



# CORPORATE RESPONSIBILITY REPORT

Fiscal Year 2016

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# About Avaya

Avaya is a leading provider of contact center, unified communications and networking solutions and services designed to help enterprise and midmarket businesses improve customer and team engagement.

At Avaya, our business is the business of human engagement. We believe when people engage, magic happens. Ideas are shared, problems are solved and real innovation is realized. Simply put, we believe engagement — the positive, value-creating relationship derived from active participation, pervasive collaboration and quality experiences — leads to increased productivity and higher revenue for our customers.

Our technologies have helped prominent companies like Google, HP, Salesforce and VMware address their business engagement challenges and reimagine the way they work in the 21st century.

Today, Avaya is a company reinvented. Now, approximately 75 percent of our revenue comes from software and services. For FY16<sup>1</sup>, Avaya generated revenue of \$3.702 billion and employed 10,424 global employees.

<sup>1</sup> The information contained in this report is for Avaya's fiscal year 2016 which is from October 1, 2015 through September 30, 2016. This report does not reflect changes that may have occurred subsequent to the end of Avaya's fiscal year on September 30, 2016.

# A MESSAGE FROM THE CEO

I'm pleased to introduce our third annual Corporate Responsibility Report. We've made significant progress over the last year, including holding our second annual Month of Giving campaign — 31 days of charitable activities supported by our employees and partners around the globe. The Avaya Month of Giving raised approximately \$200,000 for nonprofits worldwide, which is incredibly inspiring.

At Avaya, we revel in working closely with our customers, rolling up our sleeves and becoming immersed and invested in their businesses, challenges and goals. With our customers in mind, we develop and bring to market innovative engagement solutions. By combining our expansive portfolio of products and services, we deliver effortless mobility, easy application development, social channel mastery, and more. The result: our customers are able to communicate faster, make more informed decisions, move the productivity needle, and make business goals a reality.

We strive to lead the industry with best-in-class products and solutions, and to reflect #AvayaStrength in everything we do, from maintaining the highest ethical standards

and a customer-first attitude, to giving back to our local communities and designing products that are energy efficient.

Specific milestones include:

- From FY11 to FY16, our Total Case and Lost Workday Case Rates remained low compared to industry benchmarks. Total case rates decreased 50 percent, from 0.46 to 0.23 injuries per 100 employees from FY11 to FY16, respectively. Lost workday case rates decreased 73 percent from 0.26 to 0.07 lost workdays per 100 employees from FY11 to FY16, respectively.
- We met our CO<sub>2</sub> science-based emissions goal in the first year! In the 2016 CDP (formerly known as the Carbon Disclosure Project) report, Avaya announced it had reduced its Scope 1 and Scope 2 carbon emissions by 19 percent between 2014 and 2015. This exceeded our annual 3 percent absolute reduction target and our 15 percent cumulative target by 2020.
- We increased cross-functional engagement in support of our Month of Giving Program. Collaboration between two business groups resulted in \$70K for

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Save the Children’s “Classrooms Through Communities” initiative.

We’re proud of the progress we’ve made as a team this past year, and will continue to push the bar further. And at Avaya, this is what we do best. Our employees are committed to extending our global reach year after year, giving back to the communities where we live and do business and making the world a better place through innovation and technology.

I’d like to thank our employees, customers, suppliers and partners for their hard work that continues to make a difference. I have no doubt we’ll continue to create long-term, sustainable value for our company, our communities and all of you.

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**KEVIN J. KENNEDY**

PRESIDENT AND CEO, AVAYA

# RECOGNITION

Avaya products and solutions garner recognition from widely respected industry organizations and analysts. We've received awards and recognition from leading industry analyst firms around the world. Our market-leading solutions have been recognized in the areas of customer experience management, networking, and unified communications and collaboration. We're committed to working closely with the industry analyst community to ensure they are well informed on every aspect of the company so that they can better guide the end user community on buying decisions. Below is a sampling of our awards and accolades in 2016.

- Avaya Breeze™ and Zang were [both recognized](#) in TMCnet's annual Communications Products of the Year Awards for exceptional innovation.
- Avaya once again [ranks among Global Top 100 Software Companies](#) in a report by PricewaterhouseCoopers (PwC).
- [Named a "Major Player"](#) in the IDC MarketScape Worldwide Enterprise Videoconferencing Equipment Vendor Assessment.
- Positioned in the Leaders Quadrant of the [2016 Gartner Magic Quadrant for Unified Communications for Midsize Enterprises, North America](#).
- Avaya remains the longest-standing vendor in the leader position of the [Gartner Magic Quadrant for Contact Center Infrastructure](#). Avaya has been named a leader for the past 16 consecutive years – since the report's inception.
- To learn more about our recognition in the industry, visit [Avaya.com](#).



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# OUR CUSTOMERS & PARTNERS



TOP 10  
HOTEL GROUPS



GOVERNMENT AGENCIES  
IN 42 COUNTRIES



OVER 1,000  
HEALTHCARE  
INSTITUTIONS



TOP 10 OF THE  
LARGEST BANKS



MORE THAN 90%  
OF FORTUNE 100  
COMPANIES



TOP 10  
INSURANCE  
COMPANIES



TOP 20  
AIRLINES



NEARLY 5,000  
EDUCATIONAL  
INSTITUTIONS

We have a diverse customer base, ranging in size from small businesses to large government agencies and multinational companies with more than 100,000 employees. As of Dec. 31, 2016, we had more than 300,000 customers and installations in more than half a million customer locations worldwide.

Our customers operate in a broad range of industries, including financial services, manufacturing, retail, transportation, energy, media and communications, healthcare, education and government. In fact, more than 90 percent of the Fortune 100 can proudly call themselves Avaya customers.

We employ a flexible go-to-market strategy with direct and indirect presence in more than 100 countries. Our channel partners are a valued community. Partners better enable us to connect with small to midmarket businesses and, as of Dec. 31, 2016, we had approximately 7,500 channel partners with around 78 percent of our total FY16 product revenue coming from indirect sales.

# CORPORATE RESPONSIBILITY

We develop Corporate Responsibility targets and objectives, which are reviewed, updated and communicated annually. The Avaya Corporate Responsibility Policy is available [here](#).

At Avaya, Corporate Responsibility means doing the right thing while considering the social, environmental and economic impacts of doing business. We are committed to four key elements: Workplace, Environment, Marketplace, and Community.

## Governance

Avaya Corporate Responsibility initiatives are led by the SVP and General Counsel

responsible for Worldwide Law, which includes our legal, governance, compliance and security teams. This role reports to the CEO and is a member of our Avaya Executive Council. On a daily basis, the initiatives are spearheaded by the Director of Corporate Responsibility.

The corporate responsibility strategy is discussed with the SVP on a quarterly basis and initiatives are implemented through cross-functional partnerships with Real Estate & Facilities Management, Sales, Marketing, Compliance and Supply Chain to advance mutually beneficial opportunities for Corporate Responsibility and department-level goals.



## Workplace

Developing a safe and desirable place to work for our employees worldwide.



## Environment

Implementing environmental stewardship practices at our global locations and monitoring the future sustainability of our communities and planet.



## Marketplace

Engaging in fair and ethical business practices with our customers, partners and supply chain.



## Community

Positively impacting society as a whole and supporting the communities where we are located.



# ABOUT THIS REPORT



This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines (G4) and covers data for FY16, except where stated otherwise. A GRI index is included in the [Appendix](#). As we continue the reporting process, we are committed to continuous improvement and advancing our reporting capabilities.

## Materiality & Stakeholder Engagement

While there are a variety of aspects Avaya could report on to measure Corporate Responsibility, a specific set of aspects and indicators has been chosen to reflect those that are most significant to the company and its stakeholders.

The selection of topics was informed by revisiting the materiality analysis first conducted in 2014. An additional cross-functional review validated topics, assessed availability of data and prioritized topics by the most influential stakeholders to Avaya. The materiality review considered:

- The sustainability context of Avaya, identifying the economic, social and environmental impacts of Avaya operations, products and services.
- The company's operating boundaries and where impacts occur, including consideration of facilities owned or operated by Avaya and activities for which Avaya has the ability to significantly influence or control.
- Industry trends, such as reporting best practices and material topics for the information, communication, technology and software industries, such as trending items at industry association events and in reports.
- Topics of particular concern and interest to Avaya stakeholders, especially customers, investors and employees, gathered by obtaining direct feedback and data points through questionnaires

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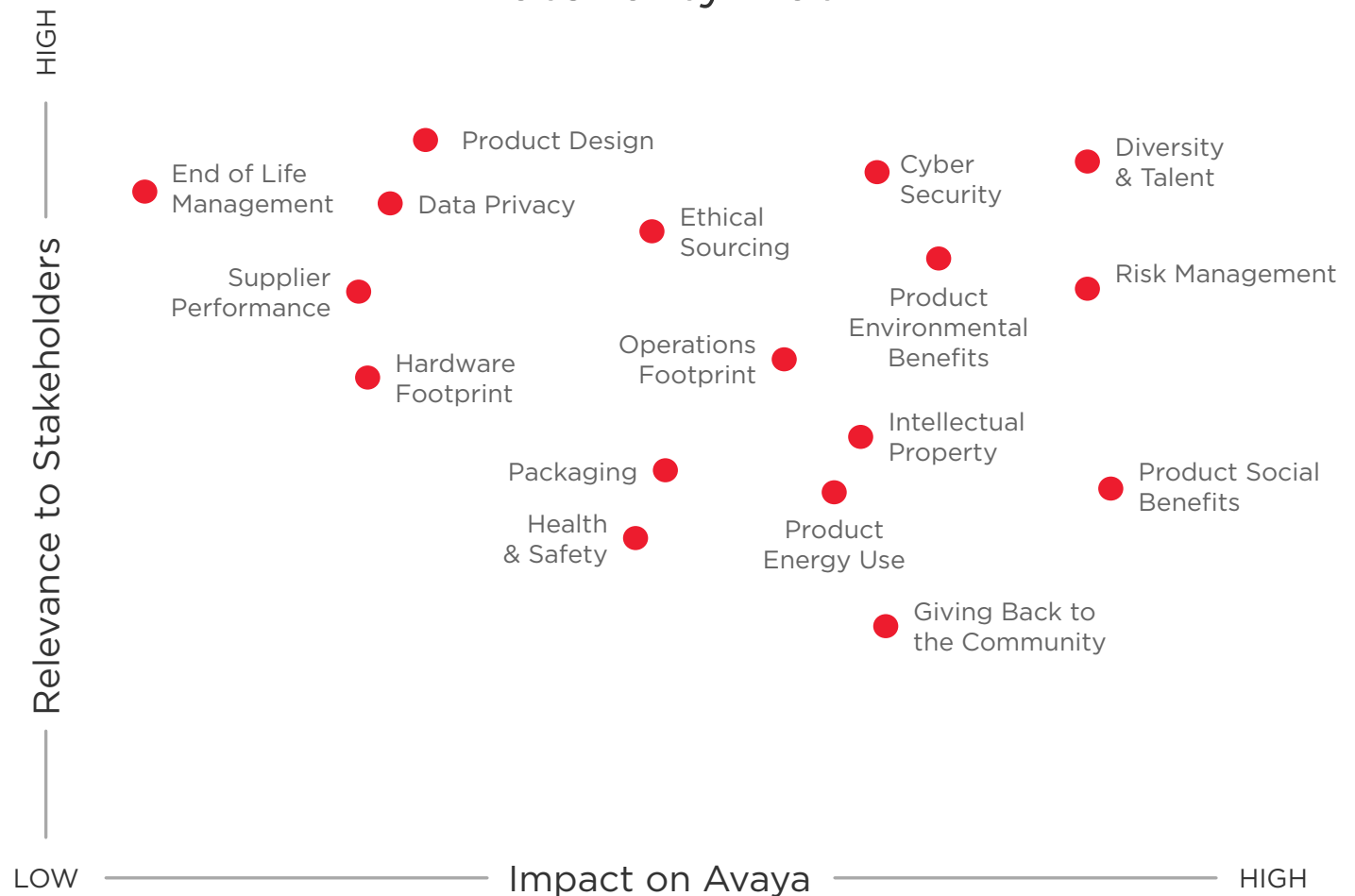
and internal discussion boards.

