy pay gap calculated?
As ethnicity pay gap reporting is currently not mandatory, we use the gender pay gap methodology.

How long has Sage been voluntarily reporting on its ethnicity pay gap?
We have been reporting on our ethnicity pay gap since 2021.

What is the mean?
The mean - or average - is calculated by adding up salaries paid to colleagues in each group and dividing that sum by the number of colleagues in that group.

What is the median?
The median pay gap is calculated by listing the wages for all colleagues - from highest to lowest - and comparing the number that sits in the middle for each. The difference in pay between those two individuals is the median pay gap figure.

Why do we only report ethnicity as a binary between white colleagues and Black, Asian, Mixed Race and other ethnically diverse colleagues?
Due to our small population sizes within ethnic groups, we aggregate the data for our reporting to maintain data anonymity, so we report data for white colleagues and for Black, Asian, Mixed Race and other ethnically diverse colleagues.

This means our data on the ethnicity pay gap is not as clear as it could be, since combining ethnic groups may hide pay differences between them. We recognise the benefits of reporting on disaggregated data and we will continue to review and improve how we report our pay gaps while still protecting colleagues' privacy.

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Mean pay gap

-6.63%

Median pay gap

-9.45%

Mean bonus gap

22.89%

Median bonus gap

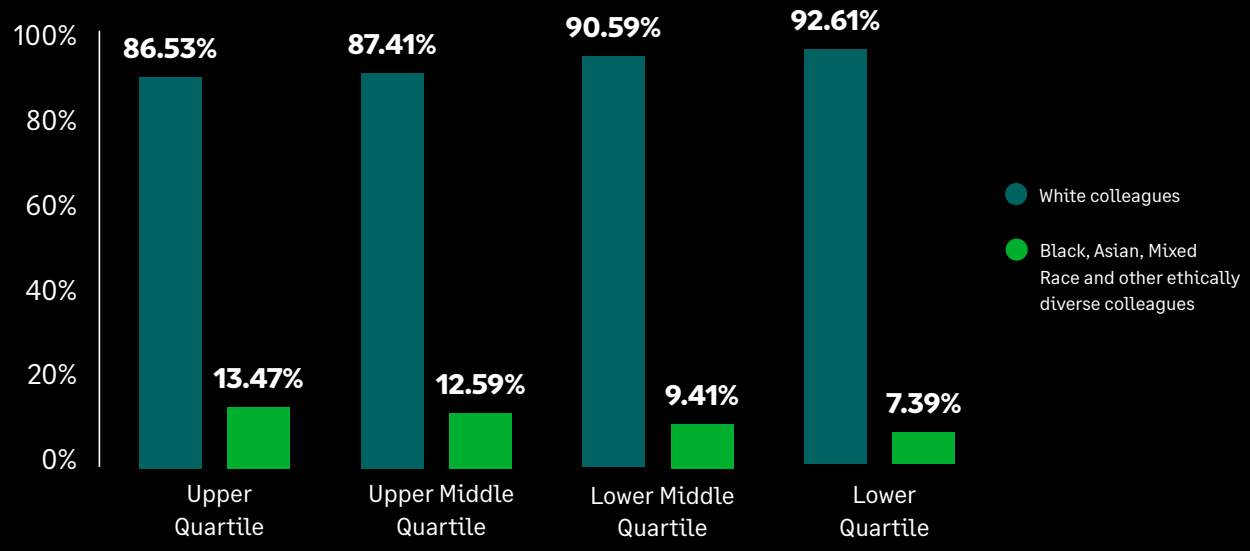
-11.11%

96.08%

White colleagues receiving a bonus

91.37%

Black, Asian, Mixed Race and other ethnically diverse colleagues receiving a bonus



Sage Global Services Ltd: 2025

Mean pay gap

10.61%

Median pay gap

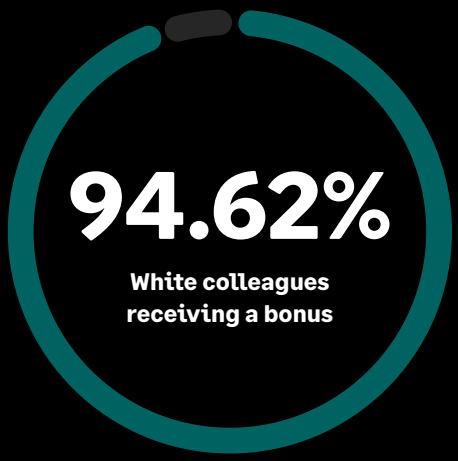
6.01%

Mean bonus gap

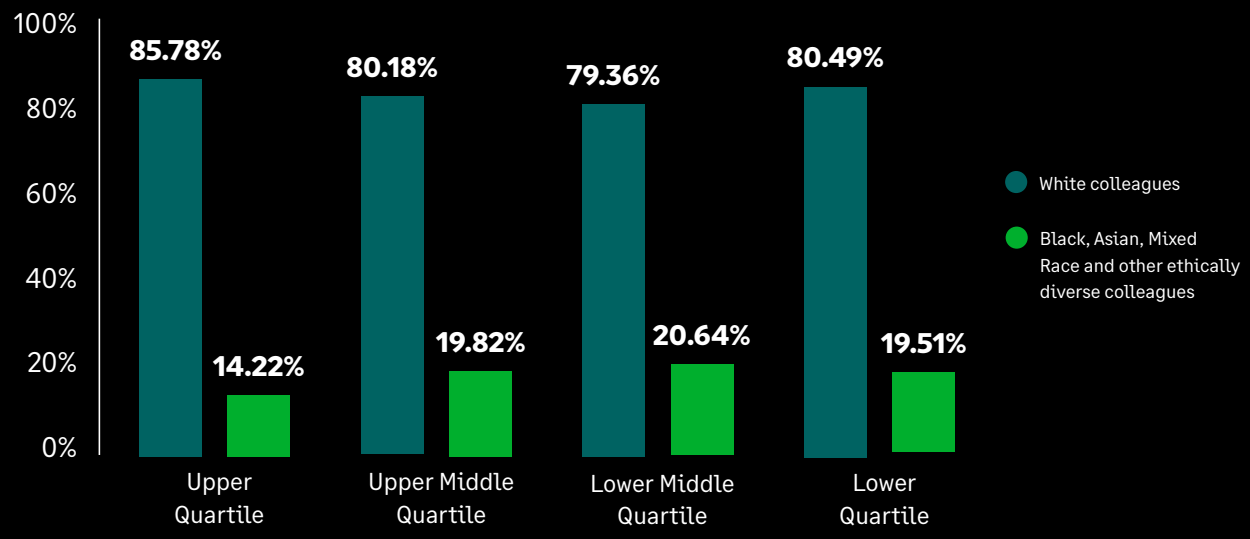
40.98%

Median bonus gap

19.58%







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