



Driving the sustainable transformation of industry with connected data

AVEVA

CY23
Sustainability
Progress Report



Inside our report

In 2023, AVEVA continued to make progress on our core ESG framework objectives, including enabling the sustainable transformation of industry through our software, modeling environmental stewardship and ethical best practice, and fostering an inclusive workplace culture where every employee feels engaged and empowered to learn and grow.

Last year, AVEVA also transitioned financial reporting and budgeting from a fiscal year to a calendar year, moving from an accounting period spanning April 1st through March 31st to a timeframe of January 1st through December 31st. As a result, this CY23 Sustainability Progress Report represents our first publication of ESG data and workstream advancements aligned to a calendar year reporting period.

To help maximize program impact, AVEVA alternates between providing a full-length sustainability report and an abbreviated progress report on an annual basis. It is therefore recommended that our CY23 Sustainability Progress Report be read in tandem with our longer [FY23 Sustainability Report](#). Additional resources, including our [FY23 TCFD Report](#), are available on our [ESG Reporting webpage](#), which is regularly updated.

We welcome your feedback on our sustainability progress and report; please share your comments with the AVEVA sustainability team at sustainability@aveva.com.

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LETTER FROM OUR CEO



Caspar Herzberg
AVEVA Chief Executive Officer

Following years of exponential growth, both our planet and society are at a tipping point. In 2023, GHG emissions reached their highest level yet and oceans hit record-breaking temperatures. This is expected to accelerate biodiversity loss and put 3.6 billion people at risk from climate change impacts.

Central to getting back on track to delivering a more sustainable future for all, is the transformation of the global industrial sector that delivers life’s essentials, including energy, food, vaccines, transportation and more. Relied upon by 90% of leading industrial companies, AVEVA is positioned at the forefront of this transformation, empowering more than 20,000 global customers to achieve more with less through digital solutions.

As a pioneer of the connected industrial economy, AVEVA helps industrial companies design and build for both profitability and sustainability, leveraging the flexibility of the cloud and the power of artificial intelligence (AI). Through our open and agnostic platform, CONNECT, we offer a holistic ecosystem of applications, advanced visualization capabilities and secure data sharing, which enable our

customers to optimize and conserve resources across their operations and value chains based on real-time data.

“Beyond facilitating the next frontier of sustainable, industrial innovation through our software products, AVEVA is committed to leading by example in how we manage our own business.”

Recognizing the world is entering an era of increasingly stringent corporate sustainability disclosure, we will continue to publish updates on our sustainability performance in alignment with regulatory requirements, best practice and stakeholder expectations, including those of our employees, partners, suppliers and customers.

In support of this effort, we plan to undertake a double materiality assessment in 2024 that will inform

our future ESG reporting approach. In the interim, our 2023 report aims to provide a transparent update on our progress towards achieving our 2030 climate and gender commitments, as well as the 2025 goals set under each pillar of our ESG framework.

Looking ahead, we see an ongoing need to rebuild trust and deepen collaboration across the public, private and third sector to drive positive change at scale. These themes, echoed at Davos and COP28, underscore the importance of collective action and shared responsibility in building a more sustainable and equitable future for generations to come. I invite you to join us on this journey and welcome your feedback on what more we can do together to achieve Net Zero and advance greater shared prosperity.

2023 AWARDS



Our strategy

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

2025 GOALS

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

2030 GOAL

Measurably contribute to inclusive and sustainable industrialization and innovation



Operational footprint

Exemplifying ethical business practices and environmental stewardship across our value chain

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%

2030 GOAL

Achieve "net-zero ready" operations and a 50% reduction on value chain emissions



Inclusive culture

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

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 Increase average reportable learning hours




2030 GOAL

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



CY23 PROGRESS AGAINST OUR 2025 GOALS

To make sure we can track progress against our more qualitative 2025 goals, we have developed at least one key quantitative target that we can monitor and report against.

Quantitative targets			2023 results against 2025 target		Target Status
 <p>Technology handprint</p>	1	Increase number of customers cases modeled or reported on saved and avoided emissions† ▶ Read more	16	30	↗
	2	Increase percent of portfolio for which power consumption measurements are in place† ▶ Read more	31%	100%	↗
	3	Increase number of sustainability innovation ideas that make it to production annually† ▶ Read more	3	6	↗
	4	Remain in the top 25% of security benchmark ▶ Read more	810 BitSight score	Top 25%	✓
	5	Train all employees annually on cybersecurity ▶ Read more	99.8%	100%	↗
 <p>Operational footprint</p>	6	Reduce GHG emissions across operations (Scopes 1 & 2) by 90% ▶ Read more	93%	90%	✓
	7	Reduce GHG emissions associated with business travel (Scope 3) by 20% ▶ Read more	49%	20%	✓
	8	Divert e-waste from landfills each year (in tons) † ▶ Read more	27.75	5	✓
	9	Increase percent of suppliers by spend engaged on our responsible sourcing program ▶ Read more	53.4%	80%	↗
	10	Increase employee confidence in reporting unethical behavior to top 25% for industry ▶ Read more	8.7 Peakon score	Top 25%	✓
 <p>Inclusive culture</p>	11a	Increase gender diversity in hiring (50%), managers (40%), and leadership (30%) ▶ Read more	39.9% 29.0% 26.5%	40.4%†† 30.0%†† 25.5%††	↗
	11b	Attain pay parity below 1% for all genders ▶ Read more	0.5%	<1%	✓
	12	Improve employee engagement score year over year ▶ Read more	7.7 Peakon score	7.8	↗
	13	Double hiring opportunities for interns, co-ops, graduates, and apprentices ▶ Read more	218	320	↗
	14	Ensure all employees have key talent data submitted in Workday by managers each year ▶ Read more	92%	100%	↗
	15	Increase average reportable learning hours ▶ Read more	24	40	→

†These are transitional indicators; KPI for the goal may change as progress advances
 ††These represent our interim targets toward achieving our 2030 goals

Enhancing our sustainability solutions

Beyond our efforts to reduce our own carbon footprint, we recognize that our biggest opportunity to make a positive impact and accelerate reaching Net Zero is through our core products, digital solutions that can help industries improve efficiency, circularity, traceability and resilience.

Whether it is driving sustainability by helping our customers to optimize current industrial operations, deploy new technologies at scale, or make disruptive business model changes, we are here to support them throughout the project lifecycle. Digital approaches also have a key role to play in enabling the systemic changes required to address the current climate and biodiversity crises, helping deliver the energy networks of the future, and conserve natural resources by better connecting industrial ecosystems.

