

## C0. Introduction

---

### C0.1

---

**(C0.1) Give a general description and introduction to your organization.**

Avaya is a global leader in digital communications products, solutions and services for businesses of all sizes. We enable organizations around the globe to succeed by creating intelligent communications experiences for customers and employees. Avaya builds open, converged and innovative solutions to enhance and simplify communications and collaboration in the cloud, on-premises or a hybrid of both. Our global, experienced team of professionals delivers award-winning services from initial planning and design, to seamless implementation and integration, to ongoing managed operations, optimization, training and support. As of September 30, 2018, we had a presence in approximately 180 countries worldwide and during the past three fiscal years we served more than 90% of the Fortune 100 organizations.

Our business has two operating segments: Products & Solutions and Services. Effective September 30, 2018, the Company changed the name of its Global Communications Solutions ("GCS") and Avaya Global Services ("AGS") segments to "Products & Solutions" and "Services," respectively. These were name changes only and did not have an impact on the operating results of each segment. Avaya also previously had a Networking business, which was sold on July 14, 2017.

For more information, please visit [www.avaya.com](http://www.avaya.com).

### C0.2

---

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2018	December 31 2018	No	<Not Applicable>

### C0.3

---

**(C0.3) Select the countries/regions for which you will be supplying data.**

Argentina  
Australia  
Austria  
Belgium  
Brazil  
Canada  
Chile  
China  
China, Hong Kong Special Administrative Region  
Colombia  
Croatia  
Czechia  
Denmark  
France  
Germany  
Hungary  
India  
Indonesia  
Ireland  
Israel  
Italy  
Japan  
Kazakhstan  
Kenya  
Luxembourg  
Malaysia  
Mexico  
Netherlands  
New Zealand  
Norway  
Peru  
Philippines  
Poland  
Republic of Korea  
Russian Federation  
Saudi Arabia  
Singapore  
South Africa  
Spain  
Sweden  
Switzerland  
Taiwan, Greater China  
Thailand  
Turkey  
United Arab Emirates  
United Kingdom of Great Britain and Northern Ireland  
United States of America

**C0.4**

---

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

**C0.5**

---

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.**

Operational control

## C1. Governance

---

### C1.1

---

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

#### C1.1a

---

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	The Chief Executive Officer (CEO) is responsible for overseeing Avaya in its mission to bring about positive environmental, social, and economic change. For example, the CEO signed the "We Are Still In" declaration, adding Avaya to the largest climate action group in the United States. The CEO is responsible for introducing our Corporate Responsibility Report each year, which includes information on climate-related issues such as: progress towards our carbon emission reduction targets, environmental programs and initiatives, and materiality assessment and priorities. These responsibilities lie with the CEO because climate change is an integral part of our overall business strategy and impacts our operations.

#### C1.1b

---

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Other, please specify (CEO Responsibility)	Other, please specify (CEO Responsibility)	The CEO has responsibility for climate-related issues as part of our overall business and strategy and is a member of the board. However, climate-related issues are not regularly scheduled agenda item for board meetings.

### C1.2

---

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (Chief Administrative Officer and General)	Both assessing and managing climate-related risks and opportunities	Not reported to the board

#### C1.2a

---

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

Responsibility for climate-related issues lies with the Chief Administrative Officer and General Counsel (CAO & GC) for Avaya, a direct report to Avaya's CEO. Among other things, the CAO & GC heads the law department, which is focused on compliance and risk management and includes the Environmental, Health, and Safety (EHS), Corporate Responsibility, and Philanthropy groups. The CAO & GC has direct oversight and ultimate decision-making of our corporate-wide corporate responsibility strategy, programs and policies, sustainability goals, and management processes. For example, our annual Corporate Responsibility Report, carbon emission reduction goals, and program budgets undergo review and approval by the CAO & GC.

The Vice President and Deputy General Counsel (VP & DGC) reports directly to the CAO & GC and leads a portion of the law department, which includes Avaya's Corporate Responsibility, Environmental Health and Safety, and Philanthropy programs. The VP & DGC manages and meets monthly with the Senior Director of EHS, Corporate Responsibility, and Philanthropy to monitor and review climate-related programs, policies, activities, initiatives, and performance.

### C1.3

---

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

Yes

### C1.3a

---

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

**Who is entitled to benefit from these incentives?**

Other C-Suite Officer

**Types of incentives**

Monetary reward

**Activity incentivized**

Emissions reduction target

**Comment**

Annual bonuses and performance ratings are linked to the success of Avaya's overall business strategy and operations, which includes maintaining and achieving Avaya's environmental commitments, goals and initiatives, including our carbon emission reduction target.

---

**Who is entitled to benefit from these incentives?**

Environment/Sustainability manager

**Types of incentives**

Monetary reward

**Activity incentivized**

Emissions reduction target

**Comment**

Annual bonuses and performance ratings are linked to the establishment and achievement of Avaya's environmental commitments, goals and initiatives, including our carbon emission reduction target, efficiency measures, and supply chain compliance and engagement.

---

**Who is entitled to benefit from these incentives?**

Facilities manager

**Types of incentives**

Monetary reward

**Activity incentivized**

Energy reduction project

**Comment**

Annual bonuses and performance ratings are based on the effective and efficient management of real estate, which includes identifying energy reduction and energy efficiency measures, tracking and reporting monthly energy, water, and waste data, and consolidating our real estate portfolio to reduce our environmental footprint.

---

**Who is entitled to benefit from these incentives?**

All employees

**Types of incentives**

Monetary reward

**Activity incentivized**

Other, please specify (Volunteering for Charitable Activity)

**Comment**

Avaya's annual Month of Giving (MOG) is a spirited campaign designed to bring together employees, suppliers, and partners to make a difference in communities across the globe. A component of the MOG is the Community Engagement Challenge, a friendly competition between employee-organized charitable activities for a chance to win donation money for their selected nonprofits. In 2018, activities included raising money and volunteering for numerous charitable organizations, including those that are dedicated to protecting or restoring the environment. MOG winners and participants are recognized and highlighted in the annual Corporate Responsibility Report.

