

Driving responsible use of the world's resources

AVEVA Group plc
Sustainability Progress
Report 2022

The AVEVA logo is positioned in the top right corner of the image. It consists of the word "AVEVA" in a bold, purple, sans-serif font. The letter "E" is stylized with a horizontal gap in the middle. The background of the entire image is a photograph of a wind farm. In the foreground, a man and a woman, both wearing white hard hats and high-visibility orange and yellow safety vests over light blue shirts, are smiling. The woman is holding a black tablet computer. In the background, a large white wind turbine tower is visible, with a person in similar safety gear walking up a set of metal stairs leading to an access door. The sky is clear and blue, and the ground is a mix of brown earth and dry grass.

Advancing a sustainable future



Peter Herweck

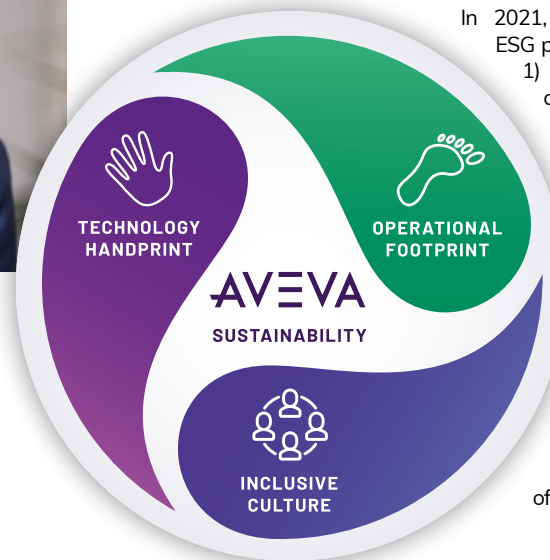
We are in the midst of the “Critical Decade”: a pivotal time in the fight against climate change and an opportunity to secure a sustainable and equitable future for all.

At AVEVA, to rise to our era’s greatest challenge, we are taking swift action to integrate sustainability throughout our business. Through our Environmental, Social and Governance (ESG) strategy, we recognize the relationship between the health of our planet and the wellbeing of our people. We developed a strategy that is grounded by our purpose, to spark industrial ingenuity, so that we can realize our vision to drive responsible use of the world’s resources. On this journey, we are guided by our values: impact, aspiration, curiosity and trust.

Last year, we published our first Sustainability Report, which outlined our approach to advancing environmental and social wellbeing within the Company and extending throughout our value chain.

We have continued to build on this work and remain committed to the three pillars of our ESG framework:

- **Technology Handprint:** Advances the positive environmental and social impact that our trusted and secure software can offer our customers.
- **Operational Footprint:** Demonstrates ethical business practices and manages the environmental impacts of our operations in line with the highest standards.
- **Inclusive Culture:** Embraces and supports a diverse, equitable and inclusive culture for our people and communities around the world.



In 2021, we launched two enterprise-wide ESG pledges that are key to our 2030 goals:

- 1) achieving net-zero GHG emissions across our operations (Scopes 1 & 2) and halving our value chain emissions (Scope 3) by 2030; and 2) advancing greater gender equality by growing the percentage of women hired to 50% by 2030 and reaching 40% management roles and 30% leadership roles held by women by the same time frame, while also reducing the gender pay parity gap to under 1%. We are pleased to report on progress toward achieving these long-term goals in the following pages of this report and to announce our first series of short-term objectives.

AVEVA’s 2025 Sustainability Goals build on our prior commitments and help accelerate the positive impact we can have on sustainable development throughout our value chain. Underpinning our sustainability efforts are the UN Sustainable Development Goals (SDGs), which symbolize the universal building blocks for achieving a healthy, prosperous future for all. We have mapped our ESG strategy to the SDGs most relevant to our business and will contribute to furthering them through our sustainability work.

A sustainable tomorrow cannot be achieved in a silo; we are committed to collaborating with international organizations and partners for sustainable change. In 2021, we became participants of the United Nations Global Compact (UNGC), and we will continue to work with other members and to advance the initiative’s universal principles of human rights, labor, environment and anti-corruption through our strategy and programs. This year we also attended the United Nations Climate Change Conference and will continue to look for opportunities to use our voice to advocate for the policy changes we need to limit global warming to 1.5°C and to act in solidarity with other organizations to collectively reduce global carbon emissions. We acknowledge the responsibility to mitigate the impact of our own operations and to support our customers in leveraging our product solutions to further their net-zero journeys.

Two revolutions are under way: the digital transformation and the energy transition. We are uniquely positioned at the nexus of these changes, enhancing and driving both. The intrinsic nature of our products supports the energy shift, accelerating efficiency and resilience through data and analytics. Our customers are using the AVEVA portfolio to hasten their transition to a lower-carbon and more circular future. Examples include reducing their energy and raw materials usage, accelerating renewable energy generation, transmission, and management, and expanding the frontiers of the energy system through new technologies, such as advanced biofuels, clean hydrogen, and carbon capture and storage. We will continue to work with our customers and partners to augment the sustainable uses of our technology going forward.

Building trust through transparency remains a core tenet of our sustainability strategy. We are committed to providing comparable ESG data and aligning with standard sustainability frameworks. To better meet the diverse and growing needs of our sustainability stakeholders, we have broadened our reporting suite with the launch of our first Integrated Annual Report, this Sustainability Progress Report, and a number of issue-specific fact sheets that you will find on our website.

I welcome your feedback on the evolution of our reporting approach and look forward to partnering with all our stakeholders, including our customers and our employees, to bring about lasting change. Working together, we will accelerate the realization of tomorrow’s industries such as renewable energy and carbon capture and secure a better future for humanity and our planet.

Sincerely,

Peter Herweck

AVEVA Chief Executive Officer

AVEVA's ESG strategy at a glance

PURPOSE, MISSION, VISION

We spark industrial ingenuity by connecting people with trusted information and insights to drive responsible use of the world's resources

TECHNOLOGY HANDPRINT

Inspiring our customers to transform the environmental and social impacts of their business through our trusted and secure software



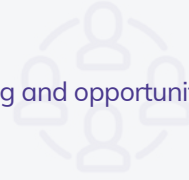
OPERATIONAL FOOTPRINT

Exemplifying ethical business practices and environmental stewardship across our value chain



INCLUSIVE CULTURE

Enabling a culture of inclusion, wellbeing and opportunity for our people and communities



2025 GOALS

1. Develop customer saved and avoided CO₂ emissions baseline and target
2. Develop and deploy green product design principles
3. Develop and launch a sustainability innovation program
4. Remain in the top 25% of security benchmarks
5. Train all employees annually on cybersecurity

2030 GOALS

9 INDUSTRY INNOVATION AND INFRASTRUCTURE Measurably contribute to inclusive and sustainable industrialization and innovation

MATERIAL ISSUES

- Sustainability solutions
- Responsible technology design and use
- Security and privacy
- Future of work and automation
- Relationships with law enforcement
- Public policy and advocacy

2025 GOALS

6. Reduce GHG emissions across operations (Scopes 1 & 2) by at least 90%*
7. Reduce GHG emissions associated with business travel (Scope 3) by at least 20%*
8. Deploy an e-waste program based on a circular economy model
9. Deploy updated ESG supplier policies and screening processes
10. Increase employee confidence in reporting unethical behavior to top 25% for industry

2030 GOALS

13 CLIMATE ACTION Achieve net zero operations + 50% reduction on value chain emissions*

MATERIAL ISSUES

- Climate risk and resilience
- GHG footprint (Scope 1,2 & 3)
- Business ethics
- Circularity and resource efficiency
- Labor and human rights
- Responsible tax
- Responsible sourcing

2025 GOALS

11. Demonstrate progress on 50/40/30 gender representation and pay parity targets
12. Year-over-year improvement in employee engagement score
13. Double early career opportunities
14. Ensure all employees have an annual talent review
15. Ensure an average of 12 hours of annual learning per employee

2030 GOALS

5 GENDER EQUALITY Achieve 50/40/30 on gender representation and pay parity

MATERIAL ISSUES

- Diversity, equity and inclusion
- Workforce development
- Wellbeing
- Employee giveback
- Employee health and safety
- Board compensation, independence and diversity


* Climate goals set against 2020 baseline year

Mapping to our priority Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) serve as the unifying blueprint for governments and corporations to drive sustainable development. To align our strategy to these goals, we undertook an SDG mapping exercise to better understand how AVEVA contributes to the UN’s objectives and targets.