With these imperatives in mind, we have launched AVEVA's Sustainability Accelerator, with the purpose of advancing sustainability use cases and capabilities across our portfolio and partner ecosystem, including via our industrial intelligence platform, [CONNECT](#).

Launching our Sustainability Accelerator

AVEVA's Sustainability Accelerator program aims to enable faster uptake of existing sustainability solutions across the industrial landscape, while we continue to invest in product capabilities and partnerships that will push out the frontiers of sustainability innovation for industry.

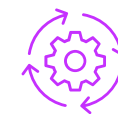
Deepening strategic alignment between sustainability and other key portfolio priorities, including cloud and AI, is a key focus. More broadly, the program supports the strengthening of our sustainability capabilities over time through in-house development, partnerships and mergers and acquisitions.



Sustainability accelerator spotlight: Green hydrogen



Producing only water as a bi-product, green hydrogen has a critical role to play in the successful decarbonization of industry and transition to Net Zero. Unlocking value across the entire asset life-cycle, digital twin solutions can help deliver the promise of a clean hydrogen economy.



In the conceptual design phase of a green hydrogen plant, AVEVA tools create optimized process designs, ensuring attainable environmental and economic goals.



During the engineering phase, AVEVA tools connect parties involved in green hydrogen plant design and support reporting and delivery against environmental and economic objectives.



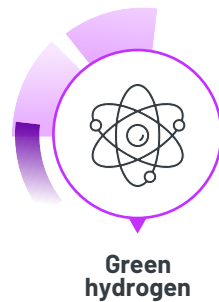
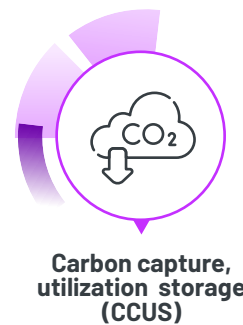
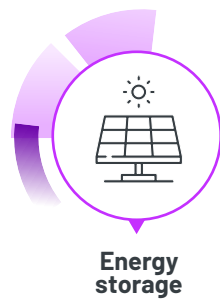
After the plant is constructed and commissioned, AVEVA tools provide real-time monitoring and management capabilities, and facilitate secure data sharing across the green hydrogen value chain.

Climate tech spotlight: Working with solutions providers around the world



In 2023, we developed our green new logo program, which incentivizes sales teams to pursue new customers in end markets essential to realizing Net Zero. Through this incentive program, we are accelerating our role as a partner on a focused set of climate tech activities that we see as critical components of the energy transition.

The program launched in July 2023, with our teams bringing in **25 green new logos** to support deployment of clean tech activities in the first six months. The program continues in 2024 and has been expanded to be inclusive of our channel sales partners.



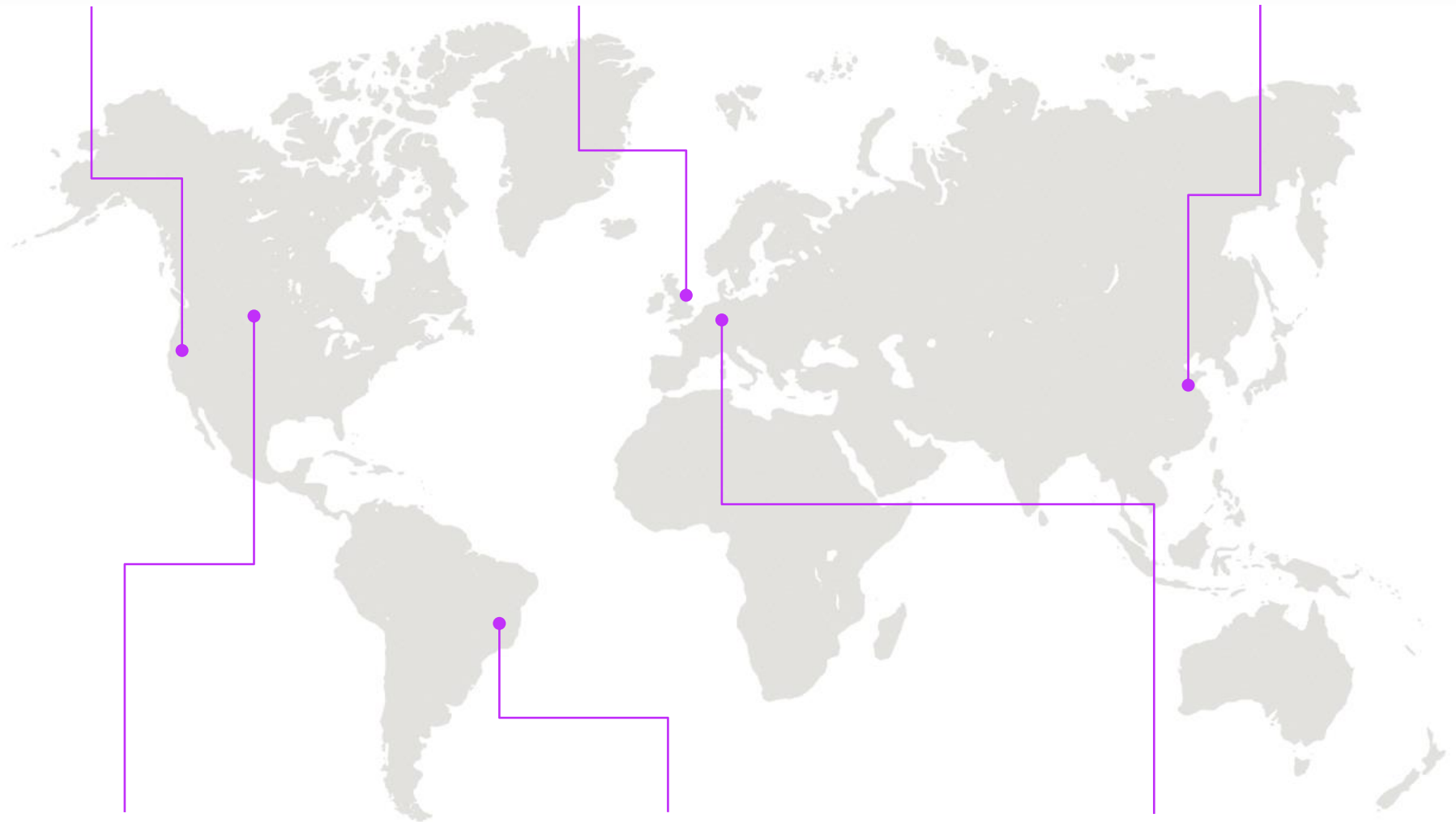
A carbon negative materials company



A full value chain green hydrogen energy solutions provider



An energy management solution and decentralized power generation firm



A company that powers global carbon removal and the circular carbon economy



One of the largest companies in the renewable energy sector in Brazil



A full-service energy solution provider

Harnessing transformative ideas

In early 2023, AVEVA launched our "Let's talk innovation!" network, where colleagues can learn and share insights with one another on a variety of innovation-related topics. Throughout the year, we had a mixture of talks from internal and external speakers.



