



Experiences That Matter

2018 Corporate Responsibility Report

Information contained
in this report represents
FY2018 program results





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CEO Message

As a global leader in business communications, Avaya has a rich heritage of innovation and continues to drive the industry forward by remaining singularly focused on our customers' success. I take great pride in our work to simplify, modernize and develop next-generation solutions that our customers and partners demand. Our mission is to be a transformative force in digital communications by delivering intelligent experiences that matter. Our commitment extends beyond driving successful business outcomes for our customers, partners and employees to positively impacting the communities we serve. While we take great pride in our history, our mission, vision and continued success are firmly rooted in looking towards the future. This includes our obligation to ensure that this future is sustainable.

The breadth of our sustainability efforts this year is unparalleled, driven by incredible Avayans who champion community, diversity and environmental change and continue to push the limits of possibility. Our FY2018 Corporate Responsibility Report not only provides insight into the impact these people have made but also offers a glimpse into the unique perspectives of some of those who went above and beyond. A few highlights include:

- We raised nearly \$175,000 during our annual Month of Giving through donations, fundraising activities and volunteering to benefit charities worldwide. These charities help fund emergency relief to underserved areas and continuing education for child refugees, among many other worthy causes.
- We've continued to step up and proactively pursue efforts to mitigate climate change. We exceeded our goal to reduce





Vision

Avaya elevates communications to the next generation of engagement, connecting organizations to their customers, workforce and communities with secure, intelligent experiences that matter.

Mission

Avaya is a transformative force in digital communications software, services and devices designed for businesses of all sizes. Through our open, converged and innovative solutions, Avaya is taking intelligent experiences to new heights for our customers, partners, and their customers – in the cloud, on-premise, or hybrid.



Energized Workforce

At Avaya, we are committed to the cultural principles of simplicity, accountability, teamwork, empowerment and trust. These principles underpin a safe and positive workplace energizing our employees to be their unique selves at work, encouraging collaboration, and creating a strong sense of community. We design programs that foster cultural intelligence - the ability to relate to culturally diverse situations and work effectively in them. We firmly believe that gaining deeper insights and knowledge of different cultures

strengthens relationships with colleagues, customers, partners across the globe, improves business outcomes, facilitates our ability to address inequities and enhances our understanding of how culture influences behaviors, relationships and perspectives. These outcomes will more strongly position us to successfully address the business opportunities our customers will encounter in the future. Our global workforce understands that winning is a team event. Avaya employees play together and play to win.



Avaya Academy Creates Leaders

By Joe Fazzalari
Territory Account Manager

Strategically investing for the future means focusing on people, fostering personal development and offering a path to meaningful career growth to ensure high levels of employee engagement and well-being. This is the thesis underlying our new Avaya Academy. Recruiting associates worldwide to learn about the company's solutions, go-to-market motions and customers through a global, focused program that helps individuals accelerate their development, long-term engagement and professional growth.

I was among those fortunate enough to take part in the company's inaugural FY18 program. In addition to learning a great deal about Avaya's technology and how it transforms customer and employee interactions, the most rewarding aspect of this unique opportunity was the relationships I was able to develop along the way. I will never forget the people I met from five of the seven continents during my travels to places like Santa Clara, New York City and Dubai.

Reflecting on my experiences, it's clear to me that Avaya is passionate about employee development and well-being as evidenced by the significant time and resources dedicated to the Academy associates by Avayans around the globe. From the office managers who greeted us on our first day to our CEO, Jim Chirico, and countless other Avayans who generously shared their wisdom and know-how, I am eternally grateful.



Lessons learned through the program are just the beginning. Being able to interact with representatives and engineers from all levels of Avaya as well as representatives from our channel partner community allowed us to gain valuable insight and was a tremendous experience. It's not every day your employer proactively provides access to so many individuals who are invested in your growth and development. I would advise new-to-career individuals to seek out similar opportunities and challenge them to find an organization that is committed to providing the same level of support, opportunity and guidance. I have learned so much about the industry while developing myself as a professional in both a concentrated learning environment and in field applications.

Talent Exchange Opens Opportunities

By Michiel Noordermeer
Sales Engineering Manager
Benelux / Alpine & EU Global Accounts



In today's connected world, cultural diversity is a reality. Multinational organizations must cultivate the cultural intelligence needed to stay competitive in today's global market by empowering employees to develop their personal skills, knowledge and experience. Avaya developed its new Talent Exchange program to improve communication and collaboration across geographies, ethnicities, genders and generations to make it easier for employees to solve problems and drive desired outcomes.

Selected to participate in the company's pilot program, I will be traveling to Galway, Ireland in early 2019. Based in the Netherlands, a smaller country with a more limited Avaya presence, I rely on an international network to help get business done. I saw Avaya's Talent Exchange program as a great opportunity to take this one step further, expanding my horizons both professionally and personally.

Galway serves as the R&D center for Avaya's contact center solutions and being on the ground will allow me to get "close to the fire" to gain a deeper understanding of our competitive products and solutions. As a visiting Sales Manager, I hope to be a bridge between sales and R&D by gaining a better understanding of multiple sides of our business. Galway's R&D center is also a key element in prospecting and sales. There's a lot of value in having customers speak with R&D and see our innovation roadmap first-hand to learn how it will contribute to their own business success.

The Talent Exchange program demonstrates Avaya's commitment to drive better customer and business outcomes across the globe. I look forward to leaving for Galway soon!