We participated in the SDG Ambition program, a six-month accelerator that challenges and supports participating companies of the UN Global Compact in setting ambitious corporate targets and accelerating SDG integration into core business management. We developed a series of criteria to help us prioritize SDGs, based on our capability to have a direct impact on the goal, and their general relevance to our industry, workforce and customers. Mapping our overarching goals to the Sustainable Development Goals ensured our programmatic workstreams laddered up to global efforts. While our work touches broadly on all the SDGs, below are the primary three where we have the greatest impact and have, or are working toward, measurable targets for ourselves as part of our 2030 Goals.

Priority SDGs



AVEVA 2030 Goals
Measurably contribute to inclusive and sustainable industrialization and innovation


Goal 9:
Industry, innovation and infrastructure

FY22 Results


Customers have reported the following sustainable outcomes using AVEVA software:

15-30%	9-15%
Savings in energy costs	Reduced CO ₂ emissions

Customer decarbonization baseline and target are under development



See Technology Handprint highlights pg 7



AVEVA 2030 Goals
Achieve net-zero operations and a 50% reduction in value chain emissions


Goal 13:
Climate action

FY22 Results

<p>Scope 1 emissions (Tons CO₂e) 931 -41% vs FY20</p> <p>Scope 2 (Tons CO₂e) 160 -98% vs FY20</p>	<p>Scope 3 (Tons CO₂e) 379,550 +1.34% vs FY20</p> <p>100% RE +99% vs FY20</p>
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See Operational Footprint highlights pg 11




AVEVA 2030 Goals
Achieve 50/40/30 gender representation and <1% pay parity gap

Goal 5:
Gender equality

FY22 Results

<p>35.8% women hired +3.4pp vs FY21</p> <p>25.4% management positions held by women +1.4pp vs FY21</p>	<p>20.7% leadership positions held by women +1.6pp vs FY21</p> <p>Pay parity gap baseline still under development</p>
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See Inclusive Culture highlights pg 14

Our impact through secondary Sustainable Development Goals

As a technology company, we have a significant impact on a secondary set of SDGs through our customers and their use of our products. Given the indirect nature of our influence, we do not intend to set goals around our contributions to these goals but will continue to share examples of how our products drive their realization as outlined below.



Goal 6: Clean water and sanitation

To increase operational efficiency and secure drinking water for more than 500,000 residents, Brazil's largest wastewater treatment plant Aquapolo uses Schneider Electric's EcoStruxure Plant solution with integrated AVEVA software, including AVEVA Plant SCADA, AVEVA Historian and AVEVA Manufacturing Execution System. These solutions allow Aquapolo to manage 20 different KPIs related to water quality and quantity in real time and boost efficiency by 15%. For every liter of recycled water produced, a liter of drinking water is saved, enabling Aquapolo to meet the increasing demand for water for industrial use and address a severe shortage of potable water for the local community.



Goal 7: Affordable and clean energy

With a commitment to decarbonize its energy mix by 2040 and with over 50 GW of installed renewable capacity already, Enel is playing a key role in the energy transition. The world's largest integrated energy utility adopted AVEVA Asset Performance Management with Predictive Analytics to drive its autonomous plant vision, integrating it with AVEVA PI System data management across its fleet. The information and analysis from AVEVA not only enables operational optimizations, but also supported Enel's teams when they had to pivot overnight to work from home during the pandemic in Italy, ensuring utility resiliency and continued, sustainable delivery of these critical services for the wider community.



Goal 11: Sustainable cities and communities

Namchi Smart City in Sikim, India, leveraged AVEVA's Unified Operations Center smart city template as the digital backbone of its Integrated Command and Control Centre (ICCC) to help realize sustainable improvements in city management and municipality services. The city augmented and retrofitted existing infrastructure, integrating sub-systems such as traffic control, smart street lighting, pollution monitors, building security access, and automated public safety announcements. The city monitors and controls these services in a central location which serves as a single-pane-of-glass for operators. As a result, the city has reduced energy use by 20%, and continues to support tourism and economic growth, while enhancing quality of life for its growing population. The Namchi Smart City and ICCC was recognized as one of the '100 Smart Cities' under the Government of India's Smart Cities Mission, and it is being replicated and deployed in other regions throughout the nation.



Goal 12: Responsible consumption and production

Vehicle manufacturer Toyota uses AVEVA PI System as the foundation for its unified energy monitoring and management system. AVEVA PI System enables teams working across plants to cut aggregation and validation time for energy consumption from hours to seconds. It also provides them with intuitive trend analysis and smart reporting, making it easy to optimize for carbon efficiency and quick to identify any operational abnormalities that could result in negative carbon impacts. With the ability to seamlessly interface with different systems in eight different plants, AVEVA's solution allows the Toyota team to both track and show measurable progress on the company's commitment to achieving net-zero CO₂ emissions at global plants by 2050.

Our 2025 Technology Handprint goals

Goal	Laying the foundation	FY23 priority work
Develop customer saved and avoided CO ₂ emissions baseline and target	<ul style="list-style-type: none"> Our portfolio advances efficiencies and GHG emission reductions. Our software is increasingly leveraged by industries to advance the low-carbon energy transition, promote a circular economy and enable greater resilience. Decarbonization is a key driver for many of our customers and we are working towards measuring their saved and avoided GHG emissions more systematically. In FY22, we leveraged available customer references and industry experiences to evaluate potential sustainability use cases and started to develop a methodology to measure the decarbonization impact of one of our main product suites. 	<ul style="list-style-type: none"> We will continue to conduct use case analyses and launch a sustainability impact pilot study that will include a focus on saved and avoided emissions. The pilot will focus on a subset of priority industries. We plan to leverage learning to establish a credible customer saved and avoided CO₂ emissions baseline and inform future target-setting.
Develop and deploy green product design principles	<ul style="list-style-type: none"> In FY22, we began to research and conduct benchmark testing on the efficiency of our software products. To advance the development of green product design principles, we also became a member of the Green Software Foundation, a non-profit with the mission to create a trusted ecosystem of people, standards, tooling and best practices for building green software (see next page for more details). 	<ul style="list-style-type: none"> We aim to complete power consumption benchmark testing of our top energy-consuming products and improve our policies and practices for product development. We will also work with low-carbon cloud service providers for our cloud offerings and leverage our learnings as a member of the Green Software Foundation to lower the sustainability impacts of our products.
Develop and launch a sustainability innovation program	<ul style="list-style-type: none"> At AVEVA, we are proud that our software has been driving sustainable outcomes for our customers for decades. In FY22, we conducted innovation events ranging from regional hackathons to product-specific innovation jams with a sustainability focus. 	<ul style="list-style-type: none"> In FY23, we will continue to accelerate our sustainability-related R&D and will launch a sustainability center of excellence to ensure we are fully leveraging the expertise we have across our portfolio to support customers on their decarbonization journeys. Beyond co-innovating with our customers on sustainability, we will continue to invest in building new capabilities through technology partnerships and to build out our internal hackathon program (hear directly from one of our recent winning teams on page 8).
Remain in the top 25% of security benchmarks	<ul style="list-style-type: none"> We strive to lead the industry in data security. Our security framework is informed by globally recognized third-party standards. To validate the effectiveness of our internal systems and control procedures, we routinely undergo external audits. Our rigorous oversight and due diligence has earned us a BitSight security posture score of 810. While we are currently in the top 25% of the market sector, maintaining this ranking is a consistent challenge, given the ever-changing cybersecurity landscape. 	<ul style="list-style-type: none"> We will continue to maintain both our internal and external security controls, posture and improvement program, as well as continue to focus on NIST, recertification for ISO 27001:2013, and maintaining our BitSight score. We will continue to bolster and build capabilities in our cybersecurity function and explore the expansion of the cybersecurity scope and coverage across the business.
Train all employees annually on cybersecurity	<ul style="list-style-type: none"> Preparing our employees with critical cybersecurity training is paramount to maintaining our high security standards. We maintain a robust cybersecurity training curriculum. In addition to the mandatory training, we run a number of voluntary training products centered on insider threats and reporting suspicious incidents as well as periodic phishing simulations throughout the year. These simulations highlight any areas of the organization that require further training on identifying and reporting phishing emails. 	<ul style="list-style-type: none"> We plan to expand our training to include physical, personnel and cybersecurity topics. We will continue to run our simulated phishing campaigns to maintain security competency among our people and reinforce learnings from training.