---

## C2. Risks and opportunities

---

## C2.1

---

**(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.**

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	10	
Long-term	10	30	

## C2.2

---

**(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.**

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

## C2.2a

---

**(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.**

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Annually	>6 years	

## C2.2b

---

**(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.**

Avaya uses an integrated, cross functional and company-wide risk management process to evaluate climate change risks and opportunities on an annual basis. Avaya CR/EHS works directly with the business continuity and real estate team to evaluate, assess, and mitigate climate-related risks that impact our facilities around the world. The risk assessment is then reviewed and approved by the VP & DGC.

The scope of the risk management process includes, but is not limited to, the following: upcoming climate change regulations in the countries where we operate and sell products, customer behavior changes and expectations, reputational risks for not taking climate action, and weather-related changes. Risks are assessed in the short (0-3 years), medium (3-10 years), and long-term horizons (10-30 years). Risks and opportunities are assessed at a company level, regional level and at an asset level, such as how climate change regulation and the costs of compliance could impact product design, operations, and sales to specific regions or countries. Additionally, with facilities across the globe, climate change risks and opportunities are assessed in terms of where our facilities are located and how our global operations could be impacted by severe weather.

Avaya considers a risk to be substantive if it has the potential to have a material legal, financial, operational, and/or reputational impact. To determine whether an identified risk or opportunity is considered substantive, we compare its impact to Avaya's annual revenue and other related thresholds, which include: severity of legal and compliance ramifications (e.g. fines, penalties, lawsuits); length, extent, and degree of media coverage, the impact on our ability to successfully deliver products and services to our customers; the amount of time needed to recover from reputational harm; and impact on earnings. Impacts are rated on a scale of 1 to 5, with 1 being "insignificant" (i.e. no press exposure, no regulatory or legal action, limited or no impact on customers, no impact on earnings) and 5 being "catastrophic" (i.e. significant reputational damage, criminal penalties and fines, potential sanctions, need to restate earnings). Based on this assessment, we map high priority risks, determine ownership of the risks, and work collaboratively to develop mitigation strategies and monitoring.

**C2.2c**

**(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Climate-related risks relating to current regulation are evaluated annually as a part of Avaya's company-wide risk assessment. Avaya is subject to a wide range of federal, state, local, and international governmental requirements relating to protection of the environment, the materials content and electrical design of our products, and discharge of substances into the environment. Failure to comply with current regulations could lead to legal ramifications, reputational harm, and withdrawing noncompliant products in the market. As part of its business continuity program, Avaya researches current regulations that we must comply with, including the Restriction on Hazardous Substances (RoHS), Waste Electrical and Electronic Equipment Directive (WEEE), and Energy Labelling Directive to mitigate this risk. Following the risk assessment, Avaya updates its programs and policies accordingly to ensure they are up-to-date with current regulations.
Emerging regulation	Relevant, always included	Climate-related risks relating to emerging regulation are evaluated annually as part of Avaya's company-wide risk assessment. A growing number of climate change regulations and initiatives are either in force or pending at the local, federal, and international levels as part of a transition to a lower-carbon economy that is underway globally. Such a transition may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to our organization. Our operations and supply chain could face increased climate change-related regulations, modifications to transportation to meet lower emission requirements, changes to types of materials used for products and packaging to reduce emissions, increased utility costs to address cleaner energy technologies, increased costs related to severe weather events, and emissions reductions associated with operations, business travel or products. These yet-to- be defined costs and changes to operations could have a financial impact on our business and result in an adverse impact on our operating results or reputation.
Technology	Relevant, always included	Climate-related risks relating to technology are evaluated annually as a part of Avaya's company-wide risk assessment. As the number of environmental regulations increase along with the expectations for companies to act on climate change, there is a potential for increased customer demand for technologies that help reduce environmental impact. This could lead to an opportunity for revenue growth for Avaya, as we design our products to be increasingly energy-efficient, enable reuse and recyclability, and minimize consumption of material. However, next-generation business communications technology continues to evolve, and Avaya must keep pace to maintain or expand our market leading position. If we are not able to successfully develop and bring our new technologies to market in a timely manner, our business and results of operations may be materially and adversely affected. In addition, we may need to invest more in research and development to ensure our products and services are innovative and competitive in the market.

