

Sophos Environmental Social Governance (ESG) Policy

TABLE OF CONTENTS

A. The Sophos ESG Commitment.....	2
B. Sophos ESG: Sophos Sustainability.....	2
C. Sophos ESG: Operation and Oversight.....	4
Schedules.....	5-8

A. THE SOPHOS ESG COMMITMENT

Sophos is committed to Environmental, Social, and Governance (“ESG”) practices in its operations that are responsible and sustainable, that can be objectively measured within each ESG category, and that materially advance the Sophos corporate strategy.

Sophos maintains its commitment to ESG practices by:

- **Cross-function collaboration** that acknowledge Sophos Business Team ownership of and responsibility for specific ESG indicators, each of which are unique to each Team;
- **Regularly and transparently reporting** each ESG indicator to benchmark and communicate ESG progress, measure emerging risks, adhere to new and developing worldwide regulations, meet industry standards, guide stakeholder expectations, and identify continuous improvements;
- **Establishing internal controls** that identify practical objectives, create sustainable corporate conduct, guard ESG data collection, align with Sophos’ Code of Conduct, and bring about reliable governance practices;
- **Declaring its commitment** to the Responsible Business Alliance (RBA) Code of Conduct 8.0 (2024), as an industry standard *“key to the Company’s business strategy, which informs our decision making, and is core to our operations;”*
- **Continuously improving** each ESG indicator that presents risks, does not meet regulatory requirements, falls below industry standards, or has not been properly developed;
- **Working every day in a sustainable corporate culture** that recruits, hires, and retains a diverse team and adhering to company policies that ensure inclusive hiring, parental leave, flexible time off, equitable pay, health and safety in the workplace, and key employee benefits; and
- **Creating Board oversight** of Sophos ESG by reviewing Sophos’ annual reporting on ESG Indicators.

We place these practices at the core of Sophos operations.

B. SOPHOS ESG: SOPHOS SUSTAINABILITY

Sophos Sustainability

Sophos Sustainability is the careful management of material, human, and governance resources that meet current needs without compromising the availability and health of these resources over the long term.

Sophos Sustainability occurs in several ways.

Environmental sustainability minimizes the Company's impact on natural resources by reducing carbon emissions, by using water and energy efficiently, and by reducing waste, particularly e-waste.

Social sustainability promotes employee human rights by assuring health and safety in the workplace, upholding fair labor practices, embracing diversity, conducting business with integrity, by supporting the communities where we work, and by demanding similar corporate conduct from our vendors and supply chain.

Governance is inherently sustainable when company policies and practices adopt long-term management of risk, accountability, ESG-linked incentives, and ethical corporate behavior. These policies and practices integrate sustainability into its core strategy, its senior management, and its board oversight to require ESG considerations during operations while also favorably improving the company's financial performance.

Environmental, social, and governance are objectively measured by ESG indicators within each category (the "ESG Indicators"). General ESG Indicators add additional measurable data. Collectively, strong ESG Indicators will result in long-term, ethical corporate conduct, increased financial value, product and service innovation, and improved corporate standing across industry peers.

ESG Categories Defined

Sophos defines its Environmental, Social, and Governance categories, respectively, as follows:

1. **Environmental:** considers the environmental impact from activities performed directly by the company, activities indirectly brought about by energy, electricity, or waste, and upstream and downstream activities (such as business travel, logistics for product movement, and vendor energy usage), and our impact on climate change where we operate through the Sophos [Social Impact Philosophy](#)
 - a. **ESG Environmental Indicators:** benchmark indicators that measure Environmental as an ESG category:
 - See Schedule A
 - Environmental ESG Indicators are owned and managed by Sophos Teams, including Facilities, Product, IT, Procurement/Global Purchasing, and Supply Chain
2. **Social:** evaluates the company's relationships with its stakeholders, including employees, customers, suppliers, and the communities in which it operates, including the diversity and inclusion of its employees, team and working environment, company culture, supply chain, suppliers, and our impact on communities where we operate through the Sophos [Social Impact Philosophy](#) .
 - a. **ESG Social Indicators:** benchmark indicators that measure Social as an ESG Category:
 - See Schedule B
 - Social ESG Indicators are owned and managed by Sophos Teams, including Human Resources, Facilities, and Legal
3. **Governance:** refers to the set of rules, practices, and company policies by which a

company is directed and controlled, including compliance with laws and regulations, a code of conduct, a privacy policy, labor agreements, whistleblowing, security, diversity and inclusion, and a strong culture of trust, responsibility, and best practice

- a. **ESG Governance Indicators:** benchmark indicators that measure Governance as an ESG Category:
 - See Schedule C
 - Governance ESG Indicators are owned by Sophos Teams, including Legal, Human Resources, Finance, Product (Supply Chain), Sophos SMT, and the Sophos Board of Directors
3. **General:** general company information and diversity are General ESG Indicators
 - a. **General ESG Indicators:** benchmark indicators, such as EU Taxonomy and employee diversity among leadership and employees, measure General as an ESG Category
 - See Schedule D
 - General ESG Indicators are owned by Human Resources, Sophos SMT, and Corporate Compliance

C. SOPHOS ESG: OPERATION AND OVERSIGHT

- **Sophos Business Teams:** Sophos Business Teams are responsible for and will consider Sophos ESG when making company decisions. Accordingly, Sophos Business Teams are accountable for reporting on the ESG Indicators that are within their scope of responsibility, as well as adopting standard operating procedures (SOPs) that improve individual ESG Indicators.
- **ESG Facilitator:** Corporate Compliance, a Regulatory Team within the Legal Department, is responsible for facilitating data collection, reporting, guiding Sophos Business Team standard operating procedures (SOPs), benchmarking against industry peers, and tracking continuous improvements for Sophos ESG. Regulatory Compliance will support Sophos Business Teams by monitoring continuous improvement, giving notification when data collection will occur, identifying new and existing ESG Indicators, and sharing reporting results.
- **ESG Management:** Sophos SMT will lead and guide Sophos ESG, as well as hold periodic review of the ESG approach, assessment, and performance.
- **ESG Oversight:** Sophos Board of Directors has oversight over Sophos ESG. The Company's ESG Indicators, as well as its approach, assessment, and performance, will be reviewed by the Board at least once per fiscal year.