FY22 by the numbers

In top 25%
of market sector for security benchmarks

90%
Cybersecurity training completion rate

Our Technology Handprint highlights



Innovating sustainable solutions

According to the World Economic Forum, 70% of the new value created in the economy over the next decade is expected to be based on digitally enabled business platforms. This will continue to drive an exponential increase in data creation and consumption along with the technology sector's global carbon footprint. AVEVA is committed to continuing to explore new ways to limit the climate impact of our software. We recently joined the Green Software



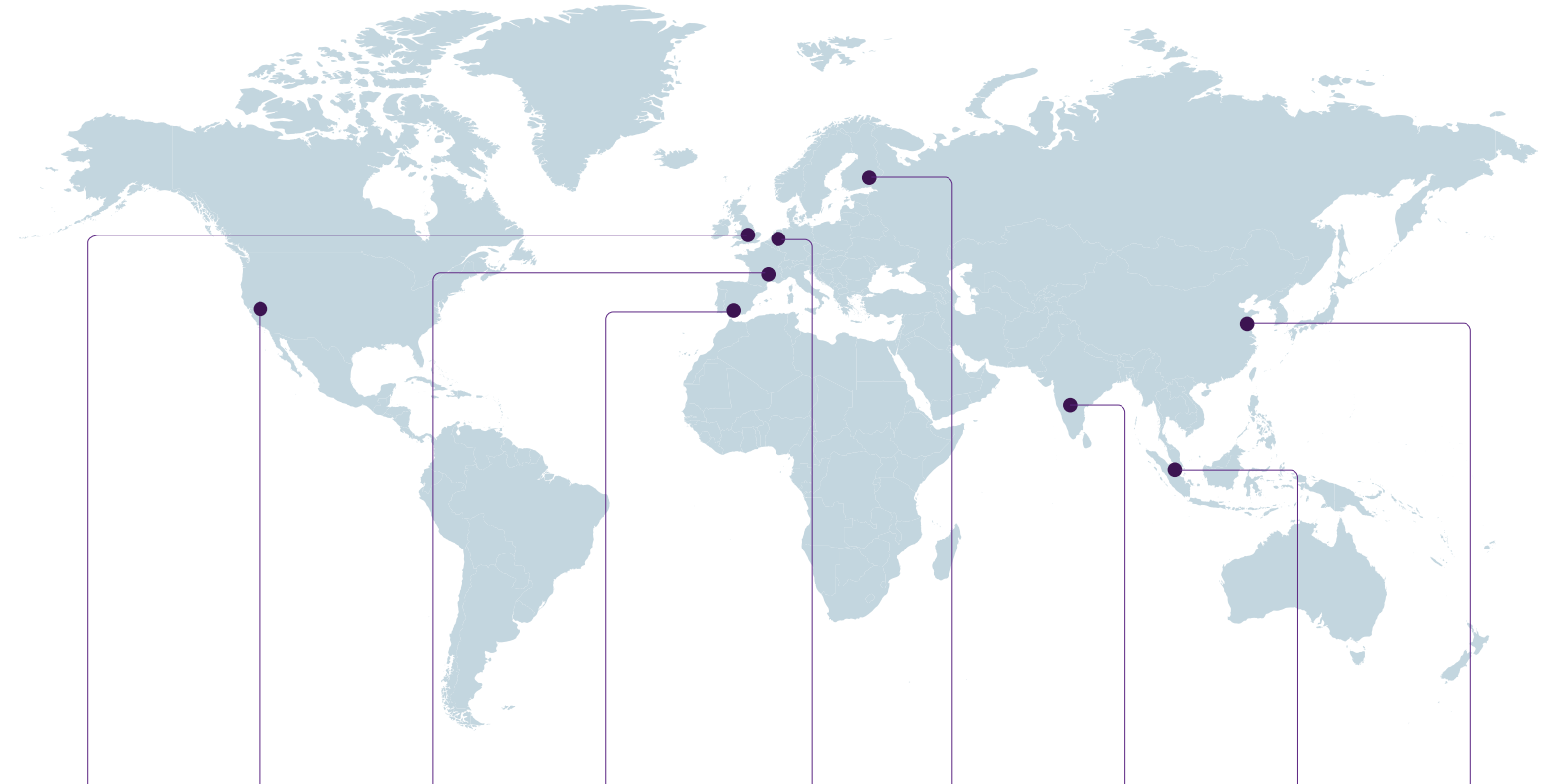
Foundation, a group of like-minded peers brought together to pioneer a set of standards and best practices to build sustainability into the DNA of digital infrastructure. We are eager to be a part of this groundbreaking effort and intend to use the findings to improve our own software.

We also empower AVEVA employees to tap into their ingenuity and invent new solutions to incorporate sustainability considerations into our products. To nurture these home-grown ideas, we host various hackathons each year throughout the world. Teams of AVEVA employees work together to create innovative AVEVA technology disruptions and then pitch their ideas to members of our executive team. In FY22, we had more than 66 employees participate and 187 sustainability ideas entered. Learn more in our Technology Handprint impact spotlights page.



Andrew McCloskey, AVEVA CTO; EVP of R&D and the Sustainability Team

Driving responsible use of the world's resources



Enables energy-efficient travel for 8,000 daily commuters	Cut waste by 95% and energy use by 25% through efficient waste water treatment	Eliminates travel and enables efficient training for 6,000 operators annually	Optimizes energy use at 510MW thermosolar complex	Optimizes global energy fleet 24/7, eliminating downtime and saving emissions	Drives efficient delivery of biodiesel, saving emissions and cutting costs	Saves \$12.2m annually in energy monitoring and refinery optimization, cutting emissions	Connects 260 global engineering teams driving 20% better collaboration	Cut distillation column size, saving 33% energy over conventional size

Our Technology Handprint highlights



AVEVA's role in hydrogen

AVEVA is driving value throughout the hydrogen value chain and helping to pave the path to green hydrogen. Our AVEVA portfolio supports the transition to green hydrogen over the entire asset lifecycle, from promoting the efficient design of hydrogen plants to improving operations through optimized response times. For example, a leading Australian power company is using the AVEVA portfolio to build a new clean hydrogen project blueprint, using built-in templates and visualization tools to increase efficiency and improve collaboration, taking steps to advance towards its sustainability goals. To learn more about how we're driving innovation in supporting the move to green hydrogen, see our Technology Handprint impact spotlight section on the next page.