Celebrating Our Culture

Our cultural principles – Teamwork, Accountability, Simplicity, Trust and Empowerment – are critical to our success and expected to be demonstrated in everything we do from the top down. To underscore our commitment to these tenets, Avaya’s President and CEO, Jim Chirico, introduced a new Cultural Principles Award recognition program this year to recognize those employees who embody our cultural principles to represent. While every employee is expected to represent Avaya’s culture, these high-performing team members were recognized for their outstanding dedication to creating lasting value.

Omar Hatoum was honored with a Cultural Principle Award for Accountability by establishing trust and driving loyalty among one of our most prestigious accounts. “To be recognized by leaders 10,000 miles away means a lot. It shows that the values of a wide-reaching company can successfully extend and thrive in small work communities around the world,” says Hatoum.

Koldo Loidi, recognized for Teamwork, sees the program as a dynamic driver of positive employee attributes. Loidi led the cross-functional and geographic effort for Avaya to be one of approximately 100 multinationals to obtain approval for its binding corporate rules from the European Union data privacy regulatory authorities effective data protection protocols.

Zack Cao was recognized for furthering Simplicity for successfully leading the end-to-end creation of an e-commerce site on an accelerated timeline for Avaya customers and partners. Key to the team’s success, according to Cao, was simplicity. “From design to development to testing, we kept it simple to ensure we did things quickly but right. Avaya customers are at the heart of every company action and Avaya’s Cultural Principles Award recognition program deepens this customer-centered focus.



“It’s amazing to be appreciated and recognized. As an employee, it drives me to achieve greater results and increases my motivation, efficiency and performance.”

- **Omar Hatoum**

Named Account Manager for Strategic Enterprise Accounts



“It’s not always easy to change or improve the culture within an organization, so it’s great to find innovative ways to drive to our goals.”

- **Koldo Loidi**

Global Data Privacy Officer and Legal Director



“In a world that is rapidly growing in complexity, I’m very happy to see that Avaya prioritizes simplicity as a core cultural principle. To me, this program is much-needed and integral for moving forward.”

- **Zack Cao**

Director of Software Engineering



Diversity & Inclusion

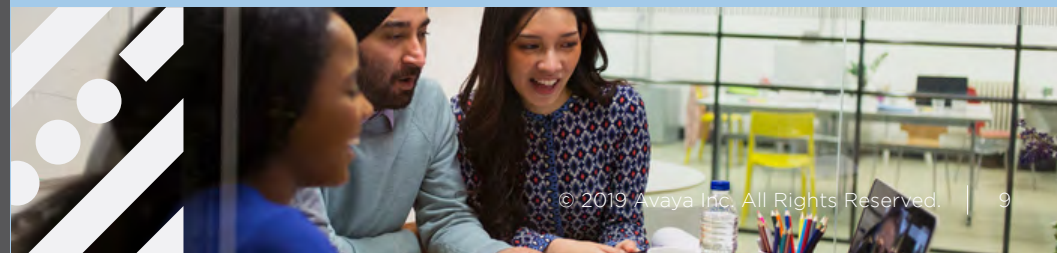
FY2018 Accomplishments

Management, together with our new Board of Directors, is committed to Diversity & Inclusion as a mandate for Avaya's profitable growth and future success, and demonstrate their prioritization of this commitment through the following:

- Joined **CEO Action for Diversity and Inclusion™**, the largest CEO-driven business commitment to advance diversity and inclusion in the workplace. Signatories to this commitment pledge to create accountability systems within their organizations to track progress and share practices that can help other companies evolve and enhance their diversity strategies.
- Launched our **Diversity and Inclusion Policy** to articulate our commitment and ensure clarity across our global workforce.
- Developed **Employee Resource Group Guidelines** to encourage employees to connect with each other around a shared interest, characteristic, or experience that strengthens Avaya's cultural principals and business.
- Fostered dialogue across the business to share formal and informal strategies for communicating zero tolerance for harassment.

FY2019 Focus Areas

- **Day of Understanding:** Avaya participated in the **CEO Action Initiative Day of Understanding** on December 7, 2018 to address and educate employees about unconscious bias in the workplace by leading an open conversation with key leaders across the world about race, gender and sexuality for greater understanding and appreciation of our differences facilitated by an experienced subject matter expert.
- **Unconscious Bias Awareness Training:** Initiative to help us all identify, address, and reduce any underlying biases we carry - even those that are unconscious - to foster a more inclusive work environment for employees.
- **Devices for Diversity Campaign:** To support girls who may have been denied an education because of who they are and where they're born, we launched this diversity marketing campaign in support of our ongoing partnership with Save the Children, the international non-profit children's organization. For every one of our multimedia devices sold in the last calendar quarter of 2018, we made a contribution to Girls Educational Programming.
- **Support for Women-owned Small Businesses:** Developed a program to be launched to provide free business communications services in support of qualifying women-owned small businesses.