	Relevance & inclusion	Please explain
Legal	Relevant, always included	Climate-related legal risks are evaluated annually as a part of Avaya's company-wide risk assessment. There is heightened awareness of the negative impacts of climate change and the number of climate-related litigation claims is increasing. Avaya could face legal risks if we fail to comply with environmental laws, responsibly source materials in our supply chain, or sufficiently disclose our material financial risks. For example, one of the legal requirements in the electronics industry is the disclosure of the use of conflict minerals and its origins. If Avaya failed to comply with laws, it could impact our company financially through increased costs and reduced demand for our products and services resulting from fines and judgments.
Market	Relevant, always included	Climate-related market risks are evaluated annually as a part of Avaya's company-wide risk assessment. The business communications market in which we operate is characterized by rapid, and sometimes disruptive, technological developments, evolving industry standards, frequent new product introductions and enhancements, changes in customer requirements and a limited ability to accurately forecast future customer orders. As the market continues to evolve and technology continues to develop rapidly, we may face competition in the future from companies that do not currently compete against us. To effectively compete and maintain or expand our market leading position, we may need to make additional investments in our business, use more capital resources than our business currently requires or reduce prices, any of which may materially and adversely affect our profitability. However, there could be an opportunity for us in the market if the demand continues to increase for products and services that are more efficient and reduce environmental impacts. We recently introduced a significant number of new product offerings and are increasingly focused on new, high value software products that reduce the cost of ownership as a revenue driver.
Reputation	Relevant, always included	Climate-related risks relating to our reputation are evaluated annually as a part of Avaya's company-wide risk assessment. Companies are being held to higher standards and are expected to act on climate change. Avaya's customers regularly request information on our corporate responsibility and sustainability initiatives through questionnaires. Avaya reports its carbon emissions annually to CDP and GRI. In addition, Avaya publishes an annual corporate responsibility report that is publicly available on our website. If Avaya refused to report climate-related information or failed to implement sustainability initiatives, we could experience reputational harm from our customers and community. This could lead to a decrease in revenue and lower demand for our products and services.
Acute physical	Relevant, always included	Climate-related acute physical risks are evaluated annually as a part of Avaya's company-wide risk assessment. With facilities around the world, Avaya is vulnerable to severe weather events including storms, floods, tornados, and hurricanes. Acute physical risks could lead to higher capital costs from direct damage to our assets or supply chain disruption. As part of its business continuity program, Avaya identifies, assesses, and manages acute physical risks on an annual basis to ensure resilience of our existing real estate assets and those being considered.
Chronic physical	Relevant, always included	Climate-related chronic physical risks are evaluated annually as a part of Avaya's company-wide risk assessment. Avaya is subject to chronic physical risks related to longer-term shifts in climate patterns. Avaya's financial performance may be impacted by changes in water availability, sourcing, and quality due to the impacts of climate change. Extreme changes could impact many facets of our business, including our facilities, operations, supply chain, transportation, and employee health and safety. Sea level rise and chronic flooding creates a risk for Avaya and its suppliers' assets. Chronic physical risks are more difficult to analyze and involve many variables, but they are included in the Avaya CR/EHS team's annual climate-related risk assessment.
Upstream	Relevant, always included	Climate-related risks relating to our upstream activities are evaluated annually as a part of Avaya's company-wide risk assessment. Climate change may have an impact on Avaya's upstream activities, including material sourcing, material processing, and supplier activities. Shortages of raw materials and natural resources that we use to develop our products could add an additional cost and hinder productivity. In addition, Avaya must comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act; failure to disclose whether products contain conflict minerals from the Democratic Republic of Congo and conduct proper due diligence could lead to legal ramifications and reputational harm. Avaya also faces multiple risks in our supply chain, including: supply chain disruption from extreme weather events; violations of environmental, labor, or ethics laws and standards; and noncompliance with the producer responsibility for products. Upstream risks are evaluated, assessed, and mitigated annually through Avaya's business continuity program.
Downstream	Relevant, always included	Climate-related risks relating to our downstream activities are evaluated annually as a part of Avaya's company-wide risk assessment. Several risks previously described, such as technology, reputation, and physical risks, can have an impact on Avaya's downstream value chain, specifically our customers. Avaya continuously evaluates these downstream impacts, such as compliance with current and emerging regulations on product efficiency regulations, when prioritizing our mitigation activities for, in this example, designing products that comply with current regulations to ensure our customers can purchase and use our products wherever they operate.

## C2.2d



**(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.**

Avaya has various internal programs and business divisions in place to manage climate-related risks and opportunities depending on their nature and scope.

After risks have been identified, assessed, and prioritized, they are documented in business continuity plans and recovery action plans are developed to manage them. The business continuity plan, and any subsequent updates, are distributed to appropriate employees who have responsibilities under the plan or have a need to know.

In order to manage physical risks, Avaya has resources available internally to ensure we can respond to a crisis in an effective, timely manner, with the goal of avoiding or minimizing damage to the organization's profitability, reputation, and ability to operate. For example, Avaya has Emergency Preparedness Plans (EPPs) in place for its facilities in order to manage acute and chronic physical risks. Each EPP includes building-specific and local information to be used during emergencies such as severe weather, fires, or flooding to protect our employees and assets, and minimize damage.

In order to manage transition risks, Avaya has internal programs in place to ensure compliance with current and emerging regulations. For example, Avaya's Design for Environment (DfE) program ensures our products are designed to comply with various local, federal and international laws and regulations regarding the material content and electrical design of our products. Avaya received an ISO 14001 Environmental Management System certification for its DfE program to ensure that the DfE standards, practices, and expectations are properly incorporated into the design process for our products, regardless of whether they are designed in-house or by a third-party supplier. This program helps manage climate-related policy and legal risks and maintain compliance with applicable regulations.

In order to manage climate-related opportunities, Avaya CR/EHS works with relevant groups within our company to develop a strategy to realize the opportunity. For example, Avaya EHS/CR regularly meets with the Avaya Real Estate Team to review and discuss building management improvement opportunities including minimizing waste, water, and energy consumption. For example, we are evaluating ways to save energy in our facilities through energy efficiency projects, such as installing LED lighting. Once an initiative has been implemented, Avaya EHS/CR communicates with relevant groups to collect and track data on cost savings and environmental benefits to evaluate its effectiveness and impact.

**C2.3**

---

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.3a**

---

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type**

Transition risk

---

**Primary climate-related risk driver**

Policy and legal: Increased pricing of GHG emissions

**Type of financial impact**

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

**Company- specific description**

With headquarter offices in the state of California, we may be subject to a carbon tax on the content of fuels through the California Global Warming Solutions Act of 2006, also known as Assembly Bill 32. In addition, a carbon tax has been enacted in other regions in which we operate including Ireland, Sweden, and the United Kingdom. These types of taxes could result in an increase to the cost of business travel and the related transportation costs of Avaya products globally and will likely be implemented in other countries in the coming years.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

600000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Avaya's transportation expenditures, which include costs from business air travel, rental cars, and fleet fuel usage, were greater than 12 million dollars in 2018. If there was a 5% increase in our transportation expenditures due to a carbon tax, it would result an additional \$600,000 per year, approximately. While there are current financial impacts, this is a global estimate that would occur on a medium-term time horizon. Although this could be a substantive impact, Avaya does not consider it to be financially material.

**Management method**

Avaya actively mitigates this risk through its overall product and business strategy to develop advanced telecommunication products and services that require less hardware and can reduce the need for travel. In FY18, Avaya invested \$210 million in R&D, which accounted for 16.9% of our product revenue. Our investments in FY18 were primarily focused on driving innovative cloud solutions that allow Avaya and our customers to increase efficiency while reducing our environmental footprint. Second, Avaya implements a stringent travel policy that promotes the use of Avaya video conferencing technology and reduces the need for business-related travel.

**Cost of management**

210000000

**Comment****Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type**

Transition risk

**Primary climate-related risk driver**

Policy and legal: Mandates on and regulation of existing products and services

**Type of financial impact**

Increased costs and/or reduced demand for products and services resulting from fines and judgments

**Company- specific description**

Avaya is subject to various requirements relating to the operating characteristics of our products. For example, all Avaya-designed and Avaya-branded ODM and OEM external power supplies (ESPs) used in office and domestic applications need to comply with the European framework directive for the Eco-design of Energy using Products (EuP) Lot 7. If we violate or fail to comply with these requirements, we could be fined or otherwise sanctioned by regulators, lose customers and damage our reputation, which could have an adverse effect on our business.