AVEVA Chief Sustainability and Chief Marketing Officer, Lisa Johnston, meeting with industry executives about the energy transition and diversity in the energy sector

"Our software spans engineering and operations solutions, helping our customers optimize their entire value chain while contributing to the conservation of natural resources and supporting circularity."

Lisa Johnston

Ensuring security throughout our value chain

AVEVA is committed to maintaining and continually improving information security and business continuity, and to minimizing exposure to security risks, in accordance with our purpose and values. In December 2021, after months of preparation, our R&D organization earned the official ISO 27001:2013 certification for our designed and authored Information Security Management System (ISMS). This framework of objectives, policies, and processes is designed to ensure the appropriate security controls that maintain the confidentiality, integrity, and availability of information.



Helping our industrial users reduce their GHG emissions

We were recently named to Fast Company's prestigious annual list of the World's Most Innovative Companies for 2022, ranking #4 in the Manufacturing category. We were specifically selected for innovation in forecasting how manufacturers can reduce emissions but more broadly this award reflects AVEVA's role in the delivery of new technologies that connect data and AI tools with human insight to provide positive business and environmental outcomes.



Supporting the next generation



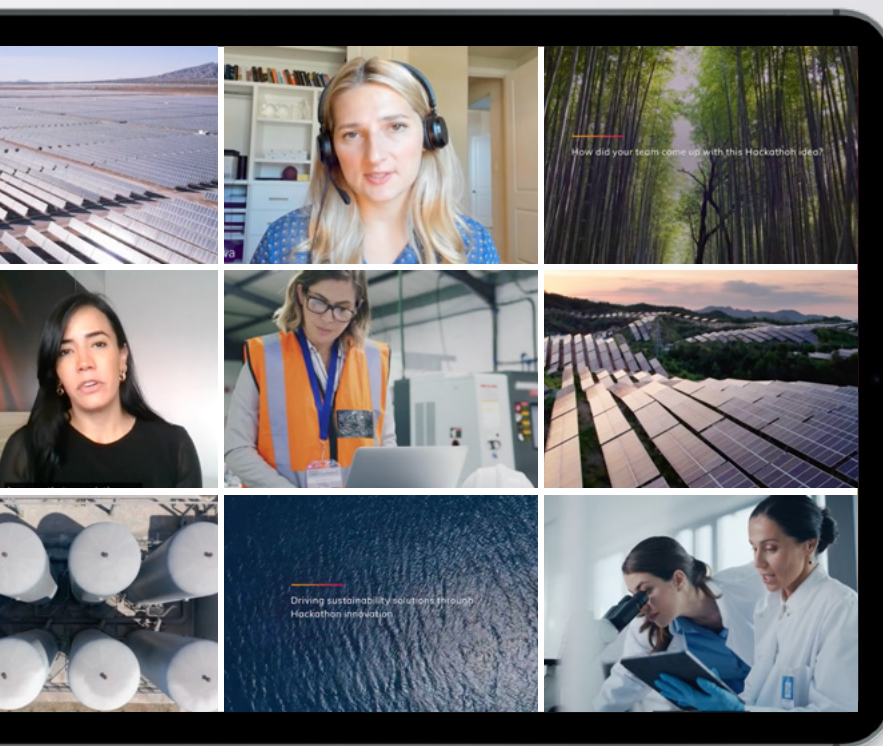
Preparing the next generation of industrial professionals to advance a sustainable future is vital to our organization. We provide complimentary AVEVA software to more than 750 academic institutions, training students with practical experience using our products and insight into how our software furthers sustainability in the industrial sector. In line with our commitment to nurturing early-career talent, we collaborate with our strategic partner Schneider Electric annually to co-host the Go Green competition. The Go Green competition is an opportunity for students from around the world to share their bold sustainability innovations, giving a voice to the next generation and sparking their interest in creating positive change in the industrial sector. This year, more than 21,000 students from more than 200 universities participated in the competition and students submitted over 3,700 innovative ideas to the competition's five categories.



Our Technology Handprint impact spotlights



Driving sustainable innovation through hackathons



Learn more:

To learn more about our recent hackathon winning idea, [click here](#)



Sparking global sustainable change through the XPRIZE

Two AVEVA team members are shaping a better future for all with their groundbreaking carbon capture innovation. AVEVA's own Eddie Sierra and Aldo Hinojosa, along with Eddie's mother Alcira Higuerey de Sierra, form the Green Backbone team, which submitted their idea for a portable carbon capture machine to the XPRIZE competition.

Promising \$100m for the successful development of a fully scaled carbon removal technology, the four-year global XPRIZE competition is advancing solutions that pull carbon from the environment and sequester it sustainably. A total of 1,133 teams submitted their concepts to the competition and only 287 eligible teams moved forward to be considered

for a \$1m Milestone Award, including Green Backbone. The team spent a year developing a working model and meeting the XPRIZE's rigorous submission requirements, sacrificing time with loved ones and often working into the early hours of the morning.

Using AVEVA's Process Simulation, Unified Engineering, and Unified Project Execution, which AVEVA provided to the team at no charge, Green Backbone's proposed solution is compact enough to be installed on any building, eliminating the need for large surface areas that current carbon capture machines require.

The functional prototype is powered by solar energy and combines common household waste

and marine algae to capture and store CO₂ in vegetable resin. Adding a social justice lens, disadvantaged community members will be employed to collect and supply the household waste.

For the Green Backbone team, the submission served as a culmination of their hard work and experience over the years and allowed them to apply their skills to help the planet. "It's as if everything was building to this point," Eddie said. "All the knowledge we've acquired in our careers fed into this project." Eddie and Aldo exemplify the values that at AVEVA we strive to put into action every day: impact, aspiration, curiosity and trust.



Eddie Sierra (left) and Aldo Hinojosa (middle) are a part of the XPRIZE Green Backbone team. Pictured with Rubens Rejowski (right), an AVEVA colleague



Algae cultivation supports carbon capture, consuming CO₂ from the air

Our 2025 Operational Footprint goals

Learn more:

[Climate action fact sheet available](#)