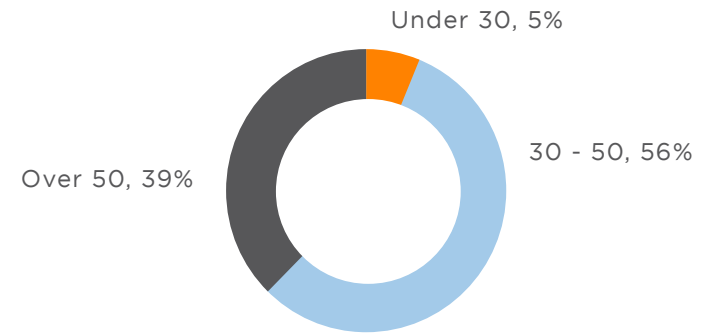
Snapshot of Avaya Employees



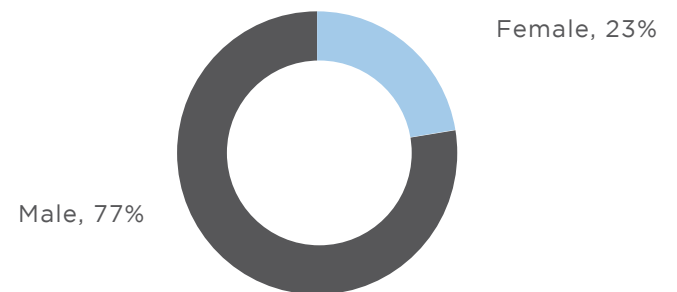
Employees by Region FY18



Employees by Age Category FY18



Employees by Gender FY18



Full Circle Approach to the Environment

Avaya takes a systems approach to its environmental programs, understanding that our impact on the planet has both upstream and downstream aspects. We are collaborating with partners and key stakeholders to address carbon emissions and plastic waste that we produce while looking for new solutions.





Plastic Packaging Project with Wistron

By Anguan Seah
Quality Senior Director

Plastic reduction in packaging is a global imperative, and action is being taken around the world. Europe is striving for all plastic packaging to be recyclable or reusable by 2030. China's ban on plastic waste is set to displace 111 million metric tons by 2030. The American Chemistry Council's Plastics Division is urging all U.S. plastic packaging to be reused, recycled or recovered by the year 2040.

Avaya is also committed to plastic reduction. We have implemented a multi-pronged approach to meet growing recycling and sustainability concerns with our Design for Environment program. Among these efforts is a partnership with design manufacturer, Wistron, to reduce the environmental footprint of Avaya products by eliminating single-use plastic packaging. I sat down with Wistron Quality Management

Director, Allen Dung, to discuss how the companies collaborated in 2018 on this green initiative and below are the key takeaways from our conversation:

AS: Recycling and sustainability are here to stay, and that means companies must adapt their use of plastic packaging. How have Avaya and Wistron worked together to tackle the environmental impact of Avaya's plastic packaging?

AD: Avaya took the initiative to research and explore green alternatives that would allow them to reduce waste and save money while still maintaining the functionality of their products. That's when they approached us with several design and packaging ideas such as removing plastic components from Avaya phones, using bio-degradable paper and incorporating more recyclable materials into overall product packaging and design.

AS: Why is the reduction of plastic packaging important for Wistron, and how does that translate into its partnership with Avaya?

AD: It is part of Wistron's culture to deepen our commitment to sustainability and expand our awareness of it. It's important to us that we partner with organizations that share our values - those that also aim to protect and enhance the environment through innovative technology and developments. Avaya champions environmental change through its various sustainability programs, and we're proud to have partnered with Avaya to further those efforts this year.

AS: What were the results of Wistron and Avaya's green initiative?

AD: We just started an initiative to reduce single-use plastic packaging on both J series and K series phone models in 2019. The reduction plan will be applied in all new products. Based on the current planning forecast, we are targeting a 42% reduction, or approximately 36 metric tons, in single-plastic packaging in 2019.

Save Our Shores

By Derek Gao
Senior Manager, Global Support Services

Global plastic production has doubled over the last 50 years, with the world's leading manufacturers planning to increase production by almost a third over the next five years according to the [World Economic Forum](#). Plastic pollution is a serious environmental issue that directly affects every community. Excessive amounts of litter and a lack of effective waste management systems radically compromise public areas and threaten animal wildlife. Avaya aims to continually reduce the potential downstream impact of its products through its Design for Environment (DfE) program. Launched in 2006, the DfE program holds an ISO 14001 Environmental Management System certification and includes standards for reducing the amount of plastic in packaging and designing for reuse and recyclability.

In addition to product packaging and design, Avaya targets plastic pollution through engagement programs that encourage employees to use their passions for a purpose. This year, for example, my team in Dalian, China organized a beach cleanup during Avaya's annual Month of Giving in support of California-based marine conservation nonprofit, Save Our Shores.

"A lot of the trash that ends up in the ocean flies out of our landfills or trash bins, so we really need to be careful



every step of the way of how we're treating the products that we own, buy, and discard," explained Executive Director of Save Our Shores, Katherine O'Dea, in a [recent interview](#). "We need to be very conscious, inland or waterfront, about what ends up in our streets."

My team and I wanted to maximize our impact, so we organized a cleanup at Lan Se Hai An beach, known for being one of the dirtiest in the area. Over 80 volunteers participated—double last year's number—and together we removed around 200 kilograms of litter (weighing almost as much as a baby grand piano!). I'm immensely proud of my team for coming together to raise awareness for such an important issue and doing our part to protect the environment.

Cybersecurity in Action

By Jeff Smith
Chief Information Security Officer

Gartner recently predicted that 60% of digital businesses will suffer major service failures by 2020 due to a failure to manage cybersecurity risk. Avaya's Security Transformation Program, known as Secure Avaya, was designed specifically to address and mitigate the risk of this exposure, focusing on security improvements with risk-based measurements to maximize customer protection.

The program focuses on information security-related compliance in areas such as the Health Insurance Portability and Accountability Act (HIPAA) and the EU General Data Protection Regulation (GDPR). In May of 2018, for example, Avaya readied customers with a range of tools and features to help them achieve compliance when the GDPR EU privacy regulations became law.