Anyone who has questions about this policy or requires further information about ESG should contact Compliance@sophos.com.

* * * * *

SCHEDULE A: ESG Indicators for evaluating and measuring Environmental

Board oversight of climate issues (including climate change mitigation and adaptation)	Electricity consumption	Share of renewable energy consumed	Datacenter usage
Management of climate issues (including climate change mitigation)	Heat consumption	Non-Renewable Energy Produced (if applicable)	Datacenter usage - Renewable energy
Climate-related risks	Heavy fuel oil	Renewable energy produced (if applicable)	Data hosting
Processes for identifying and managing climate-related risks	Domestic fuel oil	Share of non-renewable energy consumption and production	% of green hosts
Targets to manage climate-related risks	Gas consumption	Total energy production	GHG emissions tracking
Carbon Reduction or Net Zero Plan	Other energies	Digital sobriety ¹	GHG emissions - Scope 1
Science-Based Targets	Renewable energy	Datacenters	GHG emissions - Scope 2
Annual energy spend	Total energy consumption	Datacenters characteristics	GHG emissions - Scope 3
Purchased Goods and Services	Fuel-and-energy-related activities (not included in scope 1 or 2)	Upstream Transportation and Distribution	Waste generated in operations
Capital Goods	Business Travel	Employee commuting	Upstream Leased Assets
Downstream Transportation & Distribution	Processing of Sold Products	Use of Sold Products	End-of-life treatment of sold products
Downstream Leased Assets	Franchises	Investments	Environmental initiatives to reduce the carbon footprint
Emissions into water	Impacts on biodiversity	Non-hazardous waste	Hazardous waste

¹ Digital sobriety is conscious effort to reduce the environmental impact of digital technologies and data consumption and typically occurs by minimizing the carbon footprint and energy consumption associated with digital activities, such as data centers, cloud services, and digital devices.

Schedule B: ESG Indicators for evaluating and measuring Social

Total number of Full Time Equivalents (FTEs)	Volunteer hours	Share of employees trained
Total number of FTEs in previous year	Family leave policy	Hourly wage – Men
Total Net New Hires	Family leave policy - secondary caregiver	Hourly wage - Women
Terminations/departures	Employee survey	Unadjusted gender pay gap
Involuntary terminations	Employee survey - response rate	Highest earnings
Employee recruitment	Employee wellness	Remuneration of staff
Company acquisitions – number	Violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Employee relations
Organic Net New Hires	Health & Safety policies	DEI policy
Net job creation	Hours worked	Nondiscrimination/harassment policy
Turnover	Work-related injuries	Nondiscrimination/harassment - Training
Breakdown of employees by country	Work-related fatalities	Nondiscrimination/harassment cases
Employees - located offshore in countries at risk	Days lost due to injury	Nondiscrimination/harassment cases (NDAs)
Community involvement	TRIR at year end²	Forced arbitration
Volunteer hours tracking	Employees trained	

² TRIR is Total Recordable Incident Rate, which is a safety metric used within ESG to assess workplace health and safety.

SCHEDULE C: ESG Indicators for evaluating and measuring Governance

ESG policy	Code of Ethics - Employee training	Customer/employee data breach - PII data	Supplier code of conduct
ESG initiatives	Tax compliance	Number of breaches - PII data	Sustainability in supplier selection
EcoVadis rating	Significant litigation case	Fines and settlement amount - PII data	Supplier audits
ESG performance review	Government-required monitoring	Company data breaches - Non PII	Location of Tier 1 suppliers
ESG resources	International operations/government contracts	Number of company data breaches - Non PII	Location of Tier 2 and 3 suppliers
CEO remuneration linked to sustainability performance criteria	Reporting and prevention systems	Fines and settlement amount - non-PII company data breaches	Number of Tier 1 suppliers
Generative artificial intelligence (AI)	Collection of personal data	Approach to identifying data security risks	Number of Tier 1 suppliers in countries at risk
Generative artificial intelligence (AI) guidelines and policy	Collection of personal data – policies	Business continuity	Suppliers in high-risk countries - Labor and corruption
Ethics - accountability	Breach of personal or company data	Cybersecurity standards	Supplier code of conduct
Code of ethics / Code of conduct	Customer data breaches - Non PII	Cybersecurity insurance	Sustainability in supplier selection
Topics covered by the Code of Ethics / Code of Conduct	Fines and settlement amount - non-PII customer data breaches	GDPR compliance	Supplier audits
Location of Tier 1, 2, and 3 suppliers	Number of Tier 1 suppliers	Number of Tier 1 suppliers in countries at risk	Suppliers in high-risk countries - Labor and corruption

Schedule D: ESG Indicators that are General Information or Diversity

EU Taxonomy	EU Taxonomy – share of eligible turnover	C-Suite employees – Members	C-Suite employees – Female members
C-suite employees – Number of ethnic/racially diverse members	Share of gender diverse C-suite employees	Share of ethnic/racially diverse C-suite employees	Share of gender diverse C-suite employees
Share of ethnic/racially diverse C-suite employees	Share of gender diverse employees	Share of ethnic/racially diverse employees	