**Time horizon**

Current

**Likelihood**

Unlikely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

38450000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Failure to comply with applicable environmental regulations would lead to penalties and fines enacted by authorities. For example, if Avaya contravened or failed to comply with the prohibition on hazardous substances in the RoHS Regulations, we could receive an enforcement notice requiring non-compliant goods to be withdrawn from the market. In FY18, EMEA sales accounted for 27% of our non-GAAP Combined revenue, or approximately \$769 million. If Avaya's EMEA revenue decreased by 5% due to the withdrawal of noncompliant products, it could lead to a loss of up to \$38.45 million. In addition, we could face a fine up to the statutory maximum (currently £5000) on summary conviction or an unlimited fine on conviction on indictment.

**Management method**

Avaya's Design for Environment (DfE) program ensures that our products are compliant with mandatory requirements in the countries where Avaya markets its products. For example, Avaya's DfE program ensures compliance with EU EuP Lot 7 directive, EU and China RoHS, and EU REACH requirements by tracking product energy efficiency-related and product labeling regulations and standards and actively monitoring proposed legislation in countries where we have operations and sales. Avaya's Design for Environment program is a core part of our business; therefore, we do not consider it to incur an additional cost of management.

**Cost of management**

0

**Comment**

---

**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type**

Physical risk

**Primary climate-related risk driver**

Acute: Increased severity of extreme weather events such as cyclones and floods

**Type of financial impact**

Reduced revenue from decreased production capacity (e.g., delayed planning approvals, supply chain interruptions)

**Company- specific description**

Our operations and those of our contract manufacturers and outsourced service providers are vulnerable to interruption by extreme weather events. For instance, our corporate headquarter office in the San Francisco Bay Area of California is vulnerable to damage from flooding and possible sea level rise. If any disaster were to occur, our ability and the ability of our contract manufacturers and outsourced service providers to operate could be seriously impaired and we could experience material harm to our business, operating results and financial condition. In addition, the coverage or limits of our business interruption insurance may not be sufficient to compensate for any losses or damages that may occur.

---

**Time horizon**

Medium-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

6500000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

If one of Avaya's facilities was located in an area impacted by an extreme weather event, there is a potential for physical damage to the building. For example, if Avaya's headquarters in Santa Clara was impacted by flooding or severe weather, the financial impact would be less than \$6.5 million based on the value of the building contents. Avaya's business continuity team assesses the real estate asset values of its portfolio against current market rates to calculate the risk.

**Management method**

Avaya Corporate Security and Business Continuity has developed location-based risk assessments for facilities over 50 people that cover physical risks, which includes extreme weather and natural disasters. Based on the risk assessments, the Corporate Security and Business Continuity team develops management plans that are comprehensive in scope; for example, if a severe weather event occurs in one location, other facilities can provide ongoing support and/or production. In addition, each Avaya location has an Emergency Preparedness Plan which helps ensure the safety of our employees and minimize damage in the event of an emergency or natural disaster. The Corporate Security and Business Continuity team evaluates these risks annually and updates the risk assessments and management plans accordingly. The Avaya Corporate Security and Business Continuity program is a core part of our business; therefore, we do not consider it to incur an additional cost of management.

**Cost of management**

0

**Comment**

---

**Identifier**

Risk 4

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type**

Transition risk

**Primary climate-related risk driver**

Reputation: Shifts in consumer preferences

**Type of financial impact**

Reduced revenue from decreased demand for goods/services

**Company- specific description**

Avaya is experiencing increasing demand from customers, investors, stakeholders, and the public for companies to address climate change and implement measures to collectively reduce our environmental impact. Failure to take action, demonstrate leadership, or comply with climate change developments can impact the Avaya brand and reputation. For example, Greenpeace's annual "Click Green" report puts public pressure on major internet and technology companies to adopt sustainable practices. Companies that fail to take action or be transparent about their energy use receive poor grades and are vulnerable to reputational harm.

**Time horizon**

Current

**Likelihood**

Unlikely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

28510000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

If Avaya 's reputation was negatively impacted due to lack of lack of commitment or action towards water-related issues, it could impact our relationship with our customers and therefore our revenue. In a hypothetical scenario, we analyze how a 1% decrease in our revenue would impact our business. Avaya's FY18 revenue was \$2.851 billion; if our revenue decreased by 1% due to reputational harm, it would result in a loss of \$28,510,000.

**Management method**

Avaya demonstrates proactive management of its climate change impacts by developing innovative, energy efficient products such as the ENERGY STAR certified J179, J169 and J129 VoIP phones and utilizing our own products such as Avaya Equinox to reduce the need for travel. In FY18, Avaya invested \$210 million in R&D, which accounted for 16.9% of our product revenue. Our investments in FY18 were primarily focused on driving innovative cloud solutions that allow Avaya and our customers to increase efficiency while reducing our environmental footprint. In addition, Avaya takes action on climate change by participating in CDP and implementing a carbon emission reduction goal, participating in corporate responsibility and environmental conferences that address solutions to climate change; and promoting the environmental benefits of Avaya solutions to current and potential customers.

**Cost of management**

210000000

**Comment**

---

**C2.4**

---

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.4a**

---

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Customer

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Shift in consumer preferences

**Type of financial impact**

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

**Company-specific description**

---

Avaya is a business-to-business company and our customers are setting higher standards and expectations for companies they would like to do business with specific to a sustainability value proposition. Avaya receives and responds to customer questionnaires on an ongoing basis, which request information on sustainability, EHS, and business ethics practices. Avaya's customers also request us to report our carbon emissions annually to CDP. In terms of our products and service offerings, our customers are looking for solutions that not only streamline their business operations and enhance collaboration, but those that are increasingly energy efficient and reduce the total cost of ownership (i.e. hardware, facilities, and utilities).