Secure Avaya is unlike anything the company has done before as it takes an enterprise-wide approach to cybersecurity risk management. This is not just an information security transformation - the program spans all business units to eliminate silos, lower costs and most importantly, deliver truly secure products in today's smart, digital world.

This year, we led efforts for two information security initiatives: "Get Safe" and "Stay Secure." Get Safe ensures security is put directly into the design of a product or service prior to development in recognition of the fact that existing digital transformation projects often fail because security is involved too late or not at all. Stay Secure ensures every security initiative at Avaya is in line with concrete needs versus theoretical threats that may not deliver the most effective customer and solution protection.

With Avaya's commitment to improving information security comes the expectation of trusted data protection methodologies for ensuring the right people have access to the right data at the right time. Avaya has brilliant people working tirelessly to ensure the protection of customers' digital resources and data.



Partnering Across the World

Partnership is a critical element to Avaya's success and Avaya views our alliances as important extensions of the Avaya community. We recognize that businesses are linked to a wide community of stakeholders and that when we work for the benefit of others, we benefit as a company. Our Month of Giving is a focused approach to employee activation, philanthropy, and stakeholder engagement.



Month of Giving

Every year, Avaya commits to creating meaningful global change through its Month of Giving program. From bake sales to food drives to beach cleanups, employees spend the month of October giving back through either individual or group efforts in support of favorite non-profit organizations. This year's Month of Giving raised approximately \$175,000 for charities around the world and resulted in nearly 2,200 lbs. of materials being donated and over 2,000 hours of volunteering.

Avaya honors those employees who go above and beyond in doing the everyday work fostering change worldwide. These winning projects are selected based on the highest levels of achievement, recognizing great innovation and passion as well as the overall impact the efforts had on both the non-profit and community.

This year's Month of Giving award recipients partnered with well-respected organizations including the ALS Association, Doctors Without Borders, Save Our Shores, the National Multiple Sclerosis Society and more.

These winning programs produced extraordinary outcomes - record-breaking participation, expansive social media coverage, and measurable improvements in waste reduction - driven by even more extraordinary people, some who have dedicated more than a decade of service to their selected charity.



▲ Avaya Guildford employees held a basketball tournament to raise money for the National Stroke Association.

▼ The Federal Team in Fairfax, VA volunteered at the Warrior Retreat, a facility managed by Serve Our Willing Warriors to host retreats for wounded veterans and their families.





▲ For the third year in a row, Avaya Dalian adopted a beach for an environmental cleanup to reduce pollution.

▼ Employees in Santa Clara spent the day outside restoring habitat at the Ulistac Natural Area.

▼ The Avaya Australia and New Zealand team organized various fundraising activities, such as organizing a walk club, to raise money for Rural Aid.



▼ Vicky Donato participated in the Susan G. Komen 3-Day in Atlanta, GA to raise money for breast cancer research.



▼ Casey Murphy participated in a two-day cycling event to raise money for the National MS Society.



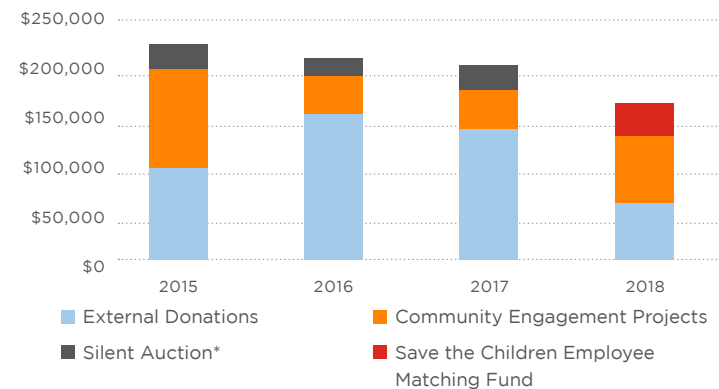
Avaya’s 2018 Month of Giving winners and award recipients are:

- Legal and Marketing Teams - Doctors Without Borders / Médecins Sans Frontières
- Australia / New Zealand - Rural Aid
- Canada Sales - Pathways to Education
- Central Area Sales - ALS Mid-America Chapter
- Dalian Office - Save Our Shores
- Oklahoma City Customer Operations Team - Infant Crisis Services
- Guilford Office - The Stroke Association
- Pune Facility - Save the Children and NIWARA Old Age Home

Individual awards:

- Casey Murphy - National Multiple Sclerosis Society
- Vicky Donato - Susan G. Komen for the Cure

Charitable Donations Raised Through Avaya Month of Giving



*Hosted silent auction from 2015 to 2017.



- ▲ The Highlands Ranch team organized fundraising activities and hosted a donation drive of hand-made blankets for the Children’s Hospital of Colorado.
- ▼ Avaya Netherlands spent the day volunteering at Bouwgein, a volunteer-driven children’s playground in Nieuwegein.
- ▼ Employees in Australia and New Zealand teamed up to plan fundraising activities for Rural Aid, which included a car wash to support farmers struggling with drought.