Goal	Laying the foundation	FY23 priority work
Reduce GHG emissions across operations (Scopes 1 & 2) by at least 90%	<ul style="list-style-type: none"> Tackling our climate impact starts with mitigating our own operational emissions. In FY22, we procured 100% renewable energy across our global offices through a combination of direct purchase, green tariffs and renewable energy credits (RECs). We are also connecting sustainability to our Workplace, Health & Wellness and Dynamic Work strategies by investing in energy-efficient buildings and prioritizing office spaces built to LEED and similar green certifications. To lessen the impact of employee commuting, we have updated our global fleet policy to include a preference for EVs. 	<ul style="list-style-type: none"> In FY23, we will engage with external vendors to perform efficiency/abatement upgrades across select sites to reduce consumption. We are also looking into electrification and on-site Solar PV opportunities where feasible.
Reduce GHG emissions associated with business travel (Scope 3) by at least 20%	<ul style="list-style-type: none"> Covid-19 changed our business travel habits, encouraging us to turn to digital solutions for remote meetings. As we return to normal operations, we will continue this momentum by advocating for low-carbon travel alternatives. We have launched a sustainable travel cheat sheet to raise awareness and encourage a reduction of travel, as well as promote greener options if travel is necessary. 	<ul style="list-style-type: none"> In FY23, we will continue to incorporate sustainability into our travel policies and systems. We will also explore tools to further incentivize organizational change, such as the implementation of a carbon budget and an internal price on carbon.
Deploy an e-waste program based on a circular economy model	<ul style="list-style-type: none"> As a software company, addressing technology-related waste is a priority. In FY22, we started exploring solutions to abate e-waste in our offices. After connecting with key stakeholders across the business to better understand current standard operating procedures, we have developed a global IT Asset Disposition policy, which will be launched in early FY23. 	<ul style="list-style-type: none"> Based on the foundational work done in FY22, we will deploy an e-waste program in FY23. Work is underway to develop a baseline for our current disposal numbers, and we expect to work closely with a third party on strategy and implementation.
Deploy updated ESG supplier policies and screening processes	<ul style="list-style-type: none"> We aspire to have a positive sustainability impact across our value chain and are committed to engaging with our suppliers to find shared opportunities for progress. In FY22, we conducted a preliminary review of the sustainability considerations embedded across our procurement policies and processes as a first step to making improvements. 	<ul style="list-style-type: none"> Looking forward to FY23, we plan to build on our existing baseline analysis to strengthen the ESG requirements in our supplier policies and screening processes. To further progress on the reduction of our value chain emissions, we plan to engage our strategic suppliers through the CDP supply chain program. This will allow us to gain a more robust understanding of our overall supply chain emissions.
Increase employee confidence in reporting unethical behavior to top 25% for industry.	<ul style="list-style-type: none"> At AVEVA, we see trust as foundational to our success. In FY22, we launched an updated global training to educate our employees on “speaking up” about any suspected wrongdoing related to our business, without the fear of reprisal. To help us better gauge progress, we added a question in our employee engagement survey this year to measure employee comfort with reporting unethical conduct and scored an average of 8.4/10 across our global employee base. This result puts us in the middle range for our sector. 	<ul style="list-style-type: none"> In FY23, we are focusing on workstreams that bring increased awareness to our “Speak Up” policy, including amplified employee communications on compliance issues and reminders about the confidential nature of our reporting mechanism. We will also be extending our mandatory training to contractors. Additionally, we are updating our website to improve transparency around the Speak Up reporting process and emphasize that no retaliatory action will be taken against those who report concerns of wrongdoing.

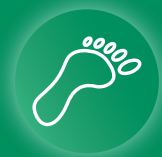
FY22 by the numbers

↓89%
Scopes 1 & 2
(FY20 baseline)

↓64.6%
business travel emissions
(FY20 baseline)

8.4/10
Employee confidence in
reporting unethical
behavior

Our Operational Footprint highlights



Contributing to the shared sustainability ecosystem

Understanding the need for global sustainability dialogue, AVEVA representatives attended the 26th Conference of the Parties (COP) in Glasgow this year. Our COP26 delegation met with customers, partners, civil society organizations and exchanged ideas with leaders from across the political and business divide on how our technology and innovation community can enable systems-level changes, including the reshaping of our global energy landscape and the digitalization of the industries of the future. Given the shared nature of our Scope 3 emissions with our partners and customers, COP26 provided an opportunity to discuss joint solutions with our stakeholders.

Transparency against global standards is also key to collectively reducing global emissions. In October 2021, we submitted our near-term and net-zero emissions reduction targets to the Science Based Targets initiative (SBTi) for validation. Once confirmed, SBTi will have certified that our targets—to achieve net-zero emissions across our operations (Scopes 1 and 2) and to halve our Scope 3 emissions by 2030—are in line with what climate science deems necessary to limit global warming to below 1.5° C.



Lisa Wee, AVEVA Vice President of Sustainability, and Amish Sabharwal, AVEVA Executive Vice President of Engineering & Simulation, at COP26



Sustainable change within our organization

As a leader in the industrial software industry with facilities and employees worldwide, we have a responsibility to ensure sustainable considerations are embedded throughout our organization. In FY22, we launched guidelines on building requirements and preferences for acquiring AVEVA workplaces. We prioritized features such as green building certifications, green energy, and proximity to public transportation, among others, because these guiding principles promote more sustainable practices and healthier spaces for our employees.

This fiscal year, we laid this foundation by developing business travel and dynamic work guides for employees. Outlining travel choices that can reduce emissions, as well as providing tips for reducing carbon footprint while working from home, these guidance documents support our teams in opting for more sustainable routes.



EV charging at our Lake Forest, California offices

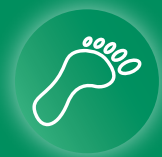
Educating our employees on speaking up

We continue to conduct our annual corporate ethics training. This year, we extended the training to our employees who joined AVEVA from OSIsoft. The training launched in August and consists of several compulsory modules, including anti-bribery and corruption, modern slavery and human trafficking, whistleblowing and more. We believe it is vital to raise awareness of the reporting avenues available to employees. We aim to ensure our colleagues have a thorough understanding of when to speak up and strive to foster a day-to-day environment in which our people feel safe reporting concerns. In response to reports, a cross-functional senior group reviews all matters within 48 hours. Where necessary, an investigation is conducted within 30 days, unless an extension is required. We believe this transparency of the process is essential to establishing a shared culture of trust across our growing organization.

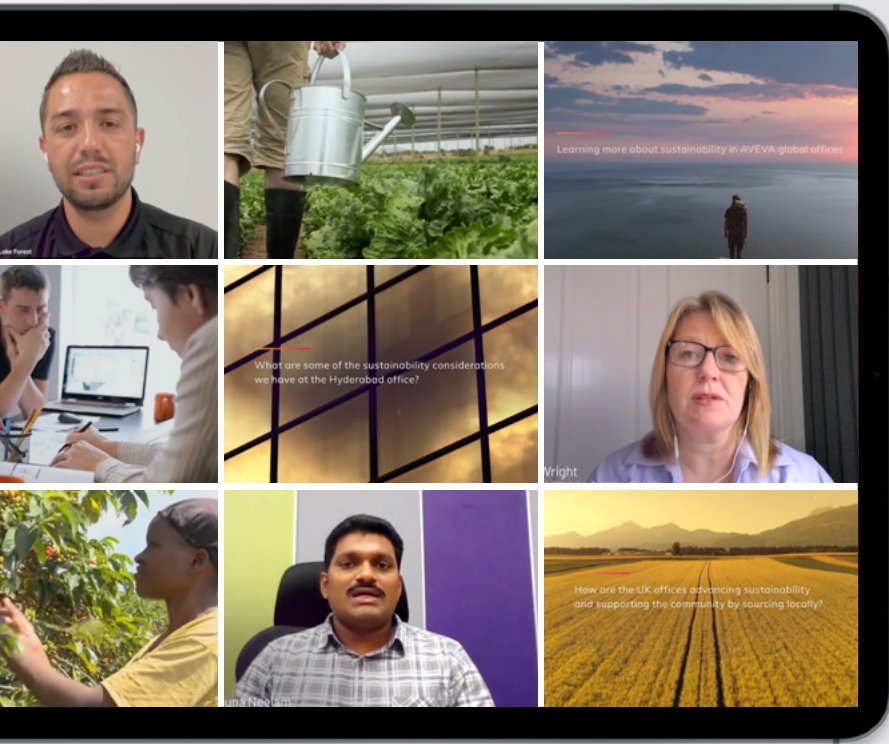


Our Chief People Officer, Caiomhe Keogan (left) and our Group General Counsel and Company Secretary, Helen Lamprell, both of whom lead in fostering a safe and inclusive environment for all

Our Operational Footprint impact spotlights



Sustainability at our global offices



Learn more:

To learn more about sustainability at our global offices, [click here](#)



Partnering to reduce data center emissions

To reduce our carbon footprint, we partner with various colocated data center providers, virtually all of which are powered by 100% renewable energy. One example is our partnership with Digital Realty, a real estate investment trust (REIT) which operates its sustainability program from an environmental lifecycle approach, using energy-efficient buildings and clean and renewable energy to power its data centers. Digital Realty has invested in providing resilient and secure data center solutions that protect against the short- and long-term impacts of climate change, including extreme weather events. We are currently working closely with Digital Realty on a pilot for our R&D function, exploring the creation of a development hub to transfer current workload to a colocated data center.