11 total speakers

200 members from across the business



"Let's talk innovation!" guest speaker, Dr. Loran Nordgren, on how to get people to embrace new ideas

Hackathon spotlight: Optimizing industrial maintenance for both profitability and sustainability



Regional hackathons continue to be an integral component of our innovation culture. In 2023, 423 ideas were submitted across four hackathon categories: Accessibility, Simplify, Sustainability, Disruptor. The 80 ideas in the Sustainability category covered a wide range of topics related to low carbon energy transition, circular economy and resilient infrastructure.

Inspired by AVEVA's sustainability impact analysis one of the winning teams focused on enhancing our customers' ability to determine the best asset maintenance strategy considering both economic and environmental dimensions. The idea was further developed with our product team and will be incorporated into the 2024 release of AVEVA Asset Strategy Optimization.



Measuring impact

Since the release of our [whitepaper](#) on quantifying the impact of our software on customer emissions, we have focused on building sustainability impact analysis into our customer journey. To raise awareness and increase customer recruitment, multiple knowledge sharing sessions were held with commercial teams in 2023.

We also undertook a review of historical customer use cases that align to our ambition of setting a saved and avoided emissions baseline and target. To date, 13 customer cases have been identified in this context and we are in the process of incorporating findings from the reduced emissions measured into our impact methodology.



Global partnerships and collaboration

Collaboration at the international level is critical to realize a Net Zero future and achieve wider sustainable development objectives. AVEVA prioritizes partnerships with other forward-thinking businesses, governments and civil society groups looking to solve global challenges with technology and innovation. On this page are some of the forums we participated in and partners we have collaborated with in 2023 to help shape policies and practices that enable a more sustainable future for all.

Advancing a global dialogue on the role of business and digitalization in closing the climate action gap



COP28, ICC Digital Decarbonization panel led by AVEVA's CEO



COP28, Corporate Leaders Group UK panel, with AVEVA's CSO



COP28, Hydrogen Transition Summit, with AVEVA's SVP, Head of PI System Business



Tech and Net Zero Conference, with AVEVA's R&D Director of Research and Innovation



Economist Impact General Counsel Summit, Prioritizing the planet in the boardroom panel, with AVEVA's Chief Legal and Transformation Officer



Business to Planet: Capgemini Connect at Climate Week NYC 2023, with AVEVA's CSO and Climate Manager

Collaborating with partners for a sustainable tomorrow

- Corporate Leaders Group
- World Economic Forum
- Aldersgate Group
- United Nations Global Compact
- First Movers Coalition
- TechUK
- World Business Council for Sustainable Development
- European Green Digital Coalition
- ITU Green Digital Action
- Climate Action
- International Chamber Commerce
- Green Software Foundation

Partnership spotlight: Pioneering new standards for green software

Since 2022, AVEVA has been an active member of the Green Software Foundation, a group at the forefront of defining common standards and guidelines to reduce the carbon impact of software. Using the learnings from the Green Software Foundation, AVEVA measures the energy consumption of our products and is now defining the maturity levels of these technologies to drive improvements in the overall green design of our solutions.



By the end of 2023, **31% of our portfolio had power consumption measurements in place**

Empowering our customers to advance the UN Sustainable Development Goals (SDGs)

AVEVA recognizes the importance of global frameworks in defining a common agenda and establishing measures of shared progress.

We have set goals around three primary UN Sustainable Development Goals, which align to the pillars of our ESG framework. As a technology company, however, we have a significant impact on additional SDGs through our customers and their use of our products. Given the indirect nature of our influence, we have not set goals related to these SDGs but are committed to report on our impact through case studies.



TASWATER

- TasWater is responsible for supplying clean drinking water to all of Tasmania, spanning 29 separate jurisdictions.
- After a sewage spill infiltrated an important nature reserve in 2017, TasWater looked for a solution that would prevent similar incidents in the future.
- Using **AVEVA PI System**, TasWater can now unify and consolidate data into one comprehensive view. This single source of truth ensures consistent monitoring of critical control points, allowing engineers to visualize a large number of assets, such as sewage treatment plans and drinking water systems, all in one system.



TALISON LITHIUM

- Talison Lithium, the world's leading lithium producer, is driving the green energy transition through the production of lithium concentrate for large batteries that can store solar, wind, and wave energy.
- With complex processes, multiple sites, and many data sources, Talison Lithium needed a solution to managing and remotely monitoring various streams of information.
- Leveraging **AVEVA Production Management** as a core solution, they created a unified system with cloud capabilities that connects data across the entire mining value chain. This integration has resulted in reduced downtime and increased efficiency and accuracy.



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ASHGAL WATER

- The Ashgal Public Works Authority is responsible for designing, delivering, managing and maintaining infrastructure projects and public buildings in Qatar.
- Using AVEVA System Platform as their primary monitoring and control solution they have been able to better prepare for increased rain intensity and monitor flood risk.
- The software also serves as a hub for managing customer grievances, enabling swift assignment of response teams.



COVESTRO

- A global polymer producer, Covestro has committed to become fully circular and set ambitious decarbonization goals.
- Looking to innovate new ways to produce polymers and progress against Scope 1 & 2 emissions reductions targets, engineers at Covestro used AVEVA Process Simulation to model new processes for polymer creation that save time and are less energy-intensive.
- They also used our process simulation software to predict the behavior of their new revolutionary green polymer - created using renewable, biology-based raw materials – and determine how to best produce it at scale.



Protecting AVEVA and our customers

Our customers trust us with their critical engineering and operating data—a responsibility we do not take lightly. We work every day to deliver and maintain a best-in-class security program, protect our customers and build a resilient AVEVA. We set an ambitious 5-year security strategy in 2021 and continue to track well against it. This strategy is aligned to the US National Institute of Standards (NIST) security frameworks and best practices for the Industrial Software Market sector.

One security culture

We inspire our people to Think Secure through security awareness training program and events. We make sure that everyone at AVEVA has the skills, knowledge and support to safeguard our customers, our company and themselves.