Every Child Deserves a Future



By Ashby Brown
Manager, Corporate Partnerships
at Save the Children

Founded in 1919 to help children scarred by the horrors of World War I, Save the Children was the first major international organization established to focus specifically on children's rights. Over the past hundred years, we've helped more than a billion girls and boys overcome poverty, disease, hunger, illiteracy and violence. A supporter of Save the Children since 2015, Avaya has always valued the importance of providing quality education for children and, in 2018, decided to fundraise for a special education project in Uganda during October's Month of Giving. Employees led several fundraising campaigns, including an online donation page, collecting more than \$20,000 for Save the Children. To make the gift go even further, Avaya corporate provided a \$15,000 match to bring the total donation to \$35,000. A portion of the funds will be used in 2019 to create new classroom space to ensure refugee children fleeing their native countries and seeking safety in Uganda can continue their education. (Uganda has the highest number of refugees in Africa.) The remainder will support Save the Children's Uganda child sponsorship program, a key unit of our organization sustained by monthly donors. We were also honored to be included in Avaya's first annual golf tournament where funds raised went to support our education



programming. Additionally, Avaya included Save the Children in a product campaign, where a portion of sales went to benefit our programming.

All of us at Save the Children are incredibly grateful for the work Avaya does to make a difference in the lives of children worldwide. The company selects charitable projects that resonate with employees and is very thoughtful about getting teams involved and having them understand what we do as an organization. We also appreciate the effort senior leaders make to motivate and engage their teams. Above all, Avaya and its employees realize the importance of working together to bring hope to children, their families and their communities. It is because of supporters like Avaya that we can continue to achieve immediate and lasting change in the lives of the girls and boys who need us most. Thank you!

Food & Exercise

Food and exercise are common ground that can be used to create significant change. Avaya’s global legal and marketing teams relied on these fundamentals to raise more than \$41,000 for Doctors Without Borders, an international humanitarian organization that delivers emergency relief to victims of war, disease, and disaster.

The legal team hosted bake sale events in Argentina, Dubai, Germany, Poland, UK, Singapore and the U.S. and also sponsored a breakfast event at Avaya’s Morristown, N.J. office, a BBQ luncheon in Fairfax, Virginia, and an “International Flavors” luncheon in Guildford, England. Together, the team succeeded in raising more than three times their 2018 collection goal and exceeded 2017 fundraising by 58%.



“Many of us are foodies. We enjoy good food but even more so sharing it with others. So, this year we decided to use food as part of our fundraising campaign.”

- **Andzelika Godek**

Senior Director and EMEA Associate
General Counsel

“The Avaya legal team is passionate about charity. Giving back to those in need is part of our culture, and we also see Avaya as a place of coming together and supporting worthy causes such as Doctors Without Borders,” explains Senior Director and EMEA Associate General Counsel, Andzelika Godek.

“It was so inspiring to see our entire global team involved for the first time. We launched an initiative involving our virtual office employees. It has truly been a ‘help without borders’ project that showed the commitment of our global legal team to the cause of Doctors Without Borders and each other.”



“We put the ‘fun’ in fundraising by capitalizing on the team’s competitive spirit to create a per-person challenge,”

- **Becky Carr**

Head of Global Marketing

Other employees exercised their right to fundraise (literally) by walking millions of steps during Avaya’s Month of Giving. Avaya’s global marketing team, for example, set a challenge of 10,000 steps per person per day to reach a goal of 25 million steps by the end of the month. Together, the team exceeded its goal and raised over \$23,000 for Doctors Without Borders.

“The team really pulled it together, from creating a survey to gauge activity interests to researching mobile apps for counting steps to promoting our efforts across social media. It was a lot of work, and I’m incredibly proud of every person who participated,” says Becky Carr, Head of Global Marketing.

“I know it sounds cliché, but our team is really like a family. One thing that touched me the most was that someone who couldn’t physically participate decided to donate to every person on the team who was walking. To me, that says everything you need to know about the spirit of Avaya.”

Our Commitments

Sara Broadbent

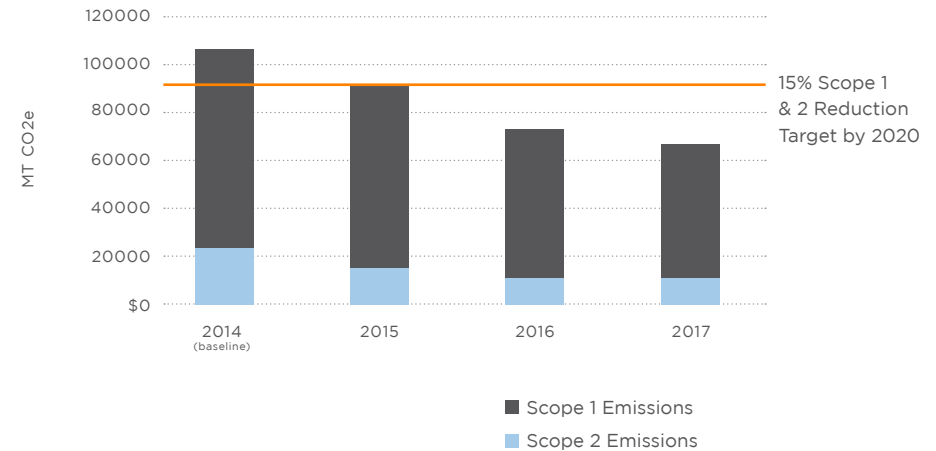
Senior Director of Corporate Responsibility, Philanthropy, and EHS

One of many reasons I'm proud to be an Avayan is because we consistently make, meet and often exceed our commitments.

Avaya transparently reports its carbon emissions to the organization CDP, and has since 2010. In 2015, we set the bar high by committing to an ambitious goal of reducing Scope 1 and Scope 2 emissions by 15% cumulatively by 2020. I'm proud to say that we achieved this goal ahead of schedule, reaching the desired reductions in just one year. We have continued our efforts to reduce emissions by an incredible 40% from our 2014 baseline. Avaya publicly committed to helping the world meet the climate action goals set in the Paris Agreement as a proud member of "We Are Still In," the largest climate action group in the United States. This year, I had the privilege of serving as a delegate at the Global Climate Action Summit alongside business, government and NGO leaders from around the world to collaborate on global emission reduction strategies.

As we champion for positive global action, we remain dedicated to helping our customers achieve their own environmental goals through our technology. Our Avaya Equinox videoconferencing platform, for example, reduces or eliminates the need for business travel by enabling customers to host engaging and effective meetings remotely. Technology such as this has resulted in significant carbon emission reductions for our

Exceeded Carbon Disclosure Project Goal



Climate Change Commitment

Avaya joined thousands of leaders from nations, subnational governments, businesses, the investor community and non-governmental organizations by participating in the Global Action Summit. Participants agreed to accelerate their goals and adopt more effective climate policies. A comprehensive list of the collective commitments can be found [here](#).

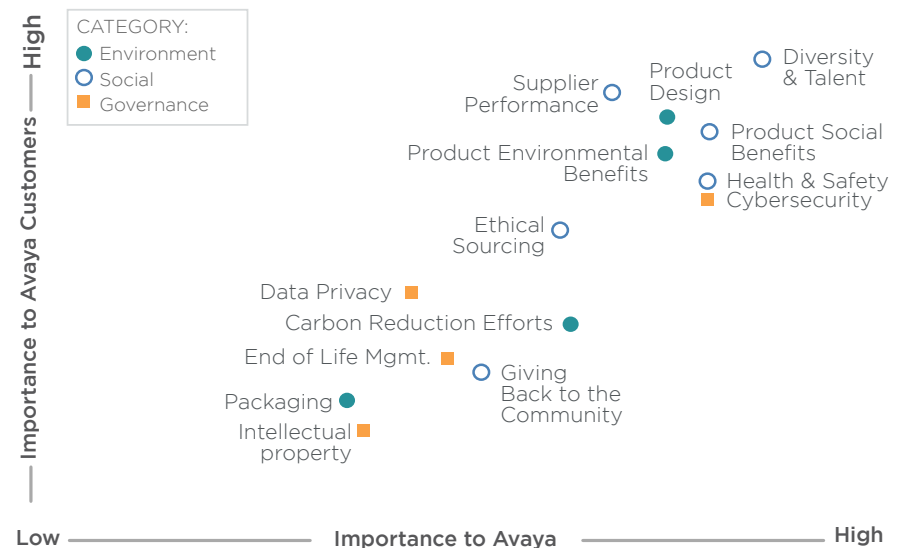
customers while saving them valuable time and money. We are steadfast in our efforts to find efficiencies and develop sustainable solutions across our company. Here are some Avayans who are leading the way:

- Hamish Clarke (Real Estate):** “Over the past several years, the Real Estate team has been evaluating buildings based on their type of use and total occupancy to optimize building efficiency. Through our building consolidation efforts, Avaya reduced its leased square footage by over one million square feet from FY2017 to FY2018, which has resulted in significant reductions in electricity consumption and costs. Looking forward, we are set to achieve further reductions as we install more energy efficient lighting and equipment in our facilities and add more LEED certified buildings to our portfolio.”
- Tom Stahly (Product Design):** “Minimizing the environmental impacts of our products and systems is one of Avaya’s core responsibilities to both its customers and the environment. This year, we renewed the ISO 14001 certification for Avaya’s Design for Environment program, which helps integrate sustainability throughout the foreseeable life cycle of a product or a solution. We uphold these standards, practices, and expectations for our products regardless of whether they are designed by us in-house or by a third-party supplier – no compromises.”
- Lance Casler (Warehouse/Logistics):** “We are working on identifying efficiencies within our warehouse and logistics management processes to reduce our environmental footprint. This year, we conducted a survey to create an inventory of our plastic use – with this data, we can better understand our plastic consumption, identify means for reductions, and research more sustainable alternatives. In addition, we are reducing carbon emissions that result from our shipping processes by choosing more environmentally friendly modes of transport and minimizing shipped product and packing weight.”

Materiality Matrix

The Sustainability Materiality Matrix, completed in 2017, continues to guide the prioritization of environmental, social and governance programs at Avaya. All the plotted topics are considered significant to Avaya. However, topics that have the greatest impact on Avaya reflect areas where Avaya has unique capabilities to address such concerns. Moving forward, Avaya will continue to revisit our materiality assessment to further evaluate these topics and update them as appropriate.

Avaya 2017 Materiality Matrix



Appendix



Appendix A: KPI Summary Table

Economy	FY14	FY15	FY16	FY17	FY18	GRI Indicator
GAAP Revenue [Million US\$]	\$4,371	\$4,081	\$3,702	\$3,272	\$2,851 ¹	201-2
Number of employees	13,122	11,701	10,424	8,735	8,086	102-8
Number of contracted employees	9,972	8,857	8,220	7,024	6,289	102-8
Real estate square feet [thousand]	4,800	4,100	3,900	3,634	2,426	102-7
Environment	CY14	CY15	CY16	CY17		GRI Indicator
Energy						
Energy consumption [MWh]	234,418	201,775	157,371	137,655		302-1
Diesel	1,857	2,225	1,415	2,036		
Natural gas	20,894	21,948	5,404	5,254		
Grid-connected electricity	143,155	131,965	113,431	94,388		
Motor gasoline	67,219	44,797	35,977	35,977		
District heating	1,293	840	1,144	1,046		
Energy intensity						302-3
MWh/million US\$ revenue	53.6	49.4	42.5	42.1		
MWh/employee	17.9	17.2	15.1	15.8		
MWh/thousand square feet	48.8	49.2	40.4	37.9		
Reduction of energy consumption from previous year [MWh]	--	32,643	44,404	19,716		302-4
Emissions						
Greenhouse gas (GHG) emissions [metric tons CO ₂ e]	944,834	928,737	909,425	879,785		305-5
Scope 1: Direct GHG	21,818	13,691	9,534	9,262		305-1
Scope 2: Indirect GHG emissions	83,752	78,453	64,758	54,368		305-2
Scope 3: Other indirect GHG emissions	839,264	839,593	835,133	816,155		305-3

¹ For fiscal 2018, Avaya reported GAAP revenue for the "Combined" Predecessor period (October 1, 2017 through December 15, 2017) and the "Successor" period (from December 16, 2017 through September 30, 2018) for a total of \$2,851 million.

GHG emissions intensity (scope 1 &2)						305-4
Metric tons CO2e/million US\$ revenue	26.4	22.8	20.1	19.5		
Metric tons CO2e/employee	8.8	8.0	7.1	7.3		
Metric tons CO2e/thousand square feet	24.1	22.7	19.0	17.5		
GHG emissions intensity (scope 3 - business travel)						305-5
Metric tons CO2e/million US\$ revenue	2.8	2.4	2.2	2.2		
Metric tons CO2e/employee	0.9	0.8	1.0	0.8		
Reduction of GHG emissions [metric tons CO2e]						305-5
From previous year	--	25,146	19,312	29,640		
Effluents and Waste						
Total weight of recycled waste (U.S. & Germany)						
Net weight (kilograms)	--	--		295,900		
Labor practices and decent work	FY14	FY15	FY16	FY17	FY18	GRI Indicator
Occupational Health and Safety						
Case rates [rate per 100 employees in the U.S.]						403-9
Total case rate	0.35	0.37	0.23	0.21	0.14	
Lost workday case rate	0.16	0.12	0.07	0.12	0.07	
Injuries by type						403-9
Slip/trip/fall	32%	28%	12%	14%	75%	
Ergonomic	16%	17%	18%	0%	0%	
Motor vehicle accidents	10%	16%	41%	29%	25%	
Struck by an object	11%	22%	0%	14%	0%	
Lifting	26%	17%	24%	29%	0%	
Reach/pull	5%	0%	0%	0%	0%	
Other	0%	0%	5%	14%	0%	

Diversity and Equal Opportunity						
Labor practices and decent work	FY14	FY15	FY16	FY17	FY18	GRI Indicator
Employees in leadership positions [director or above]						405-1
Gender						
Male	81%	80%	79%	79%	80%	
Female	19%	20%	21%	21%	20%	
Age						
Under 30 years old	0%	0%	0%	0%	0%	
30 - 50 years	62%	59%	57%	47%	46%	
Over 50 years old	38%	41%	43%	53%	54%	
Minority groups [U.S.] ²						
Minority	17%	20%	23%	17%	18%	
Non-minority	83%	80%	77%	79%	78%	
Employees in non-leadership positions [all positions below director]						405-1
Gender						
Male	77%	77%	77%	77%	77%	
Female	23%	23%	23%	23%	23%	
Age						
Under 30 years old	8%	8%	8%	6%	6%	
30 - 50 years	65%	63%	62%	57%	56%	
Over 50 years old	27%	29%	30%	37%	38%	
Minority groups [U.S.] ³						
Minority	26%	27%	30%	25%	25%	
Non-minority	74%	73%	70%	70%	71%	
Percentage of total employees covered by collective bargaining agreements	5%	5%	5%	6%	5%	102-41
Percentage of employees that leave Avaya per year (voluntary)	9%	9%	10%	10%	7%	401-1
Society	FY14	FY15	FY16	FY17	FY18	GRI Indicator
Local communities						
Dollars contributed to charities by Avaya, partners and employees	--	223,000	200,000	205,000	374,605 ⁴	413-1
Money donated through India CSR programs (million INR)	19.6	24	27	19	24	413-1

2 Minority group data is unavailable for 4% of employees in leadership positions the U.S. in FY17 and FY18.

3 For employees in non-leadership positions in the U.S., minority group data is unavailable for 5% and 4% of employees in FY17 and FY18, respectively.

4 Includes contributions from Avaya Month of Giving and departments such as philanthropy, sales and marketing.

Appendix B: GRI Content Index

GRI 102: General Disclosure		Reference
Organization Profile		
102-1	Organization name	Avaya Inc.
102-2	Activities, brands, products, and services	Form 10-K
102-3	Location of headquarters	Santa Clara, California
102-4	Location of operations	Form 10-K
102-5	Ownership and legal form	Form 10-K
102-6	Markets served	Form 10-K
102-7	Scale of the organization	Form 10-K , Energized workforce
102-8	Information on employees and other workers	Form 10-K
102-9	Supply chain	Form 10-K
102-10	Significant changes to the organization and its supply chain	Form 10-K , Impact of reduced operational square feet addressed in Our Commitments section of the report
102-11	Precautionary principle or approach	Upheld in the Avaya risk management process
102-12	External initiatives	Month of Giving section Avaya has adopted the Responsible Business Alliance (RBA) Code of Conduct
102-13	Membership of associations	Avaya is a member of the RBA and Silicon Valley Leadership Group (SVLG)
Strategy and Analysis		
102-14	Statement from senior decision maker	CEO Message
102-15	Key impacts, risks, and opportunities	Form 10-K 2018 CDP Report
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	Avaya Code of Conduct , Supplier Code of Conduct , Diversity and Inclusion Policy , Governance & Culture Sections
102-17	Mechanisms for advice and concerns about ethics	Avaya Code of Conduct , Supplier Code of Conduct