- The impact of risks and opportunities for Avaya.

All of 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 the materiality process, evaluating these topics and updating them as appropriate.

## Materiality Matrix



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# Workplace

We are committed to developing a safe and desirable place for our employees to work and grow.

# WORKPLACE

In a highly competitive global marketplace, successful companies are defined not only by what they make and sell, but also by who they are and the principles on which they stand. Our commitment to ethical behavior and doing business with integrity is at the heart of our corporate character. The following core principles serve as a daily guide to operating with integrity in our complex business environment:

## Customer Value

We deliver unparalleled value to our customers. Only by serving our customers well can we expect to continue as a successful business. We view our success as dependent on our customers' successes, both now and in the future.

## Accountability

We do what we say we will do. We keep our commitments to our stakeholders. We earn the confidence of our stakeholders by acting with integrity and behaving ethically.

## Diversity

Our value as a company is realized by recognizing the value of each individual. We embrace diversity as a competitive advantage essential to our success. We are a global company in every sense – geographically, strategically and culturally.

## Innovation

We embrace change, for ourselves and for our customers and partners. We foster creativity, innovation and risk-taking that will enhance value and improve our customers' businesses and our own. We use technology as a strategic tool.

## Velocity

We win by combining speed and direction. Our sense of urgency is manifested in timely, customer-focused execution. We understand that the best decisions balance thoughtfulness and speed.

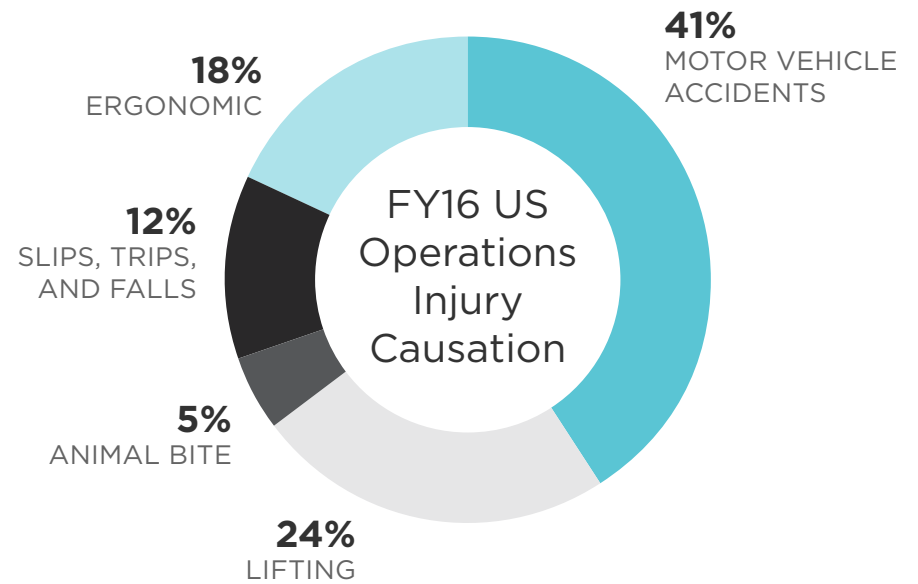
# HEALTH & SAFETY

Avaya aims to provide a safe work environment. Employees are trained on safety topics to increase awareness of the hazards one might encounter at the office and how to avoid the risk of injury.

In accordance with best practices, Avaya maintains an Environment, Health and Safety Management System (EHSMS) that covers the gamut of topics applicable to our operations. Many of the programs included in the EHSMS are geared toward our office-based employees, but some of our biggest risks involve our field technicians and sales staff who are on the road much of the time. Specialized safety trainings are provided to service workers, supervisors and personnel who handle special equipment.

## Injury, Illness, and Incident Reporting and Investigation

Avaya maintains a health and safety incident tracking and reporting process to meet the needs of our global workforce. Avaya is proud to have a better than



industry average safety record.

The most common injuries reported are those caused by motor vehicle accidents. The above pie chart illustrates injuries by type in the U.S., for a total of 17 cases in FY16.

Avaya U.S. and international locations with more than 100 personnel track monthly occupational injury, illness and incident data, including:

- The number of cases resulting in lost workdays.
- The number of lost workdays.
- The number of cases requiring medical attention beyond first aid.

- The average number of Avaya associates on payroll.
- The average number of contractor employees whose daily activities are directly supervised by Avaya.
- A copy of the Accident/Incident/Imminent Danger Investigation Report if not previously submitted.

### Trends in our U.S. H&S Performance

Data shows that from FY11 to FY16, our Total Case and Lost Workday Case Rates remain low compared to industry benchmarks. Total case rates decreased 50 percent from 0.46 to 0.23 injuries per 100 employees from FY11 to FY16, respectively. Lost workday case rates decreased 73 percent from 0.26 to 0.07 lost workdays per 100 employees from FY11 to FY16, respectively.

Avaya US Operations FY 2011-2016 View:  
Total and Lost Workday Case Rates





## The Avaya Environment, Health and Safety Management System (EHSMS) includes the following programs:

- Occupational Injury, Illness, and Incident Requirements
- Chemical Management and Hazard Communication
- Contractor Safety
- Dangerous Goods Transport
- Ergonomics
- Hearing Conservation
- EHS Facility Inspections
- Job Hazard Analysis
- Motor Vehicle and Lift Safety
- Product Safety
- Radiation Safety
- Ladder Safety



## CULTURE

Across the globe, we foster a positive company culture of employees who are ready to meet customer challenges head on.

At Avaya, our employees are encouraged to:

- Act boldly and take informed risks.
- Make fact-based decisions in the interest of the company.
- Respond with agility to competitive market conditions.

- Achieve cross-organizational effectiveness.
- Act empowered based on strong ownership and personal accountability.

Our culture is rooted in our core values and commitment to Operating with Integrity, our global code of conduct, which facilitates an ethical and inspiring workplace environment.



## The Award Goes to Avaya

Creating an exceptional company culture is a priority for us. It's been an honor to be recognized in this area from the likes of:

### Forbes

#### Forbes

Avaya Mexico was one of six companies recognized by Forbes Mexico and Victoria 147, a nonprofit organization, for promoting equal employment and professional development on behalf of human rights, non-violence and non-discrimination.



#### Reputation Institute

Avaya was ranked No. 25 on Reputation Institute's annual Top 25 Most Reputable Tech Companies list. The report was based on a survey of 27,000 educated consumers.



### EXPANSION

#### Expansion

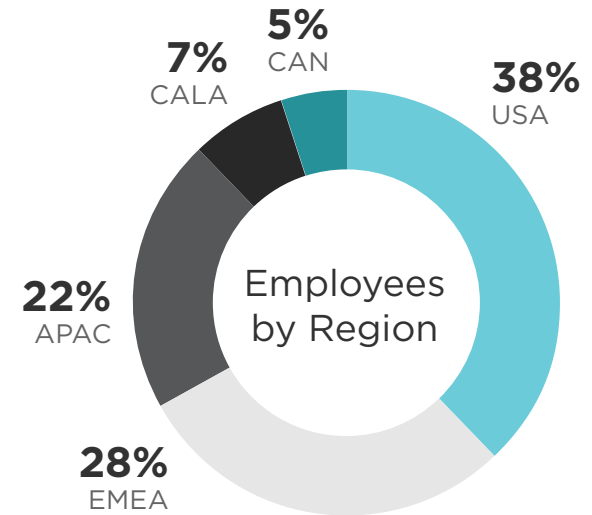
Avaya Mexico was ranked as a top company for talent development and positive company culture in Mexico's main business magazine, Expansion. Avaya Mexico was ranked No. 20 out of 880 companies, rising six spots from the previous year.

## Diversity Matters

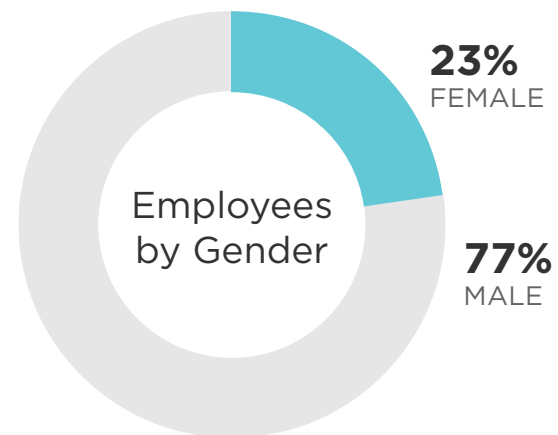
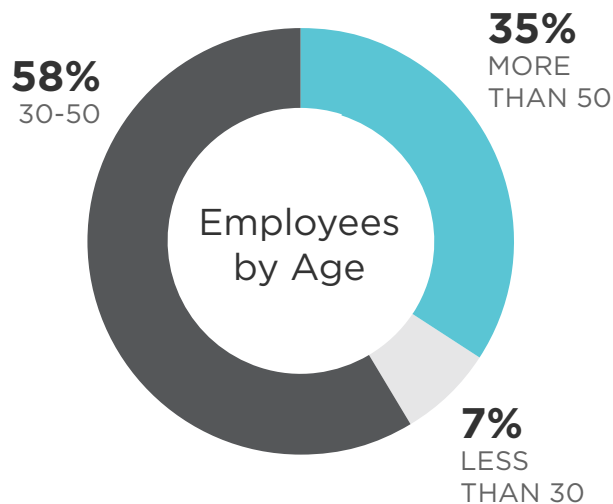
We recognize the importance of cultivating a diverse and engaged workplace that attracts and retains the best and brightest talent.