**Time horizon**

Medium-term

**Likelihood**

More likely than not

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

3640000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Avaya holds a leadership position in the Contact Center Systems market with a market share of 17.4% in 2017, according to the 2018 Gartner Magic Quadrant for Contact Center Infrastructure Worldwide report. According to a report by MarketsandMarkets™, the cloud-based contact center market is projected to reach \$20.93 billion by 2022 at a Compound Annual Growth Rate (CAGR) of 25.2% during the forecasted period. If Avaya maintained its market share of 17.4% in 2022, this would create an opportunity to realize approximately \$3.64 billion in revenue for its cloud-based contact center solutions that year (Source).

**Strategy to realize opportunity**

Avaya offers a robust portfolio of cloud-based contact center and unified communications, which include solutions that take collaboration beyond dedicated video conferencing rooms to desktops and mobile devices that employees use every day. In FY18, Avaya invested \$210 million in R&D in FY18, with a primary focus being on innovations in cloud-based contact center solutions. By migrating to the cloud, customers can lower their total cost of ownership with no infrastructure expense and minimal operating costs. This provides an advantage over our competitors because we give our customers solutions that increase productivity and save costs, while giving them the opportunity to reduce their energy and carbon footprint.

**Cost to realize opportunity**

210000000

**Comment**

---

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Type of financial impact**

Increased revenue through demand for lower emissions products and services

**Company-specific description**

With growing awareness of climate change, increasing regulations, and more extreme weather events, the demand for lower emissions products and services is increasing. As Avaya continues to shift its products and services to the cloud, this creates an opportunity for increased revenue to meet this demand. For example, software and services accounted for 82.2% of non-GAAP revenue in fiscal 2018, up from 78% for fiscal 2017. Cloud and managed services accounted for 11% of non-GAAP revenue in fiscal 2018, up from 9% during fiscal 2017. Although we cannot fully correlate the increased revenue to demand for low emission

products and services, the environmental benefits do enhance our cloud-based and software solutions and make them more attractive to our customers.

**Time horizon**

Medium-term

**Likelihood**

More likely than not

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

3640000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Avaya holds a leadership position in the Contact Center Systems market with a market share of 17.4% in 2017, according to the 2018 Gartner Magic Quadrant for Contact Center Infrastructure Worldwide report. According to a report by MarketsandMarkets™, the cloud-based contact center market is projected to reach \$20.93 billion by 2022 at a Compound Annual Growth Rate (CAGR) of 25.2% during the forecasted period. If Avaya maintained its market share of 17.4% in 2022, this would create an opportunity to realize approximately \$3.64 billion in revenue for its cloud-based contact center solutions that year.

**Strategy to realize opportunity**

Avaya aims to design and develop products that help our customers reduce their environmental impact through its Design for Environment (DfE) program. We hold an ISO 14001 certification for our DfE program which demonstrates our commitment to continually reduce the environmental impact of our products. In FY18, Avaya invested \$210 million in R&D, with a primary focus being on innovations in cloud-based contact center and software solutions. Avaya will continue to provide low emission products and services, creating an opportunity to increase revenue as demand for these products increases.

**Cost to realize opportunity**

210000000

**Comment**

---

**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Move to more efficient buildings

**Type of financial impact**

Reduced operating costs (e.g., through efficiency gains and cost reductions)

**Company-specific description**

Moving to more efficient buildings can help Avaya reduce our energy consumption, real estate costs, and carbon emissions. For example, Avaya is focused on using our real estate assets efficiently by ensuring our facilities are suitable according to the number of employees and nature of work at each location and making consolidations, where possible. In addition, Avaya is implementing energy efficiency projects such as installing LED lighting and upgrading to modular uninterruptible power supply (UPS) systems to make our facilities more efficient and reduce operating costs.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

---

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

1600000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Avaya employs strategies to use its real estate assets more efficiently by consolidating laboratories and reducing its square footage, where possible. This results in decreased energy usage and cost savings. For example, Avaya reduced its annual energy costs (electricity, diesel, and natural gas) by approximately \$1.6 million, or 14%, from 2017 to 2018 across its global real estate portfolio.

**Strategy to realize opportunity**

The Avaya EHS and Corporate Responsibility Team regularly meets with the Avaya Real Estate Team to review and discuss building management improvement opportunities including minimizing waste, water, and energy consumption. In addition, Avaya employs strategies to use its real estate assets more efficiently by consolidating laboratories, reducing its square footage, and relocating to more efficient spaces, where possible. Avaya considers the cost to realize efficiencies in our real estate footprint to be the Rough Order of Magnitude real estate budget, which was less than \$25 million in 2018.