99%+ completion rate for all-employee annual security training

Over 1,400+ employees voluntarily participating in security events and exercises

Holistic security approach

AVEVA recognizes the importance of a unified security approach that values and protects its people, physical and technology assets. This ensures not only organizational

resilience, but also provides a safe and secure environment for all our employees, wherever they are located or travel.

We take a proactive security stance by understanding risks, measuring our security capabilities, running crisis scenarios with AVEVA leadership teams, and adopting a high state of readiness to ensure AVEVA can quickly respond to any security hazard.

In 2023:

Top 25% external cybersecurity posture maintained within industrial software market sector

1,000+ employees safeguarded on business and personal travel through provision of guidance on risks and safety protocols

6,500+ employees can be quickly notified of all hazards through new global alerting capability

Continually adapting

As the global security landscape evolves, AVEVA continues to invest in a leading security program. Our key focus over the next year includes:

Aligning to new **global and regional** security frameworks & standard

Ensuring a **“Secure-by-Design”** approach to everything we do

Advancing our **security culture, communications** and **role-based skills**

Supporting AVEVA’s **supply chain** to improve end-to-end business resilience

Reaching our climate targets

Maintaining “net-zero ready” operations

As noted at the start of our report, AVEVA has migrated from a fiscal year to a calendar year. For consistency, all emission reduction figures in this section are set against CY19 as a baseline year. Where we have externally validated targets, we continue to track progress against FY20 but are working toward formally updating our baseline.

In 2023, AVEVA maintained a **93% reduction across our Scope 1 & 2 operations**. We achieved these results through a combination of measures, including **renewable energy procurement, rationalization of our real estate footprint and careful management of our global vehicle fleet**. Specifically related to fleet, as vehicle leases come up for renewal, we assess whether the vehicle is essential and have updated our policies to support fleet electrification.



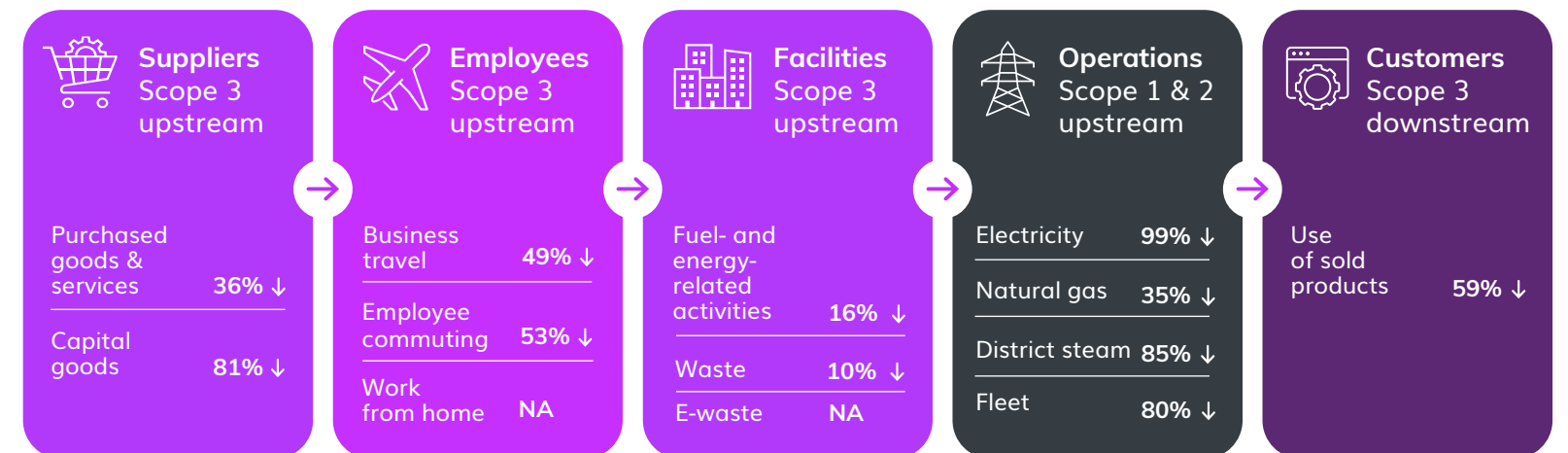
21% overall fleet reduction from start of 2023

25% of remaining fleet are hybrid or electric vehicles

Measuring and reducing our value chain emissions

While value chain emissions fall outside a company's direct control, AVEVA maintains a comprehensive climate program that strives to drive reductions across all material upstream and downstream Scope 3 categories.

Dedicated efforts to improve data quality and embed sustainable practices across our value chain led to significant reductions in Scope 3 emissions in 2023. Notable achievements related to upstream emissions include a 36% decrease in purchased goods and services and a 49% decrease in business travel emissions. Downstream emissions fell by 59%, primarily due to the integration of power bench testing results into our use of sold products calculations.



Decarbonizing our value chain

Purchased goods and services

At the end of 2022, we launched our Responsible Sourcing program with the publishing of AVEVA's Supplier Code of Conduct. This code specifies the environmental standards we expect our suppliers to meet.

Requirements include:

Comply with relevant environmental regulations

Address climate change and reduce GHG emissions

Prevent environmental hazards and pollution

Develop measures to conserve resources

We recognize the significance of asking our suppliers to quantify their GHG emissions and move towards setting science-based reduction targets. A pilot is currently underway with our IT suppliers aimed at refining the educational materials and practical tools AVEVA can offer to support suppliers on this journey.

Business travel

In 2023, AVEVA achieved a 49% reduction in business travel emissions compared to our CY19 baseline. This goes beyond our 2025 ESG goal and we have launched an internal carbon budget to support maintaining this level of reduction where we can.

The carbon budget initiative aims to transform how we manage business travel emissions. AVEVA has established an enterprise-wide limit, allocating carbon allowances to specific functions. We will closely monitor our progress in alignment with the robust governance supported by our Executive ESG Committee.

Monthly internal reporting for leaders will be introduced in 2024, offering insights into our sustainability progress. The carbon budget's simplicity, using existing data and targets, ensures efficient monitoring of our footprint and a practical control mechanism for managers.



2023 AVEVA travel policy updates

Mandatory rail travel for distances under 5 hours, where available

Prioritization of Uber Green

Preference for direct flights to streamline travel schedules and minimize travel time

Employee commute

Hybrid is now the most common work mode for AVEVA employees. In 2023, we added work from home emissions to our employee commute calculations, as is now widely considered best practice.

We are currently working with a consulting firm to develop a survey methodology that supports ongoing reporting and evaluating alternatives as part of our ambition to launch a sustainable commute program.



Decarbonizing our value chain

Waste

In 2023, we incorporated e-waste data into our overall Scope 3 inventory under the waste category. We also launched our Tech Amnesty program, which complements our e-waste recycling program. This program allows employees to bring personal devices or AVEVA IT equipment into any global office location to be recycled.

We are taking steps to ensure the IT equipment is stored properly prior to collection, increasing the amount of hardware we can sell for repair or refurbishment. The funds from these sales will be used to purchase IT equipment for nonprofits of our employees' choosing, in collaboration with AVEVA Action for Good.

Having already surpassed our 2025 goal due to a backlog of equipment, we are evaluating readjusting our e-waste targets and metrics in 2024 to ensure we are maintaining an ambitious approach in line with best practice.



27.75 tons of backlogged IT equipment were successfully cleared in 2023



100% of e-waste sent to our disposal partner is diverted from landfill



Use of sold products

As with most high-growth companies, downstream emissions associated with the use of our products are particularly challenging to reduce.

We continue to use a robust methodology to measure the energy consumption of AVEVA software products. This is an important first step toward being able to reduce the carbon intensity of our offers through design improvements, as well as the shift to hybrid and cloud-based solutions.

More information about our efforts to set green software standards for ourselves and the broader industry is shared in the Technology Handprint section of this report.



Our R&D team completed power bench testing for the top 10 energy-intensive products, allowing more accurate emissions calculations of our downstream value chain emissions.





Climate transition plan and risk monitoring

Building on AVEVA's inaugural standalone [TCFD Report](#), we continued working with internal stakeholders in 2023 to fully integrate climate considerations into our decision-making processes and risk management strategies. Following a review of our 2023 sustainability risk register by the Executive Risk Committee, we conducted a further assessment of the safeguards in place to manage physical climate-related risks to our offices and people. As a result, work is ongoing to ensure business continuity plans and real estate guidelines reflect key assessment findings.

Integrating climate risk into overall risk management

AVEVA has an established, multidisciplinary risk management approach company-wide. We believe the most impactful way to manage climate-related risks and opportunities is to integrate these efforts into existing processes. In FY22, we expanded our existing integration work by conducting a comprehensive climate-related risk and opportunity identification and assessment exercise using the TCFD criteria for the first time.

Risk identification and assessment processes

- As part of the identification process, we first screened our operations and value chain for all climate-related risks and opportunities outlined in the TCFD recommendations. For each risk and opportunity, we conducted a series of internal stakeholder interviews with functional owners and subject matter experts to evaluate the possible exposure of impact and likelihood of the frequency in which the risks or opportunities may occur.
- More than 40 stakeholders from across the company participated, which was coordinated by a core working team with representatives from Sustainability, Risk, and Internal Audit, Corporate Strategy, Portfolio, and Finance. As part of this exercise, we validated the time horizons for each issue.
- We also captured the mitigation methods and realization strategies already underway as part of AVEVA's management response and qualitatively assessed their effectiveness.



Voluntary certifications schemes for our renewable energy procurement



Catalyzing clean energy projects with renewable energy credits

In 2023, we procured 100% renewable electricity in all global markets as per RE100 criteria. For certain select locations due to market and geo-political conditions we have claimed exemption for excluded loads up to <500 MWh/year as per the RE100 materiality threshold. While AVEVA is not a member, we have aligned our renewable electricity procurement to these standards in recognition of industry best practice.

Driving greater demand for lower carbon natural gas as a transition fuel

Through our partnership with our gas company in the UK, we have opted for a 100% match of our gas consumption with renewable certificates verified by EcoAct for two local sites, including our global headquarters in Cambridge. These certificates ensure additionality as we work to transition away from natural gas in our offices.

Carbon offsets spotlight: Taking a balanced portfolio approach



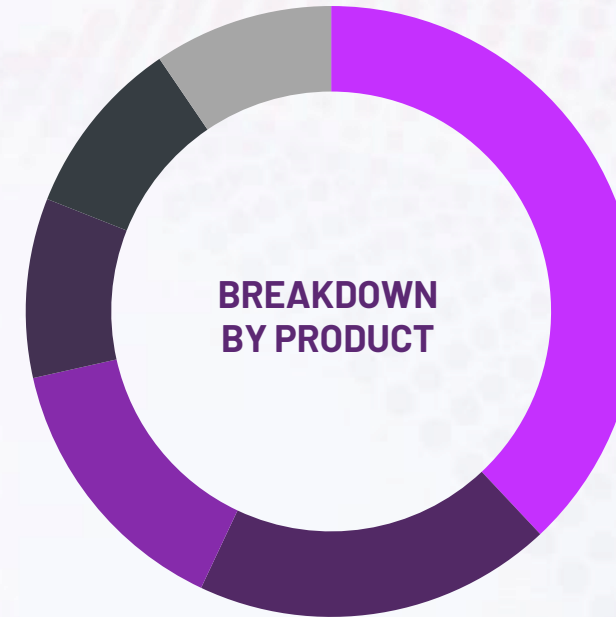
In 2023, we established clear guidelines for AVEVA's procurement of voluntary carbon offsets. Beginning with certification and verification by third-party entities, we ensure the integrity of chosen offsets.

Our guidelines also consider vintage, emphasizing our commitment to innovation and investment in carbon removal and avoidance projects. Refining our choices further, we consider desired region representation and co-benefits. The most desirable outcome is that all AVEVA regions are represented with multiple co-benefits achieved such as local economic growth, biodiversity conservation, and community development.

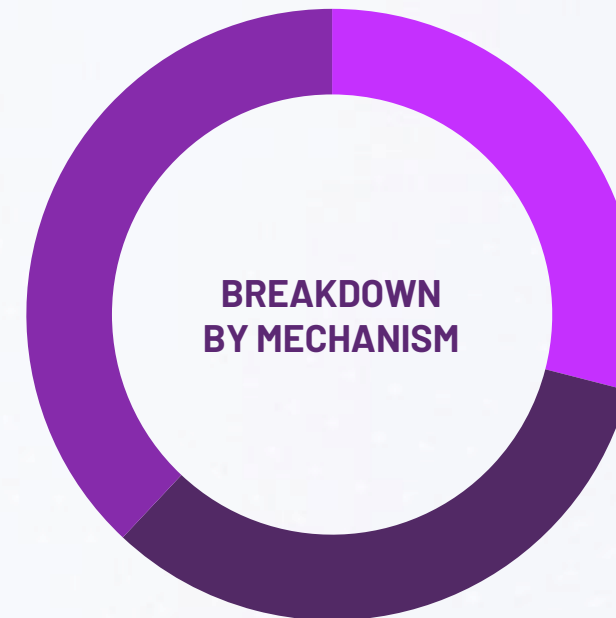
AVEVA discloses key details for each voluntary carbon offset project or program, including the business entity selling offsets, offset registry or program, project identification number, project name, offset project type, site location, protocol used, and third-party verification. We also share information on emissions related to claims of net-zero emissions, carbon neutrality, or significant reductions. Read our most recent voluntary carbon offsets disclosure [here](#).

For the calendar year 2023, we proudly supported six distinct projects through Patch, each contributing to our sustainability goals. This diverse portfolio of projects showcases our commitment to making a positive impact across different regions and sectors.

AGRICOLE BIOGAS PROJECT



- CarbonCure **38%**
- Carboneers **19%**
- Huadu **14.5%**
- SunCulture **9.5%**
- Mekong River Delta **9.5%**
- Bio Agri Energies **9.5%**



- Avoidance **29%**
- Removal **33%**
- Avoidance and Removal **38%**

Leading with responsible business operations

Responsible business practices are at the center of AVEVA's core values and drive our long-term success. In 2023, we took a number of steps to continue to advance our unwavering commitment to conducting business with integrity.

Updating our partner onboarding program

In 2023 we launched a new partner onboarding protocol and accelerated our partner onboarding program.



We completed enhanced due diligence on over 200 partners, which included partner questionnaires, third party screening, risk assessments, open-source investigations, contract reviews.



We also conducted training modules on trade controls and anti-bribery and corruption with partners.



To assess selected partners' compliance with our Partner Code of Conduct, we developed and rolled out our partner assurance program.

Responsible operations highlights: Speaking Up on unethical behavior



For the past two years, AVEVA ranked in the top 25% of our industry for employee confidence in reporting issues or concerns of unethical behavior. We attribute these results to a number of key measures, including continuing to embed information into our onboarding, hosting company-wide learning sessions about our Speak Up portal and encouraging employees to report suspected issues of wrongdoing, without fear of reprisal. Ongoing efforts include launching awareness campaigns about our Speak Up policy globally and providing translated versions of our policy to ensure full understanding.

Upholding AVEVA's ESG standards in our supply chain

We prioritize working with suppliers who adhere to AVEVA's ethical and environmental standards. Over the course of 2023, we have deployed updated ESG supplier policies and screening processes in line with our 2025 commitment.

53.4%

of our supplier base by spend has been contacted to require compliance with our code and undergo a self-assessment questionnaire. All new suppliers must comply with the code.

15

Suppliers were approached as a part of our Corrective Action Plan process in 2023.



Diversity, equity and inclusion (DEI)

We are committed to developing a workplace environment where all employees feel included and are treated with dignity and respect.

We foster and promote an organizational culture free from any form of discrimination, where people working and engaging with us feel a sense of belonging. Our DEI strategy is focused on five key areas: fostering inclusion; developing the capability of leaders; measuring performance, impact and ensuring legal compliance; diversity demographics; and communications and external engagement.

'Rebalancing our talent'

Our company values the unique talent, ideas, innovation and creativity that a diverse employee population brings. Using data-driven insights and following our 'rebalancing' targets — that 50% new hires, 40% of managers and 30% leaders will be women by 2030—focused projects have been devised to address gender imbalance in our workforce. At the same time, our Talent Acquisition team aim to refine recruitment practices for better DEI outcomes. We have talent management plans in place to help create equitable opportunities for career progression, particularly for underrepresented groups.



AVEVA's CMO, CPO and other representatives engage during the 'In Conversation with Pride' panel, sponsored by the PRIDE@AVEVA employee group

Spotlight: Focusing on pay equity



We have reached our goal of less than 1% pay equity, it currently stands at 0.5%.

We aspire to maintain and improve this through a continued review of our pay strategy with a focus on compensating equitably based on skills and experience. We continue to educate our leaders in identifying and removing bias in their decision making.



Advancing racial and ethnic diversity

AVEVA is dedicated to dismantling racial prejudice and fostering a culture of inclusion. We prioritize educating our employees on racial conditioning, biases, and privileges to cultivate a more equitable workplace. Our commitment extends to attracting, retaining, and promoting Black talent within our organization.

As proud signatories of both the 'Race at Work Charter' and the 'Change the Race Ratio,' we pledge to actively enhance equality of opportunity and increase representation of historically marginalized groups in leadership roles. These programs serve as blueprints for ongoing progress and action, guiding our efforts toward a more diverse and inclusive future.



In March 2023, we sponsored the Rising Star award at the Black Tech Achievement Awards, a UK-based initiative that champions Black talent in technology.

In collaboration with our BLACK Voices Employee group, we developed and launched the 'AVEVA Scholars Program' in partnership with two historically black colleges and universities in the US, which you can read more about in our Spotlight section.

Developing DEI awareness

In 2023, we regularly engaged our Board, executives, senior leaders and managers to ensure that DEI is mainstreamed into all aspects of the business. Our leaders are undergoing training to improve their understanding of how bias, prejudice and discrimination work, and develop inclusive leadership competencies.

Over the past year, we have incorporated inclusion into quarterly performance discussions for all employees and provided bespoke training for leaders on topics such as inclusive leadership and unconscious bias. We have also leveraged executive sponsorship of DEI areas to increase awareness of the issues across the company.

At AVEVA, we are actively engaging, empowering and supporting colleagues to progress our DEI plan, through our three regional employee networks and seven employee groups. Our employee groups deployed their delegated budgets through the 'DEI Impact Fund' to host activities that raised awareness and increased the visibility of the communities they represent.



In 2022, we became members of the Neurodiversity in Business group

"The AVEVA Scholars Program is not just about education; it's about creating opportunities and forging a path for talented individuals to join AVEVA, driving innovation and making a meaningful impact on our industry and beyond. By involving and listening to our employee groups, we can understand the challenges we need to address, take action and develop inclusive programs that will make a difference."

Caspar Herzberg, CEO of AVEVA

DEI spotlight: Building a diverse pipeline



We strive to recruit a diverse pool of early career talent and are developing programs to attract a broad range of candidates, including talent from communities underrepresented in technology.

In collaboration with our BLACK Voices Employee Group, we have developed a partnership with Historically Black Colleges and Universities (HBCUs) in the US for an 'AVEVA Scholars Program.'

The program, spanning three years, includes scholarships and immersive onsite experiences, ultimately paving the way for talented Black scholars to join the AVEVA team upon graduation.

We have partnered with Prairie View A&M University, Texas and Howard University in Washington, D.C. to offer a unique opportunity for students classified as sophomores in fall 2024.

Key features of the program include:

A \$14,000 scholarship payment per year for 3 years

A six-week AVEVA on-site experience with a \$7,000 stipend and group housing accommodation provided

Guaranteed job placement with AVEVA upon meeting relevant criteria



Building a robust talent pipeline

Nurturing the next generation

Investing in early career talent is essential at AVEVA, as we cultivate a workforce that embraces the diverse skill sets of emerging professionals that lays the groundwork for long-term growth. To help us diversify our talent we have set a 2025 target of doubling our early career opportunities, from a baseline of 160 in 2021.

To reach this 2025 target, we have implemented new programs designed to provide more structure and robust programming for early career joiners at AVEVA, building insight into the company and a strong talent pipeline.

We are making progress and in 2023, **218 interns, co-ops, apprentices and graduates** worked at AVEVA.

In the UK, we are partnering with the 10,000 Interns Foundation, which sponsors the 10,000 Able Interns and 10,000 Black Interns programs, providing paid internships for Black students and disabled students. The initiative launches in AVEVA in 2024.

Unlocking potential through empowering employees to perform and grow

In the past year, AVEVA implemented quarterly check-in conversations between employees and their managers. These check-ins are designed to be holistic discussions on performance, AVEVA values, development, career aspirations, wellbeing, and inclusion.

We have also focused on leadership - team and individual development initiatives. AVEVA introduced new 'Leadership Expectations' aligned with our company values to all 1,200 leaders and has launched supporting leadership development programs, in which more than 200 leaders participated in 2023. We piloted the Team SPARKS program, aimed at enhancing team effectiveness; it received positive feedback and will be expanded in 2024. Individual learning and growth opportunities for employees include LinkedIn Learning licenses, an Education Subsidy policy, our ongoing inclusive orientation program, and a mentoring platform with more than 500 participants to date. We are committed to increasing the learning opportunities at AVEVA.

In 2023, employees completed, on average, **24 learning hours per person.**

We have also introduced annual talent reviews, which incorporate manager assessments of business risk and future potential to plan for skill needs, retention, and development strategies.

We achieved a **92% completion rate in 2023** and are striving to ensure all employees have an annual talent review by 2025.

AVEVA hosted its first Career Week in 2023. With 10 different activities hosted multiple times across multiple zones, the sessions enabled employees to develop new skills and discover new ways to grow their careers by taking part in learning challenges. We netted 1,200 participants over five days with an overall satisfaction rate of 4.5/5.



Cultivating a culture of engagement and recognition

We ask our employees to share their views regularly. We conduct an employee engagement survey three times a year to listen and understand their views and experiences as part of the AVEVA team. The valuable insights we receive inform us what we are doing well and help us in our decisions on where we should look to improve.



Our October 2023 employee engagement score was **7.7/10 with a response rate of 81%**



Recognition spotlight: People and CEO awards



Recognizing our amazing talent from across the whole company is important. In 2023, we ran our second Global People Awards. These awards are where colleagues are nominated by their peers for the great work they have delivered. With seven categories to choose from, we received nearly 700 nominations.

Once the nominations have been reviewed by our employee panel, we host an event that provides the opportunity for us to celebrate the winners.

CEO Caspar Herzberg and CPO Caoimhe Keogan hosted the awards live from Tokyo with employees watching across 33 locations around the globe. Overall, over 4,600 employees watched the event.

Each year, we also recognize employees who have consistently displayed exceptional performance and have demonstrated the potential to contribute to the future success of our company with the AVEVA CEO Award. In 2023, 30 employees were granted the award after being selected via our Annual Talent and Compensation Review Process.



CARING FOR OUR EMPLOYEES

- **Launched our Global Emergency Leave policy**, which provides employees with five days of paid time off per year for emergency leave. Employees in select regions also receive backup child and elder care in the event of an unplanned situation.
- **Initiated a Global Retirement Governance Committee** in mid-2023, in partnership with a preferred collaborator, to develop and implement principles for actively monitoring and managing employee fund investments.
- **Introduced wellbeing apps** in each region to provide comprehensive physical and mental support to all employees and their dependents. We have seen 20% engagement in the first three months since launch.

Our global volunteering network



Action for Good

Through our Action for Good program, an employee-driven initiative, we support communities and charities around the world. We pledge to donate £1 million annually, through a combination of paid time off, corporate and match donations, and sponsorships. Employees are encouraged to use their three paid days to volunteer in their communities, focusing on four areas inspired by the UN Sustainable Development Goals: promoting DEI, encouraging health and wellbeing, improving our environment, and supporting their communities.

In 2023

71%

of the £1 million has been through donated time.

£310,000

donated in cash to causes in our employees' communities.



SUPPORTING DEI



In recognition of International Day of Persons with Disabilities this December, the EMEA Action for Good team and Disability@AVEVA Employee group teamed up to build performance wheelchairs to donate to a local charity for people with disabilities.



HEALTH AND WELLBEING



A group of colleagues from the AVEVA Madrid office met up for a walk along Madrid Río as part of the global initiative of Suicide Prevention Walks. The mission was clear—to raise awareness and funds for the International Suicide Association.



Our global volunteering network



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IMPROVING OUR ENVIRONMENT



In China, volunteers in Beijing and Shanghai participated in forest care and tree planting. Participants reduced soil compaction around trees to improve nutrient uptake, cleared pedestrian pathways of trash, and planted new trees to serve as a carbon sink.



COMMUNITY SUPPORT



Members of the Calgary office participated in an Action for Good event at the Calgary Food Bank. By giving their time, they provided quality food to families and individuals in their community facing temporary crisis.

Climate data table

Indicator	Unit	CY23	CY22	CY21	CY20	CY19
Overall change of all scopes	%	-57	-2	-1	-3	0
Estimated total Scope 1 & 2 GHG emissions (market-based)	TCO ₂ e	743	896	2,490	8,441	10,146
Total Scope 1 & 2 carbon intensity	TCO ₂ e / Million €	0.5	0.6	1.6	5.3	6.4
Absolute reduction of Scope 1 & 2	%	-93	-91	-76	-17	0
Scope 1 GHG emissions	TCO ₂ e	625	795	1,016	1,615	1,346
Natural Gas	TCO ₂ e	519	691	875	1,242	802
Vehicle fleet	TCO ₂ e	106	104	141	373	543
Scope 2 GHG emissions (location-based)	TCO ₂ e	4,885	5,200	5,158	6,436	8,157
Electricity	TCO ₂ e	4,823	5,120	5,086	5,938	7,744
District heating	TCO ₂ e	62	80	72	498	413
Scope 2 GHG emissions (market-based)	TCO ₂ e	118	101	1,474	6,826	8,800
Electricity	TCO ₂ e	5,137	5,825	5,714	6,645	8,681
Renewable electricity	TCO ₂ e	(5,081)	(5,804)	(4,312)	(317)	(294)
District heating	TCO ₂ e	62	21	72	498	413
Overall change in Scope 3 emissions	%	-56	2	1	-2	0
Total Scope 3 carbon intensity	TCO ₂ e / Million €	109	251	248	240	245
Scope 3 GHG emissions	TCO ₂ e	172,326	397,247	392,367	379,444	388,090
Purchased goods and services	TCO ₂ e	22,539	29,330	37,862	39,409	34,984
Capital Goods	TCO ₂ e	1,005	2,771	3,538	6,183	5,302
Fuel - and energy-related activities (not included in Scope 1 or Scope 2)	TCO ₂ e	2,213	2,354	2,271	1,971	2,626
Waste generated in operations	TCO ₂ e	119	110	36	132	132
E-waste ⁽¹⁾	TCO ₂ e	329	N/A	N/A	N/A	N/A
Business travel	TCO ₂ e	14,294	14,952	11,641	7,831	27,814
Employee commuting	TCO ₂ e	5,064	2,667	1,158	2,768	10,816
Work from home ⁽²⁾	TCO ₂ e	1,396	2,280	N/A	N/A	N/A
Use of sold products	TCO ₂ e	125,367	342,784	335,861	321,150	306,416

1. Per the GHG Protocol, e-waste emissions are typically tracked within waste generated in operations; we have chosen to report these emissions as a separate line item, as this is our first year reporting this data.

2. Per the GHG Protocol, work from home emissions are typically tracked within employee commuting; we have chosen to report these emissions as a separate line item, as this is our first year reporting this data.

Climate data table

Indicator	Unit	CY23	CY22	CY21	CY20	CY19
Total waste produced⁽³⁾	metric tons	285	269	7	0	0
Estimated total energy consumption	MWh	16,054	19,558	19,850	26,116	26,258
measured energy consumption	MWh	13,080	16,978	13,585	18,691.47	18,167
estimated energy consumption	MWh	2,974	2,579	6,264	7,424	8,090
Indicators below concern both measured and estimated energy consumption						
% renewable energy	%	80	78	56	4	2
% renewable electricity	%	~100 ⁽⁴⁾	100	75	35	27
Measured energy consumption by source						
grid electricity	MWh	12,876	15,304	14,651	16,475	19,547
renewable electricity	MWh	12,767	15,267	11,054	1010	637
district heating	MWh	342	469	421	2,885	2,347
gas	MWh	2,836	3,785	4,777	6,754	4,363

3. We currently collect waste data from our sites on a voluntary basis only and are working towards a more comprehensive approach over time.

4. Per RE100 criteria (see the Operational Footprint section for more information on our approach to renewable energy procurement).

DEI data table

1. Global Employee Population	CY2023	FY2023	FY2022
Women	30.4%	29.1%	27.7%
Men	69.5%	70.9%	72.3%
2. New Hires	CY2023	FY2023	FY2022
Women	39.9%	37.2%	35.8%
Men	59.8%	62.8%	64.2%
3. People Managers	CY2023	FY2023	FY2022
Women	29.0%	26.9%	25.4%
Men	71.0%	73.1%	74.6%
4. Directors and above	CY2023	FY2023	FY2022
Women	26.5%	22.2%	20.7%
Men	73.2%	77.8%	79.3%
5. ELT and ELT-1	CY2023	FY2023	FY2022
Women	40.7%	39.3%	27.9%
Men	59.3%	60.7%	72.1%
6. U.S. Colleagues	CY2023	FY2023	FY2022
Women	30.2%	28.94%	NA
Men	69.5%	70.66%	NA
White	55.1%	55.90%	NA
Black or African American	4.1%	3.49%	NA
Hispanic or Latino	7.4%	7.09%	NA
Asian	25.3%	25.45%	NA
Two or More Races	2.8%	2.73%	NA
Native Hawaiian or Pacific Islander	0.2%	0.17%	NA
American Indian or Alaskan Native	0.2%	0.17%	NA
Other	4.9%	5.00%	NA
7. U.K. Colleagues	CY2023	FY2023	FY2022
Women	35.4%	33.17%	NA
Men	64.5%	66.73%	NA
White - British	47.2%	46.44%	60.40%
White - Other	12.1%	14.23%	18.60%
Asian/Asian British	10.2%	9.42%	12.70%
Black	2.2%	2.50%	3.50%
Multiracial	2.2%	2.40%	3.40%
Other	26.3%	25.00%	1.40%

8. India Colleagues	CY2023	FY2023	FY2022
Women	25.8%	25.04%	NA
Men	74.1%	74.96%	NA
9. U.S. Directors and Above (G+ and above)	CY2023	FY2023	FY2022
White	61.5%	64.43%	NA
Black or African American	1.5%	0.52%	NA
Hispanic or Latino	6.0%	5.15%	NA
Asian	22.0%	20.10%	NA
Two or More Races	4.0%	4.64%	NA
Native Hawaiian or Pacific Islander	0.0%	0.00%	NA
American Indian or Alaskan Native	0.5%	0.52%	NA
Other	4.5%	4.64%	NA
10. U.K. Directors and Above (G+ and above)	CY2023	FY2023	FY2022
White - British	52.7%	52.86%	NA
White - Other	12.2%	13.57%	NA
Asian/Asian British	8.1%	7.14%	NA
Black	1.4%	2.14%	NA
Multiracial	2.7%	2.86%	NA
Other	23.0%	21.43%	NA
11. Regional Headcount Breakdown	CY2023	FY2023	FY2022
APAC	32.5%	32.84%	NA
EMEA	31.8%	30.97%	NA
Americas	35.7%	36.19%	NA
12. Employment Breakdown	CY2023	FY2023	FY2022
Full time	95.9%	95.10%	NA
Part time	1.5%	1.57%	NA
Fixed Term - Ends on a particular date	2.7%	3.33%	NA
13. Annual Turnover	FY2023	FY2022	
Voluntary and involuntary employee turnover rate	12.9%	14.70%	NA