The Avaya global workforce inherently includes a wide range of diversity dimensions including nationalities, traditions, ethnicities and much more. As we interact with one another, we develop new ideas, methods and perspectives. It is well-proven that diverse, heterogeneous teams promote creativity and innovation and enhance product development.

As of Sept. 30, 2016, Avaya employs 10,424 people in five regions across the world, with roughly 5 percent of employees represented by collective bargaining agreements.



Multiple studies show that the technology industry is heavily skewed toward men with high attrition rates of female employees. On par with our industry peers, Avaya's female population is approximately 23 percent globally. We are continuing to work on a strategy and execution plan to advance women and diversity in our population and practices.





## Talent as a Differentiator

Avaya celebrates a lower than industry average voluntary attrition rate at 9.5 percent. This is in part due to the widespread adoption of Avaya engagement tools and innovative programs that keep employees productive and engaged.

Avaya employees are encouraged to utilize our technology, which empowers them to solve problems quickly, engage effectively with one another and exercise flexibility in where they work.

Avaya employees are also encouraged to advance their knowledge base and skillset through department-level trainings and by utilizing the Avaya Learning Center — a database that offers a series of online courses, including classes on solutions, sales and management.

## Employees Talk, Avaya Listens

Avaya is committed to helping every employee understand the corporate strategy and feel confident in their

connection to it. We give our employees opportunities to be heard via internal social media, employee surveys, newsletter comments and more. To increase transparency, trust and two-way communication between employees and leadership, Avaya hosts:

### Quarterly All-Employee Broadcasts

Every quarter, President and CEO Kevin Kennedy is joined by members of his senior leadership team for a live and recorded all-employee broadcast. These all-hands conversations take a deep dive into the company strategy, review progress against objectives, provide a platform for employee recognition and empower employees to ask questions directly to leadership.

### Leaders Unplugged

When our leaders are near an Avaya campus visiting partners or customers, they make an effort to host personal all-hands conversations with employees. These informal sessions, called Leaders Unplugged, are open Q&A forums that help create a culture of transparency across the globe.



### Breakfast Session with Senior Leaders

Our senior leaders host intimate quarterly breakfasts with headquarters-based employees. Leaders invite 10 to 12 employees to eat breakfast and discuss what's on their minds. There are no slides, no presentations and no hidden agendas. This sort of program is unique to a large enterprise, and we believe the opportunity for open, honest dialogue is mutually beneficial to our workforce and our business.

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# Environment

We are committed to creating a sustainable future by implementing environmental stewardship practices at our global locations and through the design and use of our products.

# ENVIRONMENTAL RESPONSIBILITY IN BUSINESS OPERATIONS

Avaya is committed to reducing carbon dioxide emissions and adopting sustainable building management practices.

As of Sept. 30, 2016, the Avaya real estate portfolio was comprised of 3.9 million square feet across 163 facilities in 58 countries. Facilities are made up of mixed-use space and contain offices, research and development laboratories, data centers and call centers, and are managed by third parties.

Nearly the entire Avaya real estate portfolio is leased space and, in many cases, we are one of several tenants in the building. This dynamic limits our operational control and ability to make decisions such as upgrading equipment, deploying environmental improvement projects and accessing monthly utility data.

The Avaya EHS and Corporate Responsibility Team regularly host meetings with the Avaya Real Estate team and the contracted global facility managers to review and discuss building management



challenges, environmental regulations and improvement opportunities. Topics discussed include best practices for minimizing and tracking waste, water and energy consumption.

Last year, Avaya EHS and Avaya Real Estate piloted a Green Lease Program. As a result of its success, a new lease template that includes Avaya's Green Lease Requirements and Sustainability Checklist was implemented and 23 new leases were signed under this program.

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## Carbon Footprint

Avaya has pledged to take active steps to reduce carbon dioxide emissions, a leading contributor to global climate change. Carbon dioxide is a byproduct of everyday business operations, such as business travel, electricity consumption and the use of fuel to heat, cool and power facilities.

Avaya reports its carbon footprint annually to the Carbon Disclosure Project (CDP), a voluntary program that discloses company risks and opportunities associated with climate change.

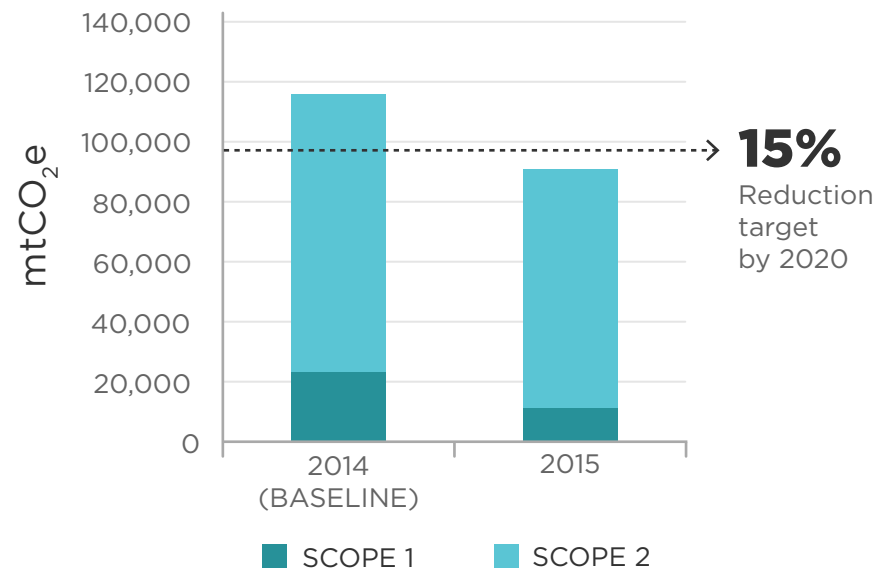
In its 2016 CDP report, Avaya announced that it reduced its Scope 1 and Scope 2 carbon emissions by 19% between 2014 and 2015; this exceeded its annual 3% absolute reduction target and its 15% cumulative target by 2020.

Direct (Scope 1) and indirect (Scope 2 and 3) emissions were considered and tracked against the goal in accordance with the following activities, which were then converted into metric tons of carbon dioxide equivalent emissions (CO<sub>2</sub>e) per the GHG protocol:

- Scope 1: Emissions from the use of natural gas and on-site diesel generators.
- Scope 2: Emissions from district heating and grid connected electricity provided by utilities.
- Scope 3: Emissions from business travel via airplane.

Energy consumption is tracked through the receipt of monthly utility bills and recorded using an online platform that converts energy into metric tons of carbon dioxide

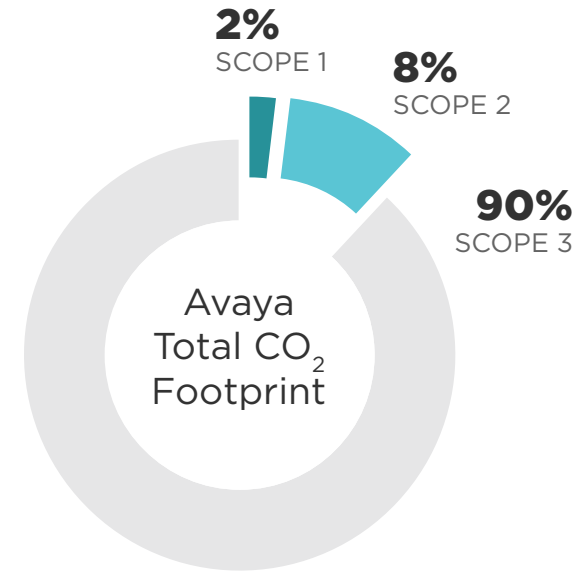
### Exceeded Carbon Disclosure Project Goal



equivalent emissions. Energy use estimates are applied to sites that do not receive utility bills.

Reductions in carbon dioxide emissions between 2014 and 2015 were a direct result of more efficient use of real estate assets through laboratory consolidations and reduction in square footage, improved efficiencies in operating locations, and reductions in the Avaya transportation fleet emissions.

Additionally, Scope 3 emission reductions were realized in part through a strict travel policy and the internal adoption of our own technologies, such as Avaya Scopia®, which reduced the need for air travel.



## Beyond Our Walls

In FY16, Avaya also conducted a broader analysis of its carbon footprint by expanding its boundary to include supply chain activities such as procurement, transportation, product use and end of life. Emissions were assessed in accordance with the [Greenhouse Gas \(GHG\) Protocol, Corporate Value Chain \(Scope 3\) Accounting and Reporting Standard](#) and calculated using input-output economic analysis when primary data was not available.

As a result, Avaya identified additional areas for developing a carbon reduction strategy, including supply chain procurement and CO<sub>2</sub> impacts from product use.



