

## **Avast Plc**

### *UK Tax Strategy*

#### **Introduction and background**

Avast combines artificial intelligence with human ingenuity to create one of the world's largest cybersecurity networks, protecting people and businesses from attacks online. Avast safeguards user's data, identity, privacy, and digital relationships with sophisticated solutions that are engaging and easy to use. Avast operates globally, with a central organisation supported by local service partners including global commerce providers.

Publishing a UK tax strategy is a requirement for large businesses and partnerships with a balance sheet total exceeding £2bn and/or a turnover exceeding £200m in the previous year. Additionally, UK registered companies and branches with turnover of less than £200 million which form part of a larger multinational group with a global turnover of €750m, are also required to publish a UK tax strategy.

#### **Business Arrangements/Tax Governance**

Avast is committed to pursuing a positive relationship with its key external stakeholders (including HMRC) and to managing its tax affairs efficiently, effectively and with integrity. Tax relevant roles and responsibilities are imbedded in operational and compliance processes. These roles and responsibilities are guided by documented policies and principles. The adherence of Avast's tax activities to these policies as well as all applicable laws and regulations is monitored by the Audit Committee with the support of the Tax Department as part of the governance framework. Avast continuously enhances its existing policies and procedures to ensure an effective level of tax governance. The Audit Committee annually review and assess Avast's tax strategy, framework and other tax relevant topics.

#### **Tax Planning**

Avast approaches tax planning with great care, supported by specialist external advice, as appropriate. Avast's tax planning is aligned with Avast's business strategy and business operations. Significant tax implications of business decisions are understood and considered prior to application. Material tax risks arising from either Avast's business operations or from transactions that relate to Avast's legal structure are analysed and documented. Avast does not use contrived tax structures that are intended for tax avoidance, have no commercial substance and do not meet the spirit of local or international law.

#### **Tax risks**

The responsibility for tax strategy, the supporting governance framework and management of tax risk is assigned to the Tax Department. Avast's tax strategy and framework is fully aligned with the business strategy and Business Control Framework. Avast has a risk averse approach regarding tax. This means that tax related risks are acceptable relative to the associated value or financial return and that, where available, further risk reduction measures are taken in relation to significant risks where appropriate. Risks are continuously identified and monitored. Where the weighted impact of risks exceeds a certain threshold, these risks are documented, mitigated and monitored.

#### **HMRC**

Given the commitment of Avast to pursue positive relationships with its key external stakeholders, Avast discloses information legitimately required and requested by HMRC and other Tax Authorities. Where the circumstances of transactions and events so require, Avast seeks to align its interpretation of facts, circumstances and risks with the Tax Authorities. This includes discussing key developments in its business and the potential impacts of those developments, and can include disclosing and seeking to resolve tax uncertainty prior to the filing of the relevant tax return. In cases where the views of Avast and HMRC do not align, Avast endeavours to resolve the issue with HMRC or, if no agreement can be reached, to consider other solutions.