Digital Realty's Oakland data center

How we approach human rights

As a technology company, we recognize that our products and operations have far-reaching impacts in the digital age. We acknowledge our responsibility to respect and to contribute positively to human rights, and we are committed to acting ethically and with integrity in all business matters. In FY23, we will start work on developing a corporate human rights policy, building on the expectations set out in our existing policies and aligned to international standards, such as the **UN Guiding Principles on Business and Human Rights**. To better understand the relationship between emerging technologies and human rights, this year we participated in the first sector-wide human rights assessment for Software-as-a-service (SaaS) led by BSR. We plan to leverage findings from this project in the development of our policy and to continue working with BSR to explore the identification of actual human rights impacts at a product level as part of refining our approach to responsible technology.

The human rights-related expectations we have for our suppliers are set out in a number of key policies, including AVEVA's Procurement Policy and Anti-Slavery and Human Trafficking Policy. All AVEVA employees are expected to comply with these policies, which include specific prohibitions against the use of forced, compulsory, trafficked or child labor. We also expect that our suppliers will hold their own suppliers to the same high standards.

Processes are in place to help our procurement team identify contracts that could be subject to heightened modern slavery risk, and we set clear expectations for our suppliers through the terms of our contracts.

We also have zero tolerance for intimidation, discrimination, bullying or sexual misconduct. We recognize that how we treat one another defines us and strive to maintain an environment that is inclusive and welcoming to all. To support a respectful, inclusive and professional culture, we have developed several key policies, including our Dignity at Work and Diversity and Inclusion Policies. In addition to these more detailed policies, our support of the right to collective bargaining and freedom of association is set out in our Business Conduct Guidelines and our commitment to protecting privacy is reflected in our Global Data Protection and Privacy Policies.



Our 2025 Inclusive Culture goals

Learn more:
[DEI Fact Sheet](#)



Goal	Laying the foundation	FY23 priority work
Demonstrable progress on our 2030 gender targets: 50% women new starters, 40% women managers and 30% women in leadership, as well as <1% pay parity, by 2030.	<ul style="list-style-type: none"> As one of our five DEI focus areas, gender advancement is an important consideration for AVEVA. In FY22, we implemented a number of workstreams to boost our global hiring of women, including piloting interview skills and unconscious bias trainings to our R&D function, reviewing our talent acquisition procedures, job descriptions, and advertisements to ensure we are using inclusive language, and hosting Society of Women Engineers global career events. Our 2021 Gender and Ethnicity Pay Gap Report outlines our efforts to close this gap and ensure that all people have equal opportunity and pay. 	<ul style="list-style-type: none"> In FY23, we will continue to roll out our Interview Skills Training and and harmonize our competency interviewing frameworks across the business to ensure our recruitment and selection practices follow DEI best practices. Additionally, we will communicate internal goals and targets for all five DEI focus areas. We will also proactively work on deepening our understanding of the drivers behind our gender and ethnicity pay gaps and taking targeted action as needed.
Year-over-year improvement in employee engagement score	<ul style="list-style-type: none"> Listening and responding to our employees' feedback is critical to improving our employee experience. We made the transition in FY22 from an annual survey to a quarterly cadence to ensure quicker response times to employee feedback. The shorter, more frequent surveys require less of our employees' time while enabling their managers to address any issues within the team more efficiently. 	<ul style="list-style-type: none"> We will continue to provide training to our managers on how they can access and manage their team dashboards, respond anonymously to comments and acknowledge scores, to produce action plans for their teams on how they can improve. In addition we will continue to improve our focus on employee recognition through new global programs such as service milestones and annual awards, along with providing our managers with the necessary tools to engage in local recognition.
Double early career opportunities	<ul style="list-style-type: none"> In the last financial year, we recruited 215 earn and learn employees, including interns, apprentices and graduates. In FY22, we joined The 5% Club, committing to employing 5% of our workforce in earn and learn positions within five years (see next page for more details). Our Learning and Development team is working to identify how we can proactively minimize skills gaps and provide development pathways for our early career employees. 	<ul style="list-style-type: none"> Over the next fiscal year, we plan to improve and refine our approach to workforce planning for our early career hires. This includes identifying new opportunities for early careers placements in our largest countries of US, India and UK and strengthening our partnerships and alignment with key educational institutions.
Ensure all employees have an annual talent review	<ul style="list-style-type: none"> Currently all our employees have an annual performance review which is supported by regular developmental check-ins. We have talent reviews and succession planning processes in place for senior and leadership talent. Moving forward we aim to broaden our view of high potential talent, recognizing that all of our people have the potential to grow and contribute in different ways. 	<ul style="list-style-type: none"> In FY23 we will launch our 'Reach' program across three distinct cohorts (aspiring leaders, mid-level leaders and senior-level leaders). We designed the program to support and grow leadership talent at AVEVA through an inclusive and personalized approach. In addition we will put in place the foundations that start to move the annual review from a backward looking process, to incorporate clear discussions about future career paths and potential for growth and further impact.
Ensure an average of 12 hours of annual learning per employee	<ul style="list-style-type: none"> As part of our commitment to building a culture centered on learning, we recently launched the LinkedIn Learning platform to all employees globally. Available in six different languages, it enables our employees to upskill and find suitable courses fitted to their development plans. We offer a vast range of managerial materials, designed to help employees take the next step in transitioning from team members to managers. We've seen a total of over 7,300 hours viewed and over 2,300 of our employees actively learning on the platform. In addition to LinkedIn, we offer opportunities for employees focused on leadership development, team insight, technical upskilling (Pluralsight) and new hire onboarding in our new harmonized orientation class. 	<ul style="list-style-type: none"> We will continue to focus on expanding learning opportunities for our employees, as well as improving awareness on the availability of these learning options. We will also continue to prepare for migration to our upcoming Workday Learning Management System some time in early 2024. Workday will ensure an integrated, in-depth learning platform supporting courses across our business.

FY22 by the numbers	35.8% New women hired	25.4% Management positions held by women	20.7% Leadership positions held by women*	7.5/10 Employee engagement score	215 Earn and learn employees
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* Director level and above

Our Inclusive Culture highlights



Recognition for our DEIW advancements

In FY22, we were recognized for our Diversity, Equity, Inclusion, and Wellness (DEIW) advancements. In October, we won the Transparency Award from the Global Equality and Diversity Awards for our honest and open approach in creating our first Ethnicity and Gender Pay Gap Report. We also secured a commendation in the Inclusive Workplaces Award for our delivery of diversity, equity, inclusion and wellbeing across the organization. We were ranked among the most inclusive companies in Europe, leaping to the top half of the "Diversity Leaders" list with a ranking of 385 out of 850 of the highest-ranking employers for Diversity and Inclusion from the Financial Times.