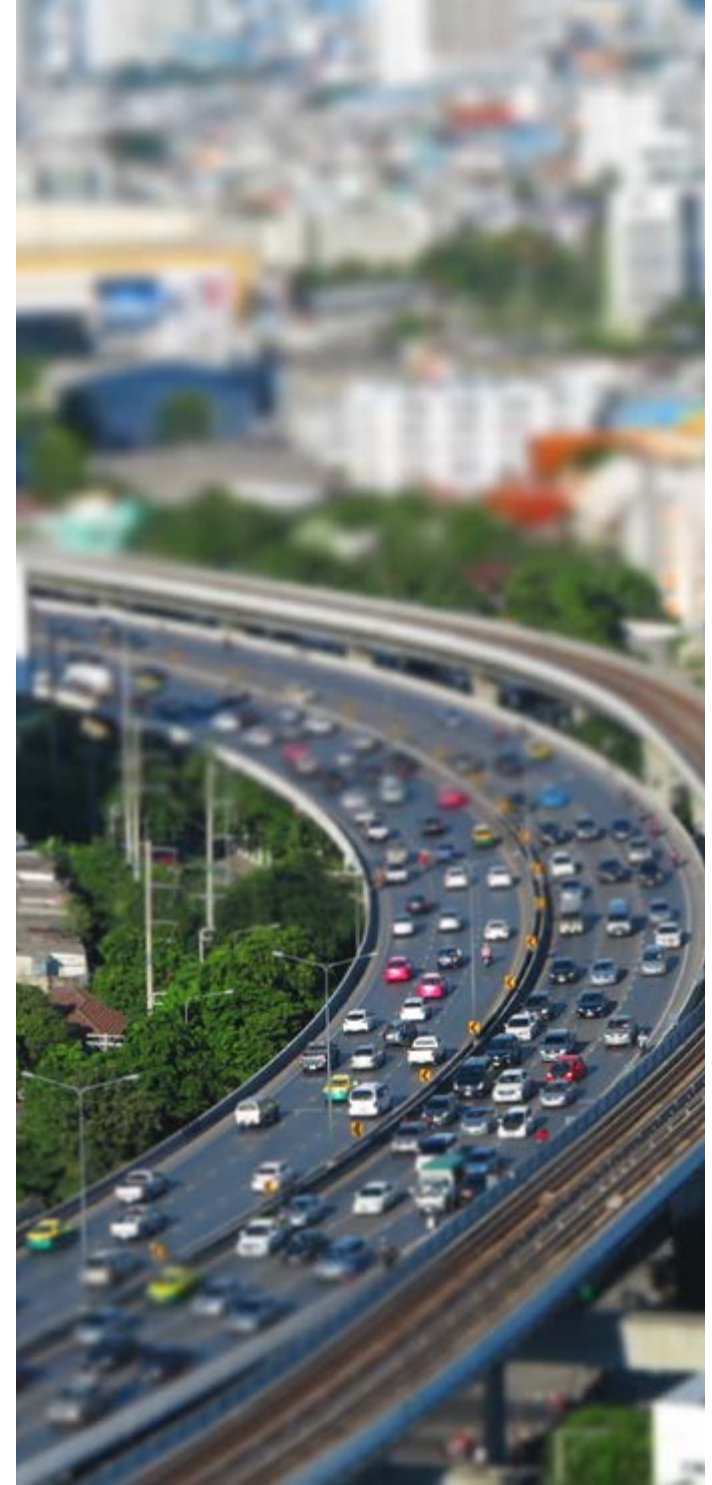
The biggest difference we can make to reduce carbon emissions is through our products, both through efficient product design and through customer adoption, which enables organizations to realize operational efficiencies and carbon reduction benefits.

More information about energy efficient product design is available on [page 26](#).

### Green Lease

The Avaya Green Lease Program seeks to minimize the environmental impacts of business operations by including sustainable building management practices in the lease contracts.

Sustainable management practices include access to utility data, replacing outdated equipment with more efficient alternatives and implementing waste diversion techniques. Currently, Avaya has 23 green lease agreements in place and has plans to increase this number in the coming year.



# PRODUCT ENVIRONMENTAL BENEFITS

Avaya and its customers harness the power of our products to reduce the impact that we have on the planet.

## Cloud Infrastructure

The future is here, and it lives in the cloud. Consolidating IT infrastructure and virtualizing applications improves hardware utilization rates and can lead to a dramatic reduction in the number of servers and IT infrastructure.

The environmental benefit [has been shown](#) to be as much as a 90 percent reduction in energy demand and a significant reduction in the footprint of data centers, according to The Global e-Sustainability Initiative (GeSI).

Coupled with the savings in money, time and services, cloud architecture represents an important way Avaya can help its customers implement more sustainable business practices.

Today, 95 percent of our applications are available as virtual machines. We have more than 1,200 cloud-based installations



of Avaya applications on customer-provided VMWare architecture, including Avaya Aura® core applications like Communications Manager and Session Manager, as well as a number of call center applications.

By moving to the cloud, we have customers that have shrunk from 30 data centers down to just two. Minimizing data centers dramatically decreases the energy demand required to deliver services.



## Networking and the Internet of Things

### [Use Case: Intelligent Lighting](#)

New opportunities enabled by Software Defined Networking architectures and the Internet of Things (IoT) boost the universal effort to save energy and improve efficiency across facilities.

For example, Avaya has collaborated with other companies on an intelligent lighting solution that eliminates the need for businesses to run expensive, separate high-voltage wiring and conduit for lighting.

Instead, leveraging Ethernet cabling, Power over Ethernet and LED, lighting becomes one of the many “things” on the network. Sensors in this solution detect occupancy/

vacancy and areas that need more or less lighting for a good user experience.

Benefits include lower costs and energy utilization, much easier installation — simply plug and play with Avaya Fabric Connect — and greater visibility and control through detailed analytics capabilities.

## ICT: Part of the Solution

As society becomes increasingly connected through mobile devices and widespread access to information, businesses, organizations and people are adapting. As such, social, environmental and economic benefits are being realized, including more efficient business operations that reduce waste and costs, and greater access to services such as education and healthcare.

According to a [recent study](#) conducted by GeSI, the Information, Technology and Communications (ITC) industry is and will continue to play a key role in reducing environmental impacts and ensuring a more sustainable and equitable future.

In fact, GeSI estimates that, by 2030, “ICT will connect 1.6 billion more people to healthcare and half a billion more to e-learning,” which “can enable a 20 percent reduction of global CO<sub>2</sub> emissions by 2030, holding emissions at 2015 levels.”

Even with the ICT sector growth increasing data, technology and hardware demands, it is estimated that ICT will enable greenhouse gas reductions 10 times their impact.

Additional benefits realized by the use of Avaya products are explored further in the Community section.

## Remote Collaboration and the Changing Workplace

By enabling a rich engagement experience, Avaya empowers businesses to host effective and collaborative team meetings remotely, reducing the need for business travel.

### Case Study: Ballantyne Strong

Omaha, Nebraska-based Ballantyne Strong provides state-of-the-art audio and visual equipment and professional lighting

services. After acquiring another company based in Alpharetta, Georgia, Ballantyne Strong faced time-consuming and expensive travel.

Senior management was split between Omaha and Alpharetta, 60 and 40 percent, respectively. Monthly travel expenses cost Ballantyne Strong approximately \$10,000, not counting time lost waiting in airports and in the air.

Voice-based conference calls weren't sufficient; senior management wanted to see each other's faces, gauge reactions and overall feel visually connected to peers. The technology also needed to be simple to use. Avaya Scopia addressed both needs.

After implementing Avaya Scopia, Ballantyne Strong cut travel costs by 80 percent and GHG emissions by 27.25 metric tons of CO<sub>2</sub>e per year.

Ballantyne Strong GHG Savings Estimate	Units	Results
Scopia solution impact per month	kgCO <sub>2</sub> e/month	72.3
GHG emission saving per month	kgCO <sub>2</sub> e/month	2,343
Net Benefit per month	kgCO <sub>2</sub> e/month	2,271
Ratio savings Scopia vs. travel	—	32
Net benefit per year	tCO <sub>2</sub> e/year	27.25

# PRODUCT DESIGN

We aim to continually reduce the environmental impacts of our products throughout their life cycle.

Avaya has developed Design for Environment (DfE) Guidelines, Requirements and Checklists to help designers maintain compliance with legal requirements and consider environmental concerns, from raw materials extraction to end-of-life handling.

The DfE process is included in our ISO 14001 Environmental Management System certification, which ensures DfE objectives have been properly incorporated into the design process.

The core DfE aspects in our product design program include:

- Energy Efficiency
- Materials & Packaging
- Recyclability & Upgradability

We design our products to use less bandwidth and to be open and interoperable so that they work seamlessly with products developed by other equipment manufacturers. Accordingly, our products offer some of the lowest total cost of ownership on the market.



## Energy Efficiency

Designing products and systems that minimize energy consumption is one of our core responsibilities to both our customers and the environment.

Energy use from office and communications equipment represents one of the fastest-growing sources of electricity consumption in the commercial sector.

Our products use energy in a number of ways, including: power supplies, data processing and transmission, display units and cooling fans. Our DfE approach considers how to improve energy efficiency in the product design from the product or

system level to the circuit and integrated circuit levels. Considerations include:

- Designing for energy efficiency in the network as a whole (e.g. reducing power consumption during periods of low data activity and putting devices into "sleep" mode when no data is being sent).
- Designing modular products so that power can be added as the system grows.
- Minimizing power demand of displays by using efficient LCDs and LEDs.
- Reducing or avoiding the use of cooling fans by designing the product to use passive air flows for cooling heat-generating components.
- Selecting energy efficient third party components and devices (e.g. disk drives, printers, PCs, monitors) that are incorporated into or bundled with Avaya products.
- Designing circuits and integrated circuits to minimize electrical demand.
- Using energy efficient power supplies.

## Materials

As a global exporter and importer, Avaya is subject to many product and supply chain-related regulations linked to materials used in products. Meeting these regulatory



requirements is a core function of our DfE approach, which also requires designers to consider ways to:

- Minimize consumption of virgin materials.
- Minimize wastes associated with product manufacture and assembly.
- Design plastic parts to be easily disassembled, reassembled and cleaned.
- Design hazardous and regulated materials out of parts for safe recycling and disposition.

Avaya is also pursuing Full Material Disclosure (FMD) with its supply chain to reduce the effort of assessing the presence of restricted and reportable substances as

regulatory changes occur. Our commitment to FDM builds on the EU Restriction of Certain Hazardous Substances (RoHS) and Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) compliance protocol, which includes collecting data for components and finished goods used in Avaya designed products as well as for Avaya-branded products manufactured and sold by partners. The protocol addresses current RoHS and REACH requirements and anticipates expected changes. Specially-trained engineers execute the RoHS and REACH program protocol, review the collected data and manage physical testing to ensure RoHS and REACH compliance.



## Recyclability & Upgradability

Electronic waste (e-waste) is the fastest-growing waste stream globally, estimated to make up 5 percent of municipal solid waste worldwide. In Europe, e-waste is increasing almost three times faster than the total waste stream, and in developing countries, e-waste production is expected to triple over the next five years.

A core aspect of our DfE objective is to reduce the amount of e-waste that results from our products. Our DfE guidelines help designers develop products that enable reuse and recyclability.

Avaya addresses the responsible management of our products at the end-of-life (EOL) phase through utilization of environmentally responsible collection and recycling processes. These processes reduce environmental impacts and meet the requirements of regulations, such as the European Union Waste Electrical and Electronic Equipment (WEEE) Directive, for the regions where we do business.