Governance		
102-18	Governance structure	2017 Annual Report
102-21	Consulting stakeholders on economic, environmental, and social topics	Materiality Matrix section
Stakeholder engagement		
102-40	List of stakeholder groups	Materiality Matrix section
102-41	Collective bargaining agreements	Appendix B
102-42	Identifying and selecting stakeholders	Materiality Matrix section
102-43	Approach to stakeholder engagement	Materiality Matrix section
102-44	Key topics and concerns raised	Materiality Matrix section
Reporting practice		
102-45	Entities included in the consolidated financial statements	Form 10-K
102-46	Defining report content and topic boundaries	Materiality Matrix section
102-47	List of material topics	Materiality Matrix section
102-48	Restatements of information	Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and were reported to CDP in our 2018 Supply Chain Questionnaire.
102-49	Changes in reporting	No significant changes from FY17 report.
102-50	Reporting period	Fiscal year 2018 (Oct. 1, 2017 - Sept. 30, 2018)
102-51	Date of most recent report	Fiscal year 2017 (Oct. 1, 2016 - Sept. 30, 2017)
102-52	Report cycle	Annual
102-53	Contact point for questions regarding the report	Sara Broadbent, Sr. Director of Corporate Responsibility, Philanthropy and EHS (sbroadbent@avaya.com)
102-54	Claims of reporting in accordance with GRI Standards	This report has been prepared in accordance with the GRI Standards: Core Option
102-55	GRI content index	GRI Content Index
102-56	External assurance	This Corporate Responsibility Report is not externally assured.

GRI Topic-Specific Standards		Reference
Economic standards		
GRI 201: Economic Performance 2016		
103-1, 103-2, 103-3	Explanation of the material topic and its boundary, the management approach and its components, and the evaluation of the management approach	Form 10-K
201-1	Direct economic value generated and distributed	Form 10-K
201-2	Financial implications and other risks and opportunities due to climate change	Form 10-K , 2018 CDP Report
Environmental Standards		
GRI 301: Energy 2016		
103-1, 103-2, 103-3	Explanation of the material topic and its boundary, the management approach and its components, and the evaluation of the management approach	2018 CDP Report, Form 10-K
302-1	Energy consumption within the organization	Appendix B, 2018 CDP Report
302-3	Energy intensity	Appendix B, 2018 CDP Report
302-4	Reduction of energy consumption	Appendix B, 2018 CDP Report
302-5	Reductions in energy requirements of products or services	2018 CDP Report , R&D Environmental Policy
GRI 305: Emissions 2016		
103-1, 103-2, 103-3	Explanation of the material topic and its boundary, the management approach and its components, and the evaluation of the management approach	Our Commitments
305-1	Direct (Scope 1) GHG emissions	Appendix B, 2018 CDP Report
305-2	Energy indirect (Scope 2) GHG emissions	Appendix B, 2018 CDP Report
305-3	Other indirect (Scope 3) GHG emissions	Appendix B, 2018 CDP Report
305-4	GHG emissions intensity	Appendix B, 2018 CDP Report
305-5	Reduction of GHG emissions	Appendix B, 2018 CDP Report

GRI 307: Environmental Compliance 2016		
103-1, 103-2, 103-3	Explanation of the material topic and its boundary, the management approach and its components, and the evaluation of the management approach	Form 10-K
307-1	Non-compliance with environmental laws and regulations	Avaya has not received significant fines or monetary sanctions for non-compliance with environmental laws and/or regulations during FY18.
Social Standards		
GRI 401: Employment 2016		
103-1, 103-2, 103-3	Explanation of the material topic and its boundary, the management approach and its components, and the evaluation of the management approach	Energized Workforce section
401-1	New employee hires and employee turnover	Energized Workforce section, Appendix B
GRI 403: Occupational Health and Safety 2018		
103-1, 103-2, 103-3	Explanation of the material topic and its boundary, the management approach and its components, and the evaluation of the management approach	Energized Workforce section
403-9	Work-related injuries	Appendix B
GRI 404: Training and Education		
103-1, 103-2, 103-3	Explanation of the material topic and its boundary, the management approach and its components, and the evaluation of the management approach	Energized Workforce section
404-2	Programs for upgrading employee skills and transition assistance programs	Energized Workforce section
GRI 405: Diversity and Equal Opportunity		
103-1, 103-2, 103-3	Explanation of the material topic and its boundary, the management approach and its components, and the evaluation of the management approach	Energized Workforce section, Diversity and Inclusion Policy
405-1	Diversity of governance bodies and employees	Energized Workforce section, Appendix B
GRI 413: Local Communities		
103-1, 103-2, 103-3	Explanation of the material topic and its boundary, the management approach and its components, and the evaluation of the management approach	Month of Giving section
413-1	Operations with local community engagement, impact assessments, and development programs	Month of Giving section, Appendix B

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