**Cost to realize opportunity**

25000000

**Comment**

---

C2.5

---



**(C2.5) Describe where and how the identified risks and opportunities have impacted your business.**

	Impact	Description
Products and services	Impacted	Growing awareness of climate change and customer demand for energy efficient and low-carbon products influences Avaya's development of new product and services offerings. Avaya is focused on delivering best-in-class products and services that are innovative, flexible, and enable enhanced collaboration, but also those that help our customers reduce their environmental impact. We are shifting away from hardware and developing more software and cloud-based solutions; coupled with savings in money, time and services, cloud architecture represents an important way Avaya can help its customers implement more sustainable business practices in the face of climate change. In addition, Avaya is designing its products to be increasingly energy efficient to meet customer demand and energy standards; currently our J179, J169, and J129 VoIP phones are ENERGY STAR certified products and there are more products in progress towards achieving the certification. The impact of climate-related risks and opportunities on our products and services is high due to the R&D investment needed to develop these technologies; for example, Avaya invested \$210 million in R&D in FY18.
Supply chain and/or value chain	Impacted	Avaya's customers and the public are setting higher expectations for supply chain responsibility and holding companies accountable for their suppliers. The electronics industry has faced public scrutiny for engaging in business with suppliers who violate environmental, labor, and/or ethics laws. Avaya holds itself to high environmental, social, and ethical standards, and proactively works to ensure these standards are implemented down our supply chain. Avaya is a member of the Responsible Business Alliance (RBA), a coalition of companies dedicated to supply chain responsibility in the electronics industry and has adopted the RBA Code of Conduct in full. Before engaging in business with a direct Tier 1 supplier, we require them to agree to adopt the RBA Code of Conduct as part of their contract. In addition to supply chain standards, Avaya considers multiple vendors and supplier geographical distribution to reduce risk and potential costs, so the magnitude of impact of climate-related risks and opportunities on our supply chain is low.
Adaptation and mitigation activities	Impacted	The impacts of climate change, current and future, are increasingly complex and difficult to predict. Avaya's climate-related adaptation and mitigation activities have evolved to meet these challenges. Climate-related risk assessments are no longer the sole responsibility of Avaya CR/EHS; instead, risk assessments are conducted through a multi-disciplinary, collaborative effort between various business units including real estate, law, and business continuity departments. Adaptation and mitigation activities are also being developed on local, regional, and global scales depending on the variety of risks at our facilities around the world. The magnitude of impact of climate-related risks and opportunities on our adaptation and mitigation activities is low because these are included in our business continuity planning, which is a core part of Avaya's business.
Investment in R&D	Impacted	Investing in R&D is critical for Avaya in order for us to continue delivering innovative and efficient products that delight our customers and maintain our leading position in the software and services market. Avaya is shifting its R&D focus areas to cloud-based solutions and telecommunications, which offer both economic and environmental benefits to our customers. A significant amount of Avaya's R&D activities is conducted in countries outside of the U.S.; the productivity and success of our R&D could be impacted by: increased legal and regulatory constraints; natural disasters or extreme weather events; and economic conditions. As indicated above, the risk to our R&D supply chain is low as Avaya considers multiple vendors and supplier geographical distribution. However, the impact of climate-related opportunities on R&D is high as we shift our investments towards innovate software and services offerings, which offer inherent environmental benefits to our customers, and away from hardware-based business communications.
Operations	Impacted	Over the last few years, Avaya has focused on consolidating its facilities and streamlining its operations in order to save costs and increase efficiencies. Streamlining our operations has also led to significant energy reductions and increased opportunity for energy efficiency projects as we move into new buildings that are more suited for the number of employees and nature of the work. The impact of climate-related opportunities on our operations is medium-low due to the costs savings we have realized from consolidating our real estate footprint; for example, Avaya reduced its annual energy costs (electricity, natural gas, and diesel) by approximately \$1.6 million from 2017 to 2018.
Other, please specify	Please select	

**C2.6**

**(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.**

	Relevance	Description
Revenues	Not impacted	Although transition and physical risks have the potential to impact demand for Avaya products and services, we have not seen an actual, quantifiable impact to date. Avaya maintains compliance with regulatory requirements with the support of our legal team and Design for Environment (DfE) program, so we have not experienced an impact to our revenue due to penalties, fines, or reputational harm.
Operating costs	Impacted	Our operating costs have been positively impacted by realizing an opportunity around resource efficiency. Avaya employs strategies to use its real estate assets more efficiently by consolidating laboratories and reducing its square footage, where possible. As a result, Avaya reduced its annual energy costs (electricity, natural gas, and diesel) by approximately \$1.6 million from 2017 to 2018. In addition, Avaya implements energy efficiency projects to further reduce energy and operating costs.
Capital expenditures / capital allocation	Not impacted	Avaya's capital expenditures have the potential to be impacted by climate-related risks, but we have not experienced a substantial impact to date. For example, an increase in the number of countries adopting a carbon tax would increase Avaya's transportation expenditures (business air travel and fleet fuel usage), but we anticipate this to occur on a medium-term time horizon.
Acquisitions and divestments	Impacted	Avaya's strategic operating plan requires continued investments in acquisitions and strategic alliances with other companies in various areas, including, without limitation, accelerating the development, sales and delivery of our cloud-based solutions and services. For example, Avaya acquired Spoken, a private technology company that provides cloud-native, multi-tenant architecture-based CCaaS solutions. Avaya cloud-based solutions meet customer demand to increase productivity and save costs while minimizing their carbon footprint. In addition, they lower the total cost of ownership by reducing hardware, power and space requirements, which will help our customers avoid carbon emissions.
Access to capital	Not impacted	Climate-related risks and opportunities have not impacted Avaya's access to capital and reserves. Based on our climate-related risk assessment and Avaya's business model, we do not anticipate our access to capital being materially impacted by climate change in the short-, medium-, or long-term horizons.
Assets	Not impacted	Avaya's assets have not been impacted by climate-related chronic or acute physical risks. Avaya has emergency preparedness plans in place for its locations worldwide to minimize these risks, and fortunately our facilities have not been materially/significantly impacted by extreme weather events to date.
Liabilities	Not impacted	Climate-related risks and opportunities have not impacted the valuation of Avaya's liabilities. Although the value of our property could be reduced due to impacts of climate change, such as extreme weather, sea level rise, or natural disasters, we have not experienced any material impacts to date.
Other	Please select	

**C3. Business Strategy**

---

**C3.1**

---

**(C3.1) Are climate-related issues integrated into your business strategy?**

Yes

**C3.1a**

---

**(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?**

No, but we anticipate doing so in the next two years

**C3.1c**

---

### **(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.**

Addressing the real risks associated with climate change has become well-integrated into Avaya's business strategy and provides the foundation for guiding our operational considerations. Because we have embedded processes that track our impacts throughout our organization, we have a clear picture of the environmental impacts we produce, even as we develop solutions that delight our customers and accelerate their missions. We are committed to serving our customers while minimizing their negative impact on the environment. The clearest way we have of reducing our own impact – and helping our customers do the same – is by embracing our technology and using it to transform the modern workplace to create engaging, efficient, and environmentally-friendly work environments. We have also committed to inspiring our suppliers to promote ethical sourcing and responsible product design.

A substantial business decision Avaya has made is our investment in R&D. Avaya invested 16.9%, 15.7%, and 15.6% in R&D as a percentage of product revenue in fiscal 2018, 2017, and 2016, respectively. Our investments in fiscal 2018 accelerated the development of new technologies that offer numerous benefits to our customers, including increased productivity, flexibility, engagement, while also reducing their environmental impact. Examples include: innovative cloud solutions across our portfolio, which lower the total cost of ownership for our customers by reducing hardware, power and space requirements; VoIP phones, that require less electricity consumption and server virtualization; and videoconferencing technology, such as Avaya Equinox, that enables seamless and engaging communications that reduce the need for business travel.