Avaya employs a number of EOL management strategies such as collective e-waste take back programs in the EU and our Authentic Avaya [Trade In Trade Up](#) and [Buy Back](#) Programs in North America. Our Trade In Trade Up and Buy Back programs

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enable customers to receive a cash rebate allowance to apply to the purchase of replacement equipment. We even allow some competitor equipment to be eligible for this trade-in credit.

Avaya has a global contract with SIMS Recycling Solutions to serve as its single service provider to support EOL management of its e-waste equipment in accordance with WEEE, batteries and packaging take-back laws in the EU, India, Peru and Puerto Rico. Additionally, SIMS supports environmentally sustainable EOL management of our own e-waste equipment globally.

Direct customers with equipment that needs to be recycled or deconstructed (junked/scrapped) should contact their Avaya account manager.

## Packaging

The core principles to our packaging guidelines are the following:

- Reduce the total amount of packaging materials used.
- Reduce or remove toxicity by choosing the materials that have the lowest impact on the environment.
- Reuse as much of the packaging as possible.
- Recycle as much of the packaging as possible.
- Use materials that contain recycled content.

Packaging designs consider overall weight and volume reduction to reduce warehouse space and the energy consumed for transportation. Besides reducing the amount of solid waste produced, material reduction helps to conserve natural resources and often results in lower costs.

In product packaging design, we strive to include parts that are easily removed or separated and avoid the use of mixed packaging materials, which must be separated prior to recycling. Avaya also aims to include the material identification symbols "recyclable" on product packaging and "recycled" where the packaging and materials include post-consumer waste.



## Design for Reuse and Recyclability

Avaya products have long life cycles, and the most common activity is to reuse the various system components as replacements or for resale to other customers. Our major DfE objectives associated with designing parts are:

1. Design for refurbishing and reuse (design parts to be easily disassembled, reassembled and cleaned).
2. Design for recycling and disposition:
  - Design parts to be shreddable and to yield uncontaminated regrind (Avoid "Recycling Inhibitors").
  - Mark parts for recycling with ISO resin identification code.
  - Design hazardous and regulated materials out of parts.

Recycled materials are used in Avaya products where practical. As a result, most components of Avaya products are recyclable. Electronic circuitry can generally be recycled for the precious metal content, and some discrete components may be utilized in the re-manufacturing process.

## Multipack Option for Desk Phones

In FY16, Avaya continued its commitment to environmental stewardship through efficient product and packaging designs of high volume desk phones. As a recap, the improvements are:

- Developed the ability to ship more than one phone per box (multipack), thereby reducing packaging materials and increasing shipping efficiency.
- Changed the shape of the Telset stand from a U- to a T-shape, reducing the amount of unused packaging space.
- Modified the fulfillment process to eliminate more than 1.5 million plastic bags annually.
- Selected recyclable packaging materials.

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# Marketplace

We are committed to engaging in fair and ethical business practices with our customers, partners, and supply chain.

# ETHICAL SOURCING & SUPPLIER CORPORATE RESPONSIBILITY PERFORMANCE

Avaya outsources the manufacturing of its products to suppliers around the world. Our product supply chain includes countries such as China, Israel, Mexico, Malaysia, Taiwan, Germany and Ireland. We hold ourselves to high standards of labor practices, health and safety, environmental and business ethics, and we expect our suppliers to do the same and implement management systems to continuously improve over time.

Direct suppliers are involved in the manufacturing and design of Avaya products. We have a direct contractual relationship with our Tier 1 suppliers.

Our Tier 1 product supply chain is made up of:

- Electronic Manufacturing Services (EMS) – Suppliers that manufacture Avaya products according to product specifications and Design for Environment standards.

- Original Equipment Manufacturers (OEMs) – Suppliers that provide preconfigured hardware and software components, which Avaya may reconfigure and rebrand.
- Original Design Manufacturers (ODM) – Suppliers that provide preconfigured designs, which Avaya purchases and may reconfigure and rebrand.

Additionally, the product supply chain includes thousands of other suppliers that provide goods and services to Avaya Tier 1 suppliers.

It is important to note that supplier relationships extend beyond the product supply chain to include thousands of indirect suppliers. Indirect suppliers are suppliers that provide goods and services to run our business operations.

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## Compliance

As a global exporter and importer, Avaya is subject to many supply chain-related regulations linked to environmental and social issues.

These include:

- Restrictions on the use of hazardous materials in products.
- Responsible management of products at end of life.
- Sustainable use of packaging and management of waste.
- Avoiding the sourcing of materials from countries and perpetrators of human rights abuses.
- Reporting of labor rights abuses, such as human trafficking.

To manage supply chain risk and help ensure compliance, in FY15, Avaya joined the [Electronic Industry Citizenship Coalition](#) (EICC), an industry coalition dedicated to supply chain responsibility. EICC members agree to adopt the EICC Code in full and require direct Tier 1 suppliers to do the same.

Code requirements include provisions for:

- Protecting the environment.
- Upholding human rights and labor standards.
- Maintaining a healthy and safe work

environment.

- Ensuring continuous improvement through management systems.

EICC members also gain visibility and access to supplier audits to measure supplier performance against code requirements. This benefit increases transparency and accountability throughout the electronics industry.

As a new affiliate to the EICC, Avaya is currently in the process of collecting supplier audit information, and we will assess findings for non-compliance. We estimate the majority of our direct Tier I suppliers (as measured by spend) have already participated in the EICC audit process.

## Conflict Minerals

Avaya has developed a program to address the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (Conflict Minerals), which aims to eliminate the social and environmental harm brought about by the use of conflict minerals (specifically tantalum, tin, tungsten and gold) and any funding that supports armed groups in the

Democratic Republic of the Congo (DRC) region.

To meet the requirements of the regulation, Avaya has introduced a [policy](#) that requires suppliers to:

- Source minerals from non-conflict regions or, if sourced from conflict regions, to demonstrate compliance through Reasonable Country of Origin Inquiry (ROCI).
- Disclose to Avaya the requested information necessary for Avaya to accurately report to the SEC.
- Pass the requirements down to lower levels in their supply chain using reasonable efforts to determine the source of the specified minerals, if they do not source directly from smelters.

Avaya uses an industry standard survey template developed by EICC and GeSI (Global e-Sustainability Initiative) to determine the sourcing and chain of custody of these minerals through our supply chain. We publish an annual [Conflict Minerals Report](#) on our website.

# SECURITY

Customers place a great amount of trust in Avaya. Threats to data, intellectual property, and financial and personal information are growing concerns in the Information Technology industry.

To address these concerns, Avaya has security expertise spread throughout the company:

- Global Information Security Council: Reviews security concerns and shares best practices with subject matter experts across the company.
- Global Services & Support (GSS) Security Assurance Team: Provides policy, direction and assessments to minimize risks associated with the services provided to customers.
- Product Support Security Team: Works to identify and address vulnerabilities that might be found within Avaya products.
- IT Security: Ensures standards and controls are implemented to mitigate risk to internal networks and systems.
- Corporate Security and Business Continuity: Verifies that key security



policies are in place, investigates reports of inappropriate activity and works with the various internal teams to create and manage contingency plans that ensure operations continue if an incident occurs.

Our security program is based on best practices in security policies and standards and is now monitored through the adoption of a Security Information Management (SIM) solution. The SIM correlates log information from assets across the Avaya environment to enable more effective and efficient incident response, suspicious activity detection, and trend analysis.

The policies provide high-level guidance for

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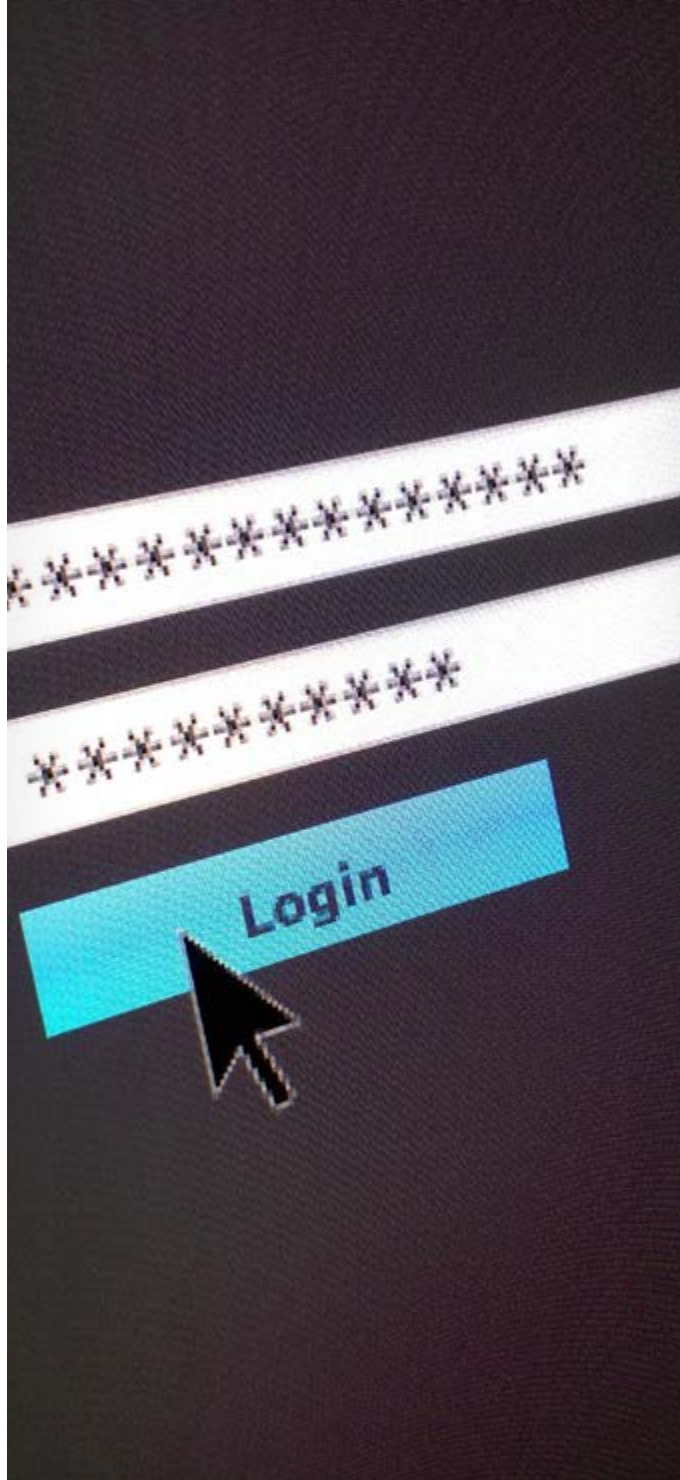
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necessary controls in a variety of areas including:

- Data Classification and Handling
- Acceptable Use
- Access to Avaya Systems, Networks and Applications

Avaya Security Standards provide more specific details as a complement to the Avaya Security Policy, and address multiple areas, including Remote Access, Passwords and Network Infrastructure. Standards include:

- Avaya Remote Access
- Network Infrastructure Security
- Password Security
- System Access Control

Avaya is committed to continuous improvement with regard to its security programs. Current areas of focus include developing more robust program documentation and assessing effective security strategies with our customers and internal teams.



