

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 their data, identity, privacy, and digital relationships with sophisticated solutions that are engaging and easy to use. Avast operates worldwide in a centrally driven organisation, supported locally by 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.

Governance

Avast is committed to pursuing a positive relationship with all its key external stakeholders (including HMRC), and to manage its tax affairs efficiently, effectively and with integrity. Tax related roles and responsibilities are embedded 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 Avast's Audit and Risk Committee, with the support of the tax department. Avast continuously monitors and enhances its existing policies and procedures to ensure a sufficient level of tax governance. The Audit and Risk Committee annually reviews and assesses Avast's tax strategy, framework and other tax related matters.

Tax Planning

Avast approaches tax planning with great prudence, supported by external specialist advice, as appropriate. Avast's tax planning is aligned with its business strategy and business operations. Potential significant tax implications resulting from business decisions are considered in advance. Material tax risks arising from either Avast's business operations or from transactions that relate to Avast's legal structure are analysed and documented. As a matter of policy, Avast does not use contrived tax structures that are intended for tax avoidance, lack commercial substance and do not meet the spirit of local or international law.

Tax Risks

The tax department is responsible for implementing Avast's tax strategy, supporting its governance framework and managing its tax risk. Avast's tax strategy and framework is fully aligned with its business strategy and controls framework. Avast has a risk adverse approach regarding tax. 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 Avast's commitment to pursue positive relationships with its key external stakeholders, Avast discloses information to HMRC and other tax authorities, to the extent required or reasonably requested. Where Avast deems it prudent to do so, Avast discusses the interpretation of facts, circumstances and risks of anticipated transactions with the relevant tax authorities. This may include discussing key developments in the business, and the potential impacts of those developments. It may also include disclosing and seeking to resolve tax uncertainty prior to filing the relevant tax return. In cases where the views of Avast and HMRC, or other tax authorities, do not align, Avast seeks to resolve the issue with the tax authority through agreement or, failing that, through alternative solutions.