Avaya's business strategy is linked to setting and achieving company-wide carbon reduction goals, which we report in our annual Corporate Responsibility Report. In 2014, Avaya adopted the "3% Solution" target developed by CDP and WWF; this calls for a 3% absolute reduction in Scope 1 and 2 (location-based) emissions each year for a total 15% cumulative reduction by 2020. Avaya exceeded this goal and reduced its Scope 1 and Scope 2 (location-based) carbon emissions by 24% from 2017-2018, achieving a cumulative 54% reduction from its 2014 baseline. In addition, we reduced our Scope 3 emissions by 721 mtCO<sub>2</sub>e from 2017-2018. In order to meet our carbon emission reduction goals, Avaya has focused on consolidating our real estate footprint, where possible, reducing business travel, and implementing measures to reduce energy consumption and increase energy efficiency. These initiatives also benefit our business by streamlining our operations and reducing operating costs.

## C3.1g

---

### **(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?**

Climate-related scenario analysis was recently introduced as part of the CDP questionnaire, so Avaya is spending time researching and understanding the different types of scenarios, methodologies, and assumptions. Although we were unable to complete an in-depth analysis this year, we are preparing to conduct one in the next two years and will use it to inform our strategy.

## C4. Targets and performance

---

### C4.1

---

#### **(C4.1) Did you have an emissions target that was active in the reporting year?**

Absolute target

### C4.1a

---

#### **(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

##### **Target reference number**

Abs 1

**Scope**

Scope 1+2 (location-based)

**% emissions in Scope**

98

**Targeted % reduction from base year**

15

**Base year**

2014

**Start year**

2014

**Base year emissions covered by target (metric tons CO2e)**

105570

**Target year**

2020

**Is this a science-based target?**

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

**% of target achieved**

100

**Target status**

Underway

**Please explain**

Avaya has adopted the "3% Solution" target developed by the WWF and CDP, therefore targeting a 3% absolute reduction in Scope 1 and Scope 2 emissions each year for a total 15% reduction by 2020. Fugitive emissions and sites smaller than 400 sq. ft. are excluded from our Scope 1 and Scope 2 emissions and target because they are negligible, only accounting for 2% of these emissions; therefore, our target covers 98% of our total, gross global Scope 1 and Scope 2 emissions.

---

**Target reference number**

Abs 2

**Scope**

Other, please specify (Scope 3 (All Categories))

**% emissions in Scope**

100

**Targeted % reduction from base year**

0.01

**Base year**

2014

**Start year**

2014

**Base year emissions covered by target (metric tons CO2e)**

839264

**Target year**

2020

**Is this a science-based target?**

No, but we are reporting another target that is science-based

**% of target achieved**

100

**Target status**

Underway

**Please explain**

Avaya set a target to achieve a year-over-year absolute reduction in its total Scope 3 emissions, or a minimum of 0.01%.

---

C4.2

---

**(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.**

C4.3

---

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

C4.3a

---

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	6	338
Implementation commenced*	0	0
Implemented*	4	12272
Not to be implemented	0	0

C4.3b

---

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative type**

Process emissions reductions

**Description of initiative**

Changes in operations

**Estimated annual CO2e savings (metric tonnes CO2e)**

11760

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

1500000

**Investment required (unit currency – as specified in C0.4)**

25000000

**Payback period**

16-20 years

**Estimated lifetime of the initiative**

Ongoing

**Comment**

In collaboration with the Real Estate and Facility Management Team, Avaya is exploring ways to reduce energy costs and its overall footprint. Buildings are being evaluated for their type of use (e.g., warehouse, R&D, office space) and total occupancy to optimize building efficiency. Through voluntary building consolidation efforts, Avaya is reducing its leased square footage and consolidating lab spaces, which results in reductions of electricity consumption and cost. Avaya facilities reduced carbon emissions associated from purchased and estimated electricity by 11,986 metric tons CO<sub>2</sub>e from 2017-2018; 11,760 mtCO<sub>2</sub>e in reductions were due to minimizing our real estate footprint and 226 mtCO<sub>2</sub>e in reductions was due to the UPS in Bangalore. From reduced electricity consumption, we realized \$1.5 million in savings from annual electricity costs. The investment required is the Rough Order of Magnitude budget for total FY18 real estate closures, consolidations, and relocations which was less than \$25 million.

---

**Initiative type**

Energy efficiency: Building services

**Description of initiative**

Other, please specify (Uninterruptible power supply (UPS) system)

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

226

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

39987

**Investment required (unit currency – as specified in C0.4)**

55000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

The Avaya Bangalore office was using conventional type uninterrupted power supply (UPS) systems that had an efficiency of 80% at full load condition. These were replaced with modular UPS systems with an efficiency of 96.5% at full load condition. By upgrading to modular UPS systems, the Bangalore office is expected to realize energy savings of 1,517,544 kWh over a 5-year warranty period, or approximately 303,508 kWh per year. This annual energy savings was multiplied by the U.S. national weighted average CO<sub>2</sub> marginal emission rate of 7.44 x 10<sup>-4</sup> metric tons CO<sub>2</sub>/kWh to calculate the avoided emissions, 226 mtCO<sub>2</sub>e.

---

**Initiative type**

Process emissions reductions

**Description of initiative**

Behavioral change

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

286

**Scope**

Scope 3

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

No payback

---

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Avaya maintains and implements a strict travel policy in order to reduce our carbon emissions. We encourage utilizing our own video and web conferencing technologies, which enable participants to interact as if they are in the same room, in lieu of traveling for business meeting. From 2017 to 2018, we reduced our air travel by 2.3 million miles and our rental car travel by almost 300,000 miles. By reducing Avaya business travel (air + rental cars), we reduced our Scope 3 carbon emissions by 286 mtCO2e. Our air travel costs increased by approximately \$400,000, so we did not realize cost savings this year. There is no additional investment needed to implement our travel policy or utilize our own technologies.

---

C4.3c

---

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	As regulations expand around the world, they provide an effective driver to internal investments and decisions regarding emission reductions and efficiency measures.
Financial optimization calculations	Key strategies to reduce our emissions include (1) evaluating our real estate assets for building optimization and (2) optimizing the use of Avaya technology to reduce business air travel costs.