# DATA PRIVACY

Data privacy and protection is important for businesses and individuals that rely on information technology in their day-to-day work and lives.

Avaya has two primary areas of focus on data privacy and data protection:

- Our products and services.
- Our policies and procedures for protecting customer, staff and supplier data and ensuring compliance.

As a leading global provider of business communications, applications, systems and services, we hold ourselves to high standards in data privacy and protection. Our approach is outlined below.

## Products and Services

The Internet and a wider array of Internet Protocol (IP) devices allow data to be shared quickly and broadly on a global basis. This presents a challenge for industry organizations and regulators in keeping up with the pace of change and in implementing best practice standards and frameworks that can be agreed upon across national borders.

Avaya monitors and periodically provides input to global regulatory development, and we support the requirements of customers and other industry stakeholders. Our policy is to meet our customer requirements, regardless of the industry or where they are doing business.

Our customers, especially those in the banking and health care sectors, have rigorous standards. Accordingly, we have adopted the highest standards set by the European Union via its Privacy Directive, which we adhere to globally, and an enterprise-wide legal framework of EU Model Clause Contracts.

Our global privacy organization is led out of the European Union and is supported by Data Privacy Stewards from the global business units.

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## Policies and Procedures for Protecting Customer, Staff and Supplier Data

Our customers, staff and suppliers rely on Avaya to protect confidential and private information shared in their business dealings and with the company. Avaya is committed to meeting the privacy expectations of all parties with which we do business in accordance with our agreements and applicable laws. As a minimum standard, we aim to comply with applicable privacy and information security laws and requirements related to the collection, storage, processing and transmission and sharing of personal information.

Mandatory data privacy and protection

training is required of all employees, both during their on-boarding process and periodically during their employment. Our [Privacy Statement](#) and [Privacy Policy](#) are published online.

We are also embarking on the process of implementing EU standards called “Binding Corporate Rules” (BCRs), which provide standards for how multinational corporations like Avaya transfer data across borders in compliance with EU Data Protection Laws.

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# Community

We are committed to positively impacting society as a whole and supporting the communities where we live and do business.

# POSITIVE IMPACT THROUGH AVAYA SOLUTIONS



Avaya products change the way businesses and organizations operate, making them more productive, engaged and able to take their missions to scale. Avaya solutions are implemented across geographies and sectors and are uniquely positioned to aid in emergency response and disaster recovery, increase and simplify access to healthcare services and education, increase problem solving and collaboration, and realize operational efficiencies through interoperable design and Fabric-based networking. Our solutions fall into four primary categories: Team Engagement, Customer Engagement, Networking and Cloud.

## Customer Engagement

Customer engagement represents a positive, value-creating relationship between customers and an organization throughout the customer journey. In today's digital era, customers demand and expect a consistent and seamless experience across multiple touch points, both physical and digital. Avaya offers contact center solutions that enable you to build a customized portfolio of applications—to drive stronger customer engagement and promote higher customer lifetime value.

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## Team Engagement

Boundless team engagement happens when communications solutions integrate into work culture. Streamlined, cost-effective processes transform the way teams engage with customers, partners, and each other. Barriers disappear, relationships blossom, productivity rises, and business accelerates.

## Networking

Technology is driving waves of digital transformation, including the Internet of

Things, which delivers effective omnipresence solutions for devices. From heart machines to heating systems to helicopters, it's all online, integrated, available—and possibly vulnerable. We're providing innovative network cybersecurity with remarkable efficiency and performance.

## Cloud

Avaya cloud-based solutions let businesses pay as they grow, provide the latest endpoints and applications, and support business processes that drive success. For any size business, we deliver Cloud Your Way on a fully open architecture that supports flexibility, reliability, security and scaling. We help transfer the burden of technical and architectural maintenance to cloud partners, so you can concentrate on solving business problems.

## Telemedicine

Avaya video technologies enable medical centers to communicate more effectively and improve the quality of patient examinations and treatment. Telemedicine increases the number of professional consultations and can provide remote assistance and consultations during complex procedures and surgeries.

## Disaster Recovery

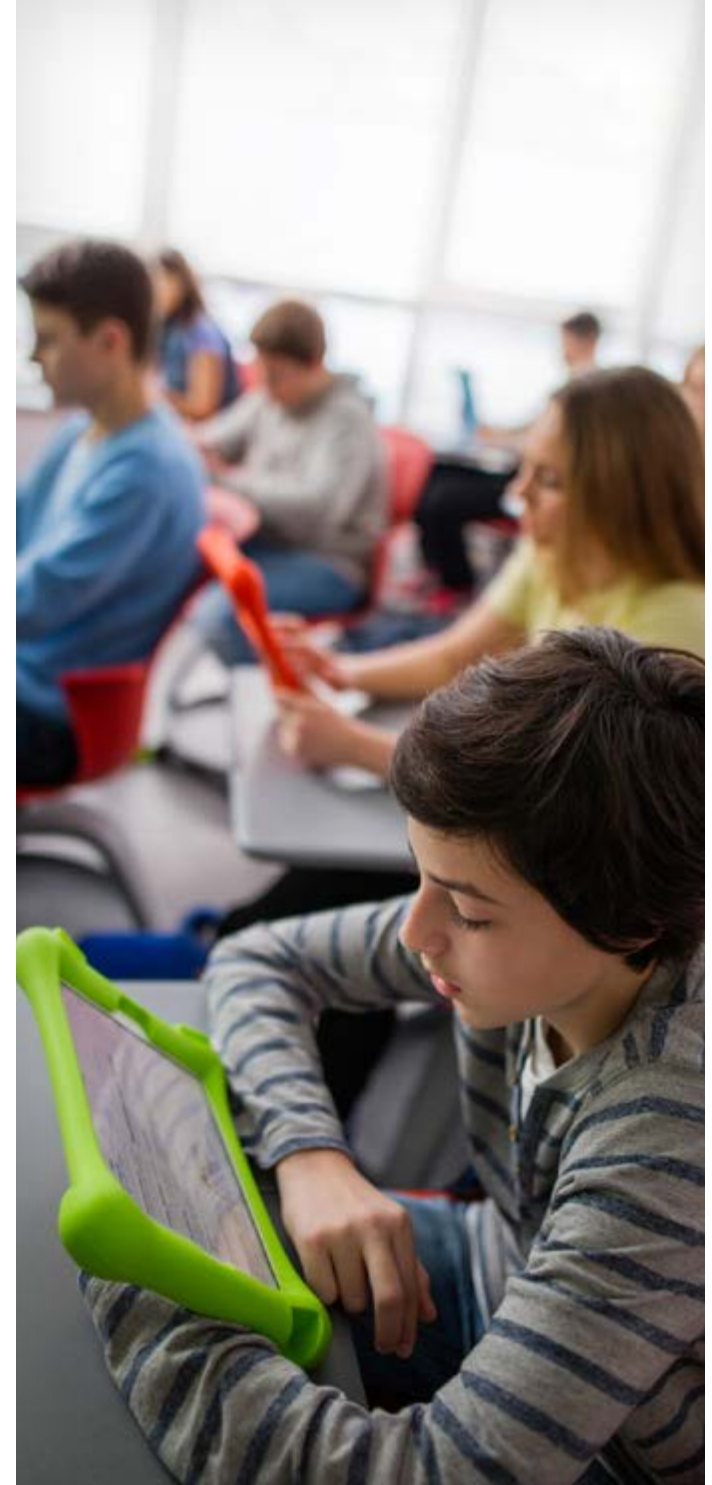
Our strategy of designing open, interoperable and simple-to-configure solutions supports efficient and rapid deployment during disaster recovery efforts. Our Unified Communication platform, for example, enables employee mobility and teleworking that can be configured in half an hour, rather than weeks, to allow critical workers to remain productive during natural disasters.

## Education

Education underpins social and economic growth, providing people with critical skills and tools to succeed. It helps raise incomes, improve health and reduce poverty. Avaya is helping to extend and improve the quality of education opportunities to more people by creating the next-generation campus with solutions that expand online and mobile learning opportunities.

## Mercedes-Benz Superdome

The Mercedes-Benz Superdome relies on the consistent, quality performance of Avaya Networking for the reliability that keeps major events running smoothly, and teams, fans and employees connected and safe. The Avaya network replaced aging technology



that had been installed after Hurricane Katrina and was causing regular outages that hindered productivity. Since installing the Avaya solution, there has been a significant reduction in the amount of time IT needs to devote to the management and maintenance of the network. In addition, the new network improved the stadium security system; there has been a 90 percent decrease in reported incidents at the complex since its installation. This has created a safer environment for employees and attendees!

### Hôpitaux Universitaires de Genève

At Hôpitaux Universitaires de Genève (HUG), Avaya Scopia® connects new parents with their newborns in the neonatal intensive care unit (NICU). HUG's neonatology team decided to create a NICU video conference of each baby, and make them available to parents 24/7, relieving some of their stress, supporting post-partum recovery of the mother, and encouraging the bonding process between the mother and her premature or ill newborn. In addition to having a tool that helps calm parent fears regarding the progress of their infant, HUG has seen numerous benefits from deploying Avaya Scopia®. Staff training costs are significantly reduced, as physicians can now view surgical interventions remotely instead of investing time and money in travel between campuses.



### Downtown Grand Hotel and Casino

One of the hottest new properties in the revitalized Las Vegas downtown is the Downtown Grand Hotel and Casino. The property boasts 650 luxury rooms and suites, 10 bars and restaurants, live entertainment and the only rooftop pool in Downtown Las Vegas. Today, the Downtown Grand runs its IP surveillance, point of sale system, property WLAN, IP guest entertainment and casino gaming on one consolidated Avaya network, and the network seamlessly supports 1,700 guests along with 1,000 IP surveillance cameras.