Learn more:

[To learn more about the Ethnicity and Gender Pay Gap Report, click here](#)



Promoting all forms of diversity in our workforce



Our EMEA Talent Acquisition and Development team pictured at their team meeting in London

We believe that innovation emerges from the sharing of diverse perspectives. In 2021, we published our first five-year DEI strategic plan, focusing on five main areas: gender, ethnicity/race, religion/faith/belief, disability and sexual orientation. Together, they help us prioritize a few key aspects of diversity and our resources effectively.

Our employee networks foster an environment where all employees feel appreciated for who they are and have a clear sense of belonging and purpose. As of FY22, we have five employee working groups (BLACK Voices@AVEVA, Pride@AVEVA, Salute@ AVEVA, Wellbeing@AVEVA and Women@AVEVA) and three regional DEIW networks. In

2021, we launched the DEIW Impact Fund, dedicating £100k to support local employee-led DEIW activities. See our Inclusive Culture impact spotlight on the next page to learn about how some groups are using this resource.

As a reflection of our commitment to nurturing budding talent and welcoming early learners to AVEVA, we have joined The 5% Club, an organization catalyzing the employment of apprentices and graduates. Through our membership, we are joining a growing number of UK companies signaling the importance of improving early career skills and working towards allocating 5% of our workforce to designated earn and learn positions.

Our DEI focus areas



Caring for our employees' wellbeing

We are committed to supporting the wellbeing of our people. In partnership with the regional DEIW networks and the Wellbeing@AVEVA employee group, we hosted 40 live, in-office and digital events in six different languages across the world covering everything from stress and resilience to work-life balance and live Zumba sessions. In October, we hosted our 45-day steps challenge, using the Movespring app. Colleagues across the globe teamed up to compete in a steps challenge. Employees had the chance to get involved in choosing a charity through a poll on our dedicated intranet page, with the winner receiving a donation of £20,000 once colleagues completed the benchmark of 1 million minutes within 45 days.

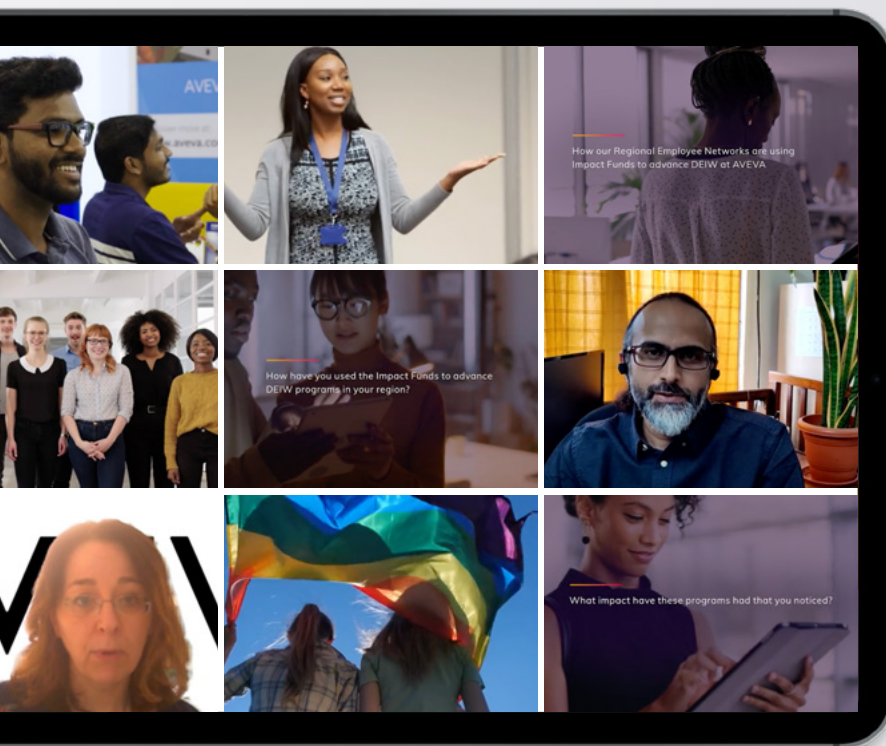
In an effort to ease the difficulty of new ways of working through the pandemic and to help with assimilation to AVEVA through the integration with OSISOFT, we hosted our first-ever AVEVAFEST. This was our first virtual event created by our employees for our employees. Almost 50 broadcasts were hosted across four stages, focusing on strategic initiatives, technology, people, and our community. Speakers covered diverse subjects including sexual orientation, race, veterans adjustment and gender.



Our Inclusive Culture impact spotlights



Making a difference through the DEIW Impact Fund



Learn more:

To learn more about the DEIW Impact Fund and its uses, [click here](#)



Giving back through Action for Good



The AVEVA Action for Good program is our way of giving back to our local communities through volunteering, outreach and donations. This year, in recognition of the importance of community service at AVEVA, we upped our annual Action for Good volunteer days from one to three, as part of our '3 days to change the world' campaign. This year, 1,244 colleagues have taken time off from their working day to participate in an Action for Good activity. Whether for community support, health and wellbeing or improving the environment, inspired by the UN's sustainability goals, colleagues across all three regions got involved this year in a variety of different activities, not letting the uncertainties of the pandemic stop them from making a difference in their communities.

Overall, we saw £530,000 donated to charities over the year. AVEVA continued to match funds on employees' activities with £300 for individual activities and £500 for team activities. In April 2021, AVEVA Action for Good donated £100,000 to UNICEF, which has helped the agency and its partners to deliver over 88 million

life-saving vaccines to 131 countries through the COVAX facility. Our donation could provide 25,736 people with two doses of the vaccine in a humanitarian setting or could provide 2,177 health workers with training on the new vaccines, tests and medications.

In March 2022, the Action for Good Core Committee donated £100,000 to UNICEF's emergency response in Ukraine, in reaction to the escalating conflict that is placing millions of children and their families in immediate danger.

The donation will help UNICEF scale up its efforts further and meet the urgent needs of children caught in this rapidly unfolding crisis. With this contribution, AVEVA could help UNICEF pay for more than 3,125 large first aid kits for health workers.



Evolving our AVEVA values

Inclusive culture at AVEVA means keeping our company a great place to work for everyone. We aim to create a place where all of us, no matter who we are, what we do, what we look like, can be our authentic selves at work and be treated with respect.

A pivotal integration project after the acquisition of OSIsoft was to understand the culture and values of both businesses and to help shape and define our combined culture as one organization. We created a culture workstream to ensure integration of the values of both heritage organizations, with the goal of uniting our ways of working.

We conducted a consolidated harmonization process, with input from employees, and aligned our values to IACT (impact, aspiration, curiosity, and trust). Our values create the foundation for how we interact with colleagues and partners, customers, and the communities where we do business, and we continue to ingrain them into our everyday life here at AVEVA.



Impact



Aspiration



Curiosity



Trust

About our report

Reporting period, scope and materiality

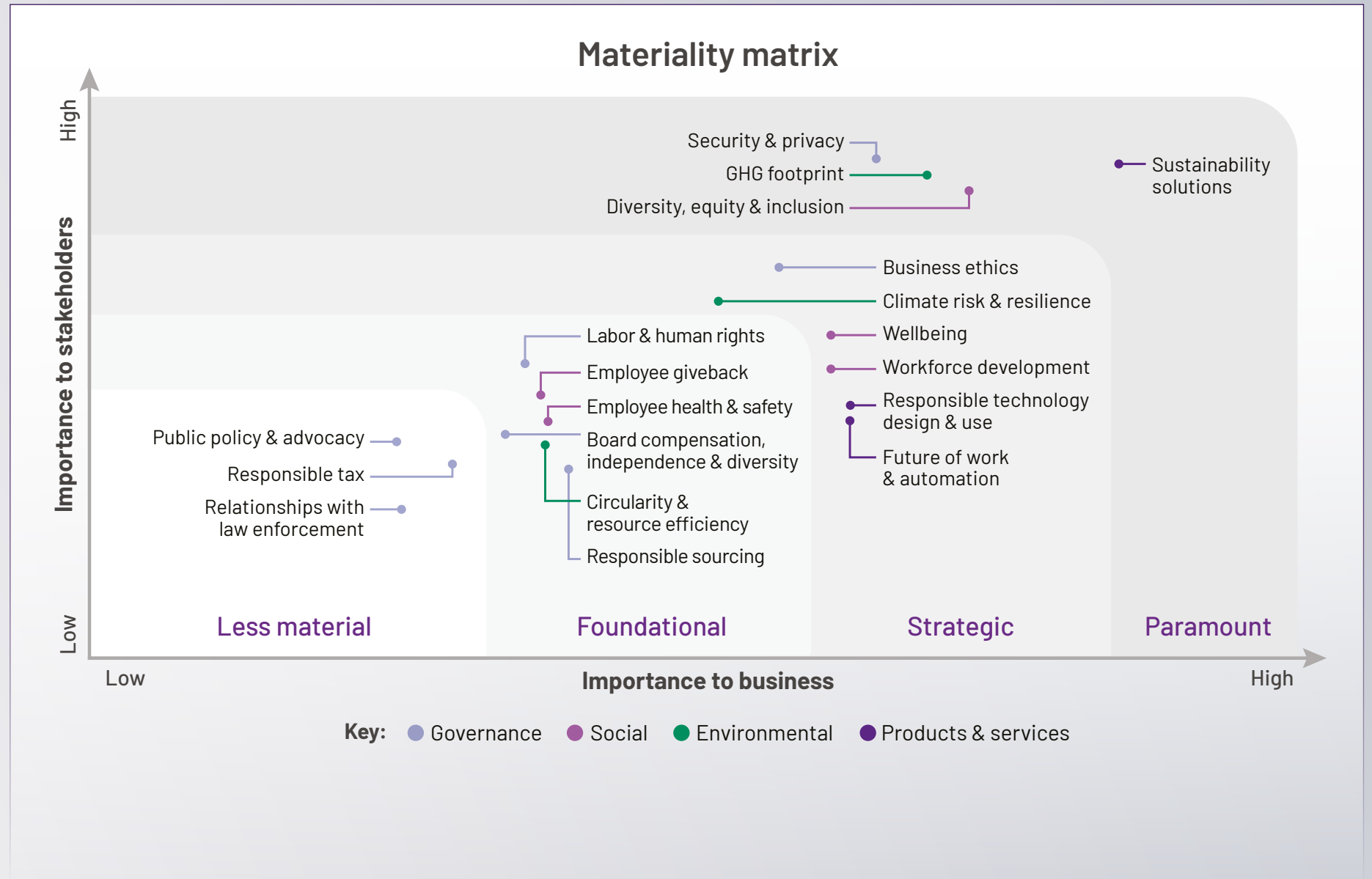
This 2022 Sustainability Progress Report covers global operations data for our 2022 fiscal year, which runs from April 1, 2021 to March 31, 2022. It contains data for owned companies and subsidiaries.

Within this report, we provide updates on our long-term ESG commitments and the foundations we are putting in place to achieve our 2025 Sustainability Goals, which are based on the ESG issues deemed most material to our business. In 2021, we underwent a thorough materiality assessment, interviewing internal and external stakeholders about ESG issues to understand their perspectives and identify those that are most critical to both AVEVA and the software industry.

Based on these engagements, we classified issues into four groups: Paramount, Strategic, Foundational and Less Material. We focused our strategy and target-setting to date on our Paramount and Strategic issues and are exploring additional workstreams to meet expectations on Foundational topics as well. These priority topics have guided content to be included in this report.

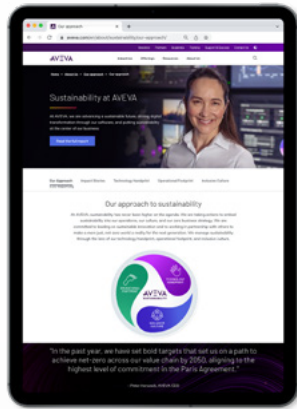


Demo of AVEVA's latest sustainability solutions



Additional resources

Sustainability website



<https://www.aveva.com/en/about/sustainability/>

Investor Relations website



<https://investors.aveva.com/esg/>

Integrated annual report



<https://investors.aveva.com/results-and-key-documents/?year=2021/22>

Fact sheets



Climate

<https://www.aveva.com/climate22/>

DEI

<https://www.aveva.com/dei22/>

Reporting frameworks



Sustainable Accounting Standards Board (SASB)

We have aligned our reporting to the Software & Information Technology Services standards developed by the Sustainability Accounting Standards Board. Our index is available in the appendix of our 2022 Integrated Annual Report.



To view our Integrated Annual Report, [click here](#)



World Economic Forum (WEF) indicators

As the global reporting landscape evolves, so too does our approach to reporting frameworks. We are committed to mapping and responding to the “Stakeholder Capitalism Metrics” based on our metrics and the topics we deem most material. Our index is found in the appendix of our 2022 Integrated Annual Report.



To view our Integrated Annual Report, [click here](#)



United Nations Global Compact (UNGC)

This report represents our Communication of Progress in implementing the Ten Principles of the United Nations Global Compact and supporting broader UN goals. Our UNGC table is in the appendix of this report.



To view our appendix, [click here](#)



Task Force on Climate-related Financial Disclosures

As a premium-listed UK company, we are required to include our compliance with TCFD recommendations in our Integrated Annual Report starting this year. Please see the TCFD section of our 2022 Integrated Annual Report for further details.



To view our Integrated Annual Report, [click here](#)

Awards and recognition



We hold an A MSCI rating for our performance on Environmental, Social and Governance (ESG) topics.



We secured a Bronze rating in our first EcoVadis assessment in 2021.



FTSE4Good

We have been listed on the FTSE4Good Index for the past five years.



We have responded to the 2021 CDP Climate Change disclosure and were recognized being at the Management Level (B-).

United Nations Global Compact

This report represents our Communication of Progress in implementing the Ten Principles of the United Nations Global Compact and supporting broader UN goals.

UN Global Compact Principle

AVEVA Resources

Human Rights	<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: make sure that they are not complicit in human rights abuses.</p>	<p>Message from CEO (p. 2)</p> <p>How we approach human rights (p. 12)</p>
Labor	<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4: the elimination of all forms of forced and compulsory labor;</p> <p>Principle 5: the effective abolition of child labor; and</p> <p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p>	<p>How we approach human rights (p. 12)</p> <p>How we approach human rights (p.12)</p> <p>How we approach human rights (p. 12); Our Inclusive Culture (p. 13-15)</p>
Environment	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Our Operational Footprint (p. 10-12); 2022 Integrated Annual Report (p. 35); Sustainability Website</p> <p>Our Technology Handprint impact spotlights (p. 9)</p>
Anticorruption	<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>2022 Integrated Annual Report (p. 36)</p>





Follow along on our sustainability journey

Learn more about our progress on our [Sustainability website](#) and let us know what you thought of this Sustainability Progress Report by emailing us at sustainability@aveva.com