C4.5

---

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

C4.5a

---

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

**Level of aggregation**

Company-wide

**Description of product/Group of products**

As a global leader in delivering superior communications experiences, Avaya provides the most complete portfolio of software and services for multi-touch contact center and unified communications offered on premises, in the cloud, or a hybrid. Avaya's software and services reduces the need for hardware, increases efficiency, and lowers the total cost of ownership, which in turn avoids carbon emissions. In addition, Avaya's collaboration technology, such as Avaya Aura® and Avaya Equinox, can be leveraged to reduce travel emissions by migrating meetings from the physical to the digital realm. Both Avaya and its customers harness our solutions in order to avoid emissions and reduce our environmental impact

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Evaluating the carbon-reducing impacts of ICT

**% revenue from low carbon product(s) in the reporting year**

82.2

**Comment**

Software and services accounted for over 82.2% of FY18 non-GAAP revenue, which Avaya considers to enable avoided emissions since our software and services reduce the need for hardware, business travel, and physical infrastructure.

---

**Level of aggregation**

Group of products

**Description of product/Group of products**

As part of our strategic business plan, Avaya has invested in R&D to develop new and improved technologies that reduce electricity consumption, as well as server virtualization that saves electricity and physical space. Avaya is focused on designing increasingly energy efficient products through its Design for Environment (DfE) program; currently our J179, J169 and J129 VoIP phones are ENERGY STAR certified products listed on the ENERGY STAR website. These products reduce energy consumption, increase efficiency, and avoid carbon emissions.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Evaluating the carbon-reducing impacts of ICT

**% revenue from low carbon product(s) in the reporting year**

0.8

**Comment**

Revenue for the J100-series phones accounted for 0.8% of Avaya's FY18 revenue of \$2.851 billion for the Combined periods.

---

## C5. Emissions methodology

---

### C5.1

---



**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

**Base year start**

January 1 2014

**Base year end**

December 31 2014

**Base year emissions (metric tons CO2e)**

21818

**Comment**

**Scope 2 (location-based)**

**Base year start**

January 1 2014

**Base year end**

December 31 2014

**Base year emissions (metric tons CO2e)**

83752

**Comment**

**Scope 2 (market-based)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**C5.2**

---

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

**C6. Emissions data**

---

**C6.1**

---

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

7550

**Start date**

January 1 2018

**End date**

December 31 2018

**Comment**

## C6.2

---

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

### Row 1

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

## C6.3

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

### Reporting year

**Scope 2, location-based**

41096

**Scope 2, market-based (if applicable)**

38537

**Start date**

January 1 2018

**End date**

December 31 2018

**Comment**

## C6.4

---

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

## C6.4a

---

**(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.**

**Source**

Fugitive emissions

**Relevance of Scope 1 emissions from this source**

No emissions from this source

**Relevance of location-based Scope 2 emissions from this source**

Emissions are relevant and calculated, but not disclosed

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

Emissions are relevant and calculated, but not disclosed

**Explain why this source is excluded**

Fugitive emissions were calculated and estimated to be 2% of our 2018 Scope 2 emissions. Because of their minimal impact on our Scope 2 footprint, they are not included in our disclosure.

---

**Source**

Facilities smaller than 400 square feet

**Relevance of Scope 1 emissions from this source**

Emissions are not evaluated

**Relevance of location-based Scope 2 emissions from this source**

Emissions are not evaluated

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

Emissions are not evaluated

**Explain why this source is excluded**

Avaya does not include facilities less than 400 square feet in its Scope 1 or Scope 2 emissions. These sites comprise 0.2% of our real estate footprint and can include storage space, so their impact on our carbon footprint is deemed to be negligible.

---

**C6.5**

---

**(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

106883

**Emissions calculation methodology**

Environmentally extended Input-output (IO) analysis is a methodology used in environmental accounting which reflects the link between economic consumption activities and environmental impact. Avaya worked with an external consultant to analyze 2017 spend data for purchased goods and services, capital goods, and upstream leased assets and categorize these activities into their respective IO spend categories applying emission factors developed by the Green Design Institute, Carnegie Mellon University (2002 US Benchmark Version of the Economic Input-Output Life Cycle Assessment (EIO-LCA) Model). <http://www.eiolca.net/cgi-bin/dft/use.pl> (last accessed March 18th, 2015.) Because there were no significant changes in the business, the metric tons CO2e for purchased goods and services calculated in 2017 was used for 2018.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Explanation**

## Capital goods

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

164128

### Emissions calculation methodology

Environmentally extended Input-output (IO) analysis is a methodology used in environmental accounting which reflects the link between economic consumption activities and environmental impact. Avaya worked with an external consultant to analyze 2017 spend data for purchased goods and services, capital goods, and upstream leased assets and categorize these activities into their respective IO spend categories applying emission factors developed by the Green Design Institute, Carnegie Mellon University (2002 US Benchmark Version of the Economic Input-Output Life Cycle Assessment (EIO-LCA) Model). <http://www.eiolca.net/cgi-bin/dfi/use.pl> (last accessed March 18th, 2015.) Because there were no significant changes in the business, the metric tons CO2e for capital goods calculated in 2017 was used for 2018.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Explanation

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

13168

### Emissions calculation methodology

Upstream emissions associated with fuel and energy consumed by Avaya-operated facilities and vehicles include emissions associated with fuel extraction and delivery, and with the generation of energy that is lost during the distribution of energy over physical energy infrastructure. Emissions were calculated using emissions factors published by the UK Department of Environment, Food, and Rural Affairs. Global warming potentials were sourced from the IPCC's 5th Assessment Report.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

## Upstream transportation and distribution

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

10534

### Emissions calculation methodology

Upstream emissions associated with transportation and distribution of products and product inputs were calculated using records provided by 3rd party logistics partners. The distance and weight of shipments were multiplied by emissions factors sourced from the EPA. Global warming potentials were sourced from the IPCC's 5th Assessment Report. Because there were no significant changes in the business, the metric tons CO2e for upstream transportation and distribution calculated in 2017 was used for 2018.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

## Waste generated in operations

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

605

### Emissions calculