



*This tax strategy (“Strategy”) applies to the year ending January 31, 2027.*

## **Workday Global Tax Strategy**

Workday, Inc. (“Workday” or “company”) is a leading provider of enterprise cloud applications for finance and human resources, helping customers adapt and thrive in a changing world.

Workday has a strong focus on corporate responsibility and is committed to building its success in a sustainable, responsible, and legally compliant manner. The overall goal of Workday’s global tax strategy is to support its business with tax principles (as set out below) and timely tax advice. Our tax principles enable a common understanding and consistent approach to tax.

Workday’s Tax Strategy applies to all its controlled entities in all jurisdictions<sup>1</sup>

The Company’s global tax strategy is owned by our Chief Financial Officer (CFO) and is reviewed and approved annually.

## **Our Tax Principles**

Our tax principles, underpinned by our culture, define our approach to tax, the types of transactions we will engage in, and what tax risks are acceptable.

1. We will abide by the spirit and intent of all applicable tax laws and regulations in the jurisdictions in which we operate.
2. We will seek to timely and accurately file all tax returns and other tax-related reporting.
3. We will seek to support sustainable growth while ensuring we operate in a tax efficient manner.
4. We do not condone, encourage, or support tax evasion, nor do we engage in abusive tax planning strategies.

Our commitment to these principles is operationalized through our approach to tax risk management, tax governance and tax planning.

## **Approach to Tax Risk Management and Governance**

**Overall tax oversight rests with Workday’s Board.** Day-to-day responsibility for managing Workday Group’s tax affairs and for the execution of the Tax Strategy is delegated to the Vice President Global Head of Tax who reports to the CFO. On an as-needed basis, the Vice President Global Head of Tax communicates material tax risks and related risk management to the CFO and the Audit Committee of Workday’s Board of Directors, as well as communicates to Workday’s independent auditors to ensure appropriate governance and oversight is maintained.

We define tax risk as including changes in legislation, operational and transactional risk relating to the tax implications of the complexities in our business model, reputational risk, tax reporting risk concerning the tax numbers in our financial statements and compliance risk which we seek to mitigate by monitoring our end-to-end compliance processes. Workday proactively seeks to identify, evaluate, manage, and monitor tax risks and account for them appropriately. Where there is significant uncertainty or complexity in relation to risk, external advice may be sought.

Workday’s tax arrangements are based on its commercial business and activities and Workday does

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<sup>1</sup> *It has been prepared in accordance with the requirements of Section 19 of the UK Finance Act 2016.*



not utilize tax havens. Workday considers tax laws, its intent and transfer pricing guidelines under the arm's length principles to ensure its intercompany arrangements result in appropriate remuneration.

Our Code of Conduct<sup>2</sup> sets out the standards of behavior all employees are expected to adhere to across all aspects of our business. The tax function is staffed by experienced and qualified tax professionals who work closely with other Finance, Legal and business teams at Workday. These qualified tax professionals are subject to requirements to maintain professional licenses and participate in internal and external continuous education throughout the year to help them develop skills relevant to their interests and business needs.

Workday abides by stringent internal controls. Tax-related controls are reviewed and assessed on a regular basis and require certain processes and documentation of review and approval. They are also updated periodically to mitigate risk. Workday has established policies and put processes in place to ensure the integrity of its tax filings and tax compliance obligations worldwide. These tax processes are subject to the same level of internal controls, review, and external audit as the rest of the business.

### **Attitude Towards Tax Planning**

Workday considers tax efficiencies in relation to significant business transactions to minimize tax costs while balanced against other stakeholder interests. Workday utilizes available tax incentives, tax credits and related tax favorable deductions, where applicable. Any structure or transactions are put in place to support the business strategy of Workday, and, as such, all decisions will have a sound commercial rationale. Workday does not engage in aggressive tax planning and only seeks to minimize tax cost in compliance with applicable laws.

Workday generally supports the various tax transparency initiatives driven by the EU and the OECD, such as public country-by-country reporting. Workday intends to make disclosures under these initiatives aligned with the proposed timelines.

Workday adheres to relevant tax law and seeks to minimize the risk of uncertainty and disputes. We conduct transactions between Workday group companies on an arm's-length basis and in accordance with current OECD principles.

In line with our strategy for managing risk, we regularly seek external advice on tax matters in order to ensure Workday is legally compliant.

### **Risk Appetite**

Workday aims to comply with the spirit and intention of tax legislation. In accordance with Workday's Code of Conduct<sup>2</sup>, it is Workday's policy to comply with all applicable laws, regulations,

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<sup>2</sup> <https://www.workday.com/content/dam/web/en-us/documents/investor/code-of-conduct.pdf>



and codes. Workday has a low tolerance towards tax risk and where relevant, Workday will seek external advice to reduce risk. Workday has no tolerance for any form of tax evasion.

### **Relationship with Tax Authorities**

Workday's tax team, to its best effort and knowledge, is responsible for monitoring the development of new tax policies and legislation that may have a material impact on Workday. This continuous monitoring is an on-going process and the assessment of any potential tax impact of developments, including documentation, is done on a quarterly basis. Workday seeks appropriate clarification from external advisors and/or governmental authorities, wherever appropriate.

Workday seeks to build and sustain professional, transparent, and honest relationships with tax authorities in a spirit of cooperation. Workday endeavors to respond to information requests in a timely manner and works collaboratively wherever possible with tax authorities to resolve disputes and achieve early agreement and certainty.

### **Tax Contribution**

As a global technology company, we have substantial business and employment presence in many countries around the world and pay a significant amount of direct and indirect taxes. This includes corporate income tax and other business taxes, and tax associated with our employees. We also collect a significant amount of tax on behalf of governments along our supply chain, including from our employees.