

# AVEVA Group plc Tax Strategy

## Scope

### Introduction to Group structure

This strategy applies to AVEVA Group plc and to the group of companies headed by AVEVA Group plc in accordance with Schedule 19 of the Finance Act 2016. A list of the entities to which it applies is set out in Appendix A.

In this strategy, references to 'AVEVA Group plc', 'AVEVA', 'the company' or 'the group' are to all these entities. This tax strategy was published on 17 March 2020 and the company regards this publication as complying with its duty under paragraph 16(2) Schedule 19 FA 2016 in its financial year ended 31 March 2020.

This strategy applies from the date of publication until it is superseded. References to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

## Aim

AVEVA Group plc is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The group's tax affairs are managed in a way which takes into account the group's wider corporate reputation in line with AVEVA Group plc's overall high standards of governance.

### Governance in relation to UK taxation

- Ultimate responsibility for AVEVA Group plc's tax strategy and compliance rests with the Board of AVEVA Group plc;
- Executive management of the group's tax affairs is delegated by the Board to the CEO, CFO and Finance Director & Company Secretary of AVEVA;
- The Audit Committee's requirement to monitor the integrity of AVEVA Group plc's financial reporting system, internal controls and risk management framework, expressly includes those elements relating to taxation;
- The Chief Financial Officer ('CFO') is the Board member with executive responsibility for tax matters;
- Day-to-day management of AVEVA Group plc's tax affairs is delegated to the Group Head of Tax, who reports to the Finance Director & Company Secretary;
- The AVEVA Tax team is staffed with appropriately qualified individuals;
- The Board ensures that AVEVA Group plc's tax strategy is one of the factors considered in all investments and significant business decisions taken;
- The Group Head of Tax reports to the Audit Risk Committee and the Board on AVEVA Group plc's tax affairs and risks during the year.

## **Risk Management**

- AVEVA Group plc operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the group's financial reporting system;
- AVEVA Group plc seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations;
- Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required;
- Appropriate training is carried out for staff outside Tax team who manage or process matters which have tax implications;
- Advice is sought from external advisers where appropriate.

## **Attitude towards tax planning and level of risk**

AVEVA Group plc manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, AVEVA Group plc seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. AVEVA Group plc does not undertake tax planning unrelated to such commercial transactions.

The level of risk which AVEVA Group plc accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the group's tax affairs. At all times AVEVA Group plc seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Board is ultimately responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question.

## **Relationship with HMRC**

AVEVA Group plc seeks to have a transparent and constructive relationship with HMRC through regular meetings and communication in respect of developments in AVEVA Group plc's business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes.

AVEVA Group plc ensures that HMRC is kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage. When submitting tax computations and returns to HMRC, AVEVA Group plc discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

**Appendix A - List of the entities (UK subsidiaries of AVEVA Group plc) covered by this Tax Strategy**

1. AVEVA Group plc
2. AVEVA Solutions Limited
3. LFM Software Limited
4. AVEVA Finance Limited
5. Cadcentre Property Limited
6. AVEVA Limited
7. AVEVA Consulting Limited
8. Cadcentre Limited
9. Cadcentre Engineering IT Limited
10. AVEVA Engineering IT Limited
11. AVEVA Managed Services Limited
12. Fabtrol Systems, UK Limited
13. 8over8 Limited
14. Tribon Solutions (UK) Limited
15. Cadcentre Pension Trustee Limited
16. Schneider Electric Software GB Limited