# CHARITABLE ACTIVITIES IN INDIA

Avaya focuses our India CSR efforts in the areas of improving education, especially STEM education, and implementing innovative uses of Avaya technology to help disadvantaged populations (in compliance with the India Companies Act of 2013). Avaya's seven projects for 2016/17 are described below.

[Door Step School](#) provides education for children from slum and migrant labor camps. Door Step works to improve learning levels and attendance in school, and provides school transportation and parent counseling. The Avaya donation supports a Community Learning Center in Vaiduwasti and a School on Wheels for the Hadapsar area.

[Agastya Foundation's](#) mission is "to spark curiosity, nurture creativity and instill confidence" in economically disadvantaged children and government schoolteachers. Agastya does this by bringing innovative hands-on science education and peer-to-peer learning through Science Centres and Mobile Labs. The Avaya donation supports two mobile science labs and one Science Centre.

[Pratham](#) focuses on high-quality, low-cost, and replicable interventions to address gaps in the public education system. The Avaya donation provides supplemental education to over 10,000 underserved

children in over 100 schools and provides two mobile science labs.

[Bal Raksha Bharat](#) (Save the Children) is an international non-governmental organization that promotes children's rights, provides relief and helps support children around the world. Avaya's donation will support two projects. The first project established an ICT center within the District Institute for Education and Training (DIET), developed a group of master trainers and set up ICT friendly smart classes and Audio Visual (AV) room in 10 schools. The second project will install the infrastructure for an Information Communication and Technology (ICT) enabled health program to improve newborn and maternal health in Pune.

[Smile Foundation](#) works in the areas of education, healthcare, youth employability and empowerment of women. The donation given by Avaya will go towards supporting women's empowerment.

Avaya participated in a 10 K run organized by [Bharti Foundation](#); the philanthropic arm of Bharti Enterprises was established in 2000 with a Vision "To help underprivileged children and young people of the country realize their potential".

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# EMPLOYEE GIVING

Our #AvayaSTRENGTH is known in the communities where we live and do business, thanks to our employees.

Our employees around the globe have a passion for making a difference. Year round, they organize and participate in charitable activities that give back to their local communities. Many of these activities are organized by Avaya Employee Engagement Committees (EECs), employee-led and managed groups that host and encourage campus participation in community-building events. In FY16, Avaya had 41 EECs in 22 countries worldwide.

## Avaya Month of Giving

In FY16, in addition to regular, location-specific EEC events, Avaya hosted its second annual Month of Giving, a spirited campaign designed to bring together Avaya employees, suppliers and partners to make a difference in communities across the globe.

The Month of Giving contains four campaign elements:

1. A global silent auction.



2. Eight hours of paid volunteer time off available per employee.
3. Fundraising outreach to Avaya suppliers and partners.
4. A community engagement challenge - a friendly competition between employee-organized charitable activities for a chance to win donation money for their selected nonprofit partners.

This year, we held our Month of Giving in October. Collectively, the campaign raised approximately \$200,000 for global charities.

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The Month of Giving engaged 32 employee teams across 18 Avaya locations and resulted in thousands of employees dedicating volunteer hours to charitable causes.

Watch this short [video](#) for an around-the-world view of the Avaya Month of Giving activities.

The pages that follow provide a snapshot of some of the Month of Giving activities that took place in our communities around the globe.

### **Walk Around the World**

In support of our Month of Giving Program, the Global Marketing and Law teams hosted a Walk Around the World -- a month-long activity in which both teams and several customers and partners walked 25,000

miles (the distance it takes to circle the globe) to raise money for Save the Children's "Classroom Through Communities." To up the engagement factor, the team partnered with Lightning Jar to design a mile tracking app, which had a built-in pedometer so every step or mile taken was recorded. The app featured a leaderboard so individuals and teams could engage in spirited competitions, increasing miles walked and dollars raised. The project raised a total of \$60k which with the Avaya Community Engagement award will build a school in Mozambique, Africa! Three cheers to our customer Plantronics and to our partners who walked with us every step of the way: PwC, Campaign Stars, Engagio, Lightning Jar, Revana and Telefonix.

## Ottawa Food Bank, Ottawa Canada

Ottawa team hosted a Thanksgiving drive that collected food items and donations for the Ottawa Food Bank. In total, they collected more than 700 pounds of food and raised an additional \$100. All of this was done with the participation of 100 employees.

## Community Food Bank of New Jersey, Law team, Morristown, NJ

This team set out to surpass the amount of food they collected last year and with fewer people participating.

They succeeded, collecting 415 pounds with just 14 employees. Their efforts filled 915 bags to help feed 457 families.

## Regional Food Bank, Oklahoma

One in 6 Oklahomans turn to the food bank for help which is more than 656,000 people. That is why this charity was chosen by the Oklahoma team. They decided to raise money through three events: a food drive, a football square challenge, and a tour of the regional food bank warehouse. Through these activities, they collected 481 pounds of food - enough for 731 meals - and raised an additional \$250. All of this was done with the help from 90 Avayans.





## Coppell's Team Project, Coppell Texas

Coppell held two separate events in October for two separate charities with 53 employees donating their time to both the Leukemia and Lymphoma Society and Metrocrest Services. 1,021 food items and \$1,114 were raised for Metrocrest, a community service organization. Additionally, \$1,445 was raised for the Leukemia and Lymphoma society.

## Habitat for Humanity, Thornton, Colorado

Habitat for Humanity is an organization that gives hope to families by building them a safe, healthy, and affordable place for them to call home. Collectively, the homes they build and repair turn into communities that give hope and the opportunity for families to

help themselves. 40 volunteers from the Thornton, CO location donated their time and efforts to help build 7 homes in two different cities. In total, they devoted 320 hours towards this cause.

## CASA- Court Appointed Special Advocates, Highlands Ranch & Thornton, Colorado

CASA, which stands for Court Appointed Special Advocates, is an organization that supports and promotes court-appointed volunteer advocacy so every abused or neglected child in the United States can be safe, have a permanent home and the opportunity to thrive. Each city has its own CASA branch and both Highlands Ranch and Thornton, CO locations decided to support their local branch. Combined, 150 Avayans



donated almost 200 hours, raised more than \$1,600, and collected 300 books for the CASA learning center.

### **The Brain Tumour Charity, UK**

The UK team takes our Month of Giving and amplifies it over the full year. As part of the Month of Giving, only the events they held within October were weighed in this award. During October, the team raised \$862 and devoted 135 hours from 45 employees during their Back to School Sports Day event. When asked about the project, the project lead, Andrew Clewes, said the following: “The great thing about the Avaya Month of Giving is that the company promotes and supports employees having paid time off to raise money for their

nominated not-for-profit charity. Whilst the obvious outcome is that as a team we raised a good sum of money to go towards our nominated not-for-profit charity, one of the unexpected benefits is that these events really do improve team building, networking and morale!”

### **Save the Children, Pune India**

Through their flea market campaigns in two different towers and their online donations, the Pune team of 100 employees raised \$1,436 for Save the Children. Save the Children will support 11,000 families displaced by floods in India with the funds provided by Avaya Pune. Additionally employees contributed to provide Diwali gifts.





## Vivenda da Crianca, Brazil

Vivenda Da Criança is an NGO located in one of the poorest areas in Sao Paulo, Brazil and they chose 17 children from VIVENDA - between 8 and 11 years old - who had never been to the beach. Each Avaya employee who volunteered was responsible to take care of one child for the entire day. The journey started at "Guaruja Aquarium" and after lunch, they went to a surf class on the beach where they learned about the ocean, rainforests and how pollution impacts the environment. They even conducted a beach trash pick up.

## Robert F. Kennedy Children's Corp, Global SPSI Team

For the SPSI (System Provider/System Integrator) team's project with the Robert F. Kennedy Children's Corporation, they held a "gym/community service" team challenge for the month of October. Weekly postings of minutes earned helped drive the competitive spirit between the teams. Every team member contributed a "participation fee" and, at the end of the competition, every member from each team contributed to the charity an amount based on the overall team's performance in the month-long challenge.

In total, they raised \$4,100 through 53 active employee participants for 371 hours during the month of October.



### **Cerebral Palsy of New Jersey, Human Resources, Morristown, NJ**

With the Month of Giving being in October, the Human Resources team ran with the Halloween theme to help Cerebral Palsy of New Jersey.

Avaya employees in Morristown, New Jersey got together to spend time with kids within the charity in their Halloween costumes. They collected snacks, candy and giveaways for more than 60 kids and participated in all sorts of arts and crafts activities. When asked about the project, the project lead, Mary Geary, stated that she did not know who had more fun—the employees or the kids.



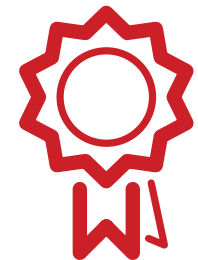
### **Akashaya Patra, Hyderabad, India**

Akashaya Patra is an organization that focuses on school luncheons to further children’s education. More than 205 participants, including 13 Avaya employees, came together for this organization to help during one of the charities sessions at a local school. Additionally, Avaya employees devoted 91 hours and raised \$1,112, which is enough to sponsor mid-day for 78 kids throughout the year.



