

About Our Approach to Environmental Sustainability

Here at AVEVA, we are committed to our AVEVA LIFE values of Limitless Possibilities, Integrity Always, Flexibility Together and Excellence Every Day. We are also committed to developing an environmental sustainability strategy that reflects these values and aspires to a world where economic growth supports environmental stewardship, with better living standards for the communities where we and our customers operate.

As a leader in industrial software we believe we can help drive exponential action to address the climate crisis and expedite our transition to a more circular global economy. We are proud to offer solutions that help our clients with climate mitigation and adaptation, as well as circularity. For example, our operations and performance solutions help increase energy efficiency, minimise noxious emissions and optimise the effective use of valuable natural resources, and our engineering solutions enable our customers to plan, design and build for both circularity and adaptation to climate change. Please see our [Sustainability](#) webpage for further information and customer examples.

Beyond empowering industries to shape a sustainable future, we are also committed to reducing the direct climate impact of our own activities and are taking steps to set and communicate, company-wide targets. These steps reflect the intentions expressed in our Global Environment and Sustainability Statement that took effect in 2019 and outlined our promise to continually strive to improve our environmental and sustainability performance by establishing measurable targets and objectives, auditing, reviewing, monitoring and reporting. AVEVA's Board of Directors, which has overall responsibility for risk management, has committed to semi-annual reviews of the Company's Sustainability program and performance, including progress against setting and delivering on climate targets and risk management plans. AVEVA's Chief Executive Officer and Chief Sustainability Officer are both measured on environmental sustainability performance and improvement as a key performance indicator (KPI) element within their remuneration. The KPI is disclosed retroactively within the annual report.

AVEVA's Chief Sustainability Officer is one of ten senior leaders contributing talent and leadership to the Company's climate strategy as part of the Executive Sustainability Steering Group. Since the identification of sustainability as a principal risk for the Company in 2019, a term we use to encompass both our efforts to fight climate change and our broader commitment to environmental stewardship, this multi-disciplinary group of leaders from our senior management has been engaging on related business risks and opportunities on a quarterly basis. The group includes the leaders for AVEVA's Business Units, as well as our Head of R&D and Head of M&A and Corporate Strategy, to ensure that climate-related risks and opportunities are incorporated into both strategy and financial planning.

In 2020 AVEVA also embarked on our first all-employee Sustainability Jam, an internal online collaboration experience, that enabled our teams from around the world to contribute to the development of our environmental program. Almost 400 ideas were generated as part of the process, 2500 employees cast votes and 17 senior leaders volunteered their time to mentor finalist teams. Following the final judging we are moving forward with several innovations related to climate change, including new potentially patentable sustainability software solutions. These opportunities have all been categorised by implementation time horizon and include evolving our employee recognition program to include sustainability through tree planting in the short term, increasing sustainability in our offices and expanding our software solutions to support and enable renewable energy in the medium term, and developing new products to better support circularity in the longer term.

From our Board of Directors, to our leadership and our employees, we all share the same mindset: we want our software to help our customers work toward a future that delivers human, economic and environmental value. It also matters to us that we obtain results in the right way, benefitting all of our stakeholders and in accordance with our Business Conduct Guidelines. This includes ensuring that representations of our interests be conducted in a transparent and fair manner, allowing our third parties and stakeholders to understand our activities, positions and statements.

Looking ahead, we plan to evaluate advocacy opportunities that reflect our commitment to environmental sustainability, including corporate initiatives that address the need to transition to a net zero global economy. Currently, however, AVEVA is not a member of any trade associations that engage on climate-related issues. As we continue to hone our environmental strategy, we commit to ensuring we only join trade associations that have taken positions that are aligned with our efforts and level of ambition to fight climate change, re-evaluating our membership should that change. We look forward to providing more details on our refined environmental strategy as they become available and to further demonstrating the powerful impact of taking a Limitless Possibilities approach to sustainability innovation.