# HONORABLE MENTIONS

Projects worthy of noting



## Ryan's Quest

Team: Global IT-Communications Group

## Save Our Shores

Team: Santa Clara, CA, USA and Dalian, China

## Fondo para la proteccion de la niñez I.A.P.

Team: Mexico

## Pratham Mysore

Team: Bangalore, India

## F.O.P. Friends

Team: Spartan Warriors in United Kingdom

## The David Sheldrick Wildlife Trust

Team: Nairobi, Kenya



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# Appendix

Appendix A: GRI G4 Content Index

Appendix B: KPI Summary Table

# APPENDIX A: GRI G4 CONTENT INDEX

	General Standard Disclosures	Link or Page Number Reference
<b>Strategy and Analysis</b>		
G4-1	CEO letter	Message from the CEO
<b>Organizational Profile</b>		
G4-3	Organization name	Avaya Inc.
G4-4	Primary brands, products, services	About Avaya, <a href="#">Avaya 2015 10K pdf pages 316, 10-17</a>
G4-5	Location of headquarters	Santa Clara, California
G4-6	Countries of operations	Our Customers & Partners
G4-7	Ownership and legal form	<a href="#">Avaya 2015 10K pdf page 92</a>
G4-8	Markets served	Our Customers & Partners
G4-9	Scale of the organization	About Avaya
G4-10	Total number of employees	10,424
G4-11	Percentage of employees covered by collective bargaining agreements	5%
G4-12	Supply chain description	Ethical Sourcing and Supplier Corporate Responsibility Performance
G4-13	Significant organizational or supply chain changes	Impact of reduced operational square feet addressed in Carbon Footprint section of this report
G4-14	Precautionary approach and principle	Upheld in the Avaya risk management process and addressed in the <a href="#">Avaya 2015 10K pages 23-39</a>
G4-15	Economic, environmental and social charters, principles, and initiatives	Corporate Responsibility, Avaya has adopted the EICC Code of Conduct
G4-16	Membership associations	Avaya is a member of the Silicon Valley Leadership Group and EICC
<b>Identified Material Aspects and Boundaries</b>		
G4-17	Operational structure	<a href="#">Avaya 2015 10K pdf page 92</a>
G4-18	Report content and aspect boundaries	Materiality & Stakeholder Engagement
G4-19	Material aspects	Materiality & Stakeholder Engagement
G4-20	Internal aspect boundary	Materiality & Stakeholder Engagement
G4-21	External aspect boundary	Materiality & Stakeholder Engagement
G4-22	Effects of any restatements	No significant effects
G4-23	Significant changes from previous reports	Expanded carbon footprint analysis to include comprehensive Scope 3 impacts

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G4-24	List of stakeholder groups engaged	Materiality & Stakeholder Engagement
G4-25	Stakeholder identification and selection	Materiality & Stakeholder Engagement
General Standard Disclosures		Link or Page Number Reference
G4-26	Engagement approach	Materiality & Stakeholder Engagement
G4-27	Key topics and concerns	Materiality & Stakeholder Engagement
Report Profile		
G4-28	Reporting period	Fiscal year 2016
G4-29	Date of most recent report	Oct. 1, 2015 - Sept. 30, 2016
G4-30	Report cycle	Annual
G4-32	Report contact	Sara Broadbent, Director Corporate Responsibility (sbroadbent@avaya.com)
G4-32	GRI Content Index	In accordance with core
G4-33	External assurance	This Corporate Responsibility Report is not externally assured
Governance		
G4-34	Governance structure	Governance, <a href="#">Avaya 2015 10K pdf pages 139-143</a>
Ethics and Integrity		
64-66	Principles, standards and norms	Corporate Responsibility, <a href="#">Operating with Integrity Code of Conduct</a>
Specific Standard Disclosures		Link to report section where disclosure is addressed partially or fully
Category: Economic		
Material Aspect: Economic Performance		
G4-DMA	Reports why the Aspect is material and process to evaluate	<a href="#">Avaya 2015 10K consolidated financial statements</a>
G4-EC1	Economic value generated and distributed	<a href="#">Avaya 2015 10K consolidated financial statements</a>
Category: Environmental		
Material Aspect: Energy		
G4-DMA	Reports why the Aspect is material and process to evaluate	Environmental Responsibility in Business Operations
G4-EN3	Energy consumption	KPI Summary Table
G4-EN5	Energy intensity	KPI Summary Table
G4-EN6	Reduction of energy consumption	KPI Summary Table
G4-EN7	Reductions in energy requirements of products or services	Energy Efficiency

	Specific Standard Disclosures	Link to report section where disclosure is addressed partially or fully
<b>Material Aspect: Emissions</b>		
G4-DMA	Reports why the Aspect is material and process to evaluate	Carbon Footprint
G4-EN15	Direct greenhouse gas emissions (Scope 1)	Carbon Footprint
G4-EN16	Indirect greenhouse gas emissions (Scope 2)	Carbon Footprint
G4-EN17	Other indirect greenhouse gas emissions (Scope 3)	Carbon Footprint
G4-EN18	Greenhouse gas emissions intensity	KPI Summary Table
G4-EN19	Reduction of greenhouse gas emissions	Carbon Footprint
<b>Material Aspect: Effluents and Waste</b>		
G4-DMA	Reports why the Aspect is material and process to evaluate	Recyclability & Upgradability
G4-EN23	Total weight of waste	KPI Summary Table
<b>Category: Social: Labor Practices and Decent Work</b>		
<b>Material Aspect: Occupational Health and Safety</b>		
G4-DMA	Reports why the Aspect is material and process to evaluate	Health and Safety
G4-LA6	Rates of injury, occupational disease, and other work-related fatalities	Injury, Illness, and Incident Reporting and Investigation
<b>Material Aspect: Employment</b>		
G4-DMA	Reports why the Aspect is material and process to evaluate	Talent as a Differentiator
G4-LA1	Employee turnover	Talent as a Differentiator
<b>Material Aspect: Training and Education</b>		
G4-DMA	Reports why the Aspect is material and process to evaluate	Talent as a Differentiator
G4-LA10	Programs for skills management	Global Management Development Program, Talent as a Differentiator
<b>Material Aspect: Diversity and Equal Opportunity</b>		
G4-DMA	Reports why the Aspect is material and process to evaluate	Diversity Matters
G4-LA12	Diversity in governance bodies and employees	Diversity Matters
<b>Material Aspect: Supplier Assessment for Labor Practices</b>		
G4-DMA	Reports why the Aspect is material and process to evaluate	Ethical Sourcing and Supplier Corporate Responsibility Performance
G4-LA15	Negative impacts for labor practices in the supply chain	Compliance
G4-EN33	Negative environmental impacts for in the supply chain	Compliance

	Specific Standard Disclosures	Link to report section where disclosure is addressed partially or fully
<b>Category: Social: Society</b>		
<b>Material Aspect: Local Communities</b>		
<b>G4-DMA</b>	Reports why the Aspect is material and process to evaluate	Employee Giving
<b>G4-S01</b>	Local community engagement, impact assessments, and development programs	Employee Giving

# APPENDIX B:

## KPI SUMMARY TABLE

Economy	FY13	FY14	FY15	FY16	GRI Indicator
Revenue [million US\$]	\$4,578	\$4,371	\$4,081	\$3,702	G4-EC1
Number of employees	14,538	13,122	11,701	10,424	G4-LA1
Number of contracted employees	11,534	9,972	8,857	8,220	G4-LA1
Real estate square feet [thousand]	5,200	4,800	4,100	3,900	G4-14
Environment	CY13	CY14	CY15		GRI Indicator
Energy <sup>1</sup>					
Energy consumption [MWh]		170,154	153,421		G4-EN3
Diesel		1,857	2,225		
Natural gas		21,488	13,318		
Grid-Connected Electricity		145,516	137,038		
District Heating		1,293	840		
Energy intensity					G4-EN3
MWh/million US\$ revenue		39	37.6		
MWh/employee		13	13.1		
MWh/thousand square feet		35	37.4		
Reduction of energy consumption from previous year [MWh]		--	16,733		G4-EN3
Emissions <sup>1</sup>					
Greenhouse gas (GHG) emissions [metric tons CO <sub>2</sub> e]		954,605	929,659		G4-EN19
Scope 1: Direct GHG [metric tons CO <sub>2</sub> e]		22,347	14,070		G4-EN15
Scope 2: Indirect GHG emissions [metric tons CO <sub>2</sub> e]		93,104	78,996		G4-EN16
Scope 3: Other indirect GHG emissions [metric tons CO <sub>2</sub> e]		839,264	836,593		G4-EN17
GHG emissions intensity (Scope 1 & 2)					G4-EN18
metric tons CO <sub>2</sub> e/million US\$ revenue		26.4	22.8		
metric tons CO <sub>2</sub> e/employee		8.8	8.0		
metric tons CO <sub>2</sub> e/thousand square feet		24.1	22.7		
GHG emissions intensity (Scope 3 -business travel)					G4-EN18
metric tons CO <sub>2</sub> e/million US\$ revenue		192.0	205.0		
metric tons CO <sub>2</sub> e/employee		64.0	71.5		

<sup>1</sup> All data was not available at the time of publication.

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Reductions of GHG emissions [metric tons CO <sub>2</sub> e]					G4-EN19
From previous year	--	25,146			
<b>Labor Practices and Decent Work</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>GRI Indicator</b>
<b>Occupational Health and Safety</b>					
Case Rates [rate per 100 employees in the U.S.]					G4-LA6
Total case rate	0.34	0.35	0.37	0.23	
Lost workday case rate	0.18	0.16	0.12	0.07	
Injuries by type					G4-LA6
Slip/trip/fall	35%	32%	28%	12%	
Ergonomic	17%	16%	17%	18%	
Motor vehicle accidents	13%	10%	16%	41%	
Struck by an object	13%	11%	22%	0%	
Lifting	13%	26%	17%	24%	
Reach/pull	9%	5%	0%	0%	
Other				5%	
<b>Diversity and Equal Opportunity*</b>					
Gender					LA12
Female					
Number of employees	3,430	2,993	2,651	2,407	
Percentage of workforce	24%	23%	23%	23%	
Number in leadership positions [director or above]	123	134	144	130	
Percentage of leadership positions [director or above]	18%	19%	20%	21%	
Male					
Number of employees	11,104	10,128	9,050	8,017	
Percentage of workforce	76%	77%	77%	77%	
Number in leadership positions [director or above]	558	588	574	494	
Percentage of leadership positions [director or above]	82%	81%	80%	79%	
Age					LA12
Under 30	8%	8%	8%	7%	
30-50	65%	64%	63%	58%	
Over 50	27%	27%	29%	35%	

\*percentages reflect the number of employees in the category compared to all Avaya employees

Region	FY13	FY14	FY15	FY16	LA12
USA	42%	38%	38%	38%	
EMEA	27%	28%	29%	28%	
APAC	20%	21%	21%	22%	
CALA	7%	7%	7%	7%	
CAN	4%	5%	5%	5%	
Minority [U.S.]					LA12
Gender					
Female employees	30%	30%	30%	32%	
Male employees	24%	24%	25%	29%	
Age					
Under 30	40%	56%	52%	49%	
30-50	32%	31%	34%	40%	
Over 50	17%	17%	17%	20%	
Non-Minority [U.S.]					LA12
Gender					
Female employees	70%	70%	70%	68%	
Male employees	76%	76%	75%	71%	
Age					
Under 30	60%	44%	48%	51%	
30-50	68%	69%	66%	60%	
Over 50	83%	83%	83%	80%	
Number of represented employees	774	720	621	535	G4-11
Percentage of employees that leave Avaya per year (voluntary)	10%	9%	9%	10%	LA1
<b>Society</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>GRI Indicator</b>
<b>Local Communities</b>					
Dollars contributed to charities by Avaya, partners and employees during the Month of Giving	--	--	223,000	200,000	SO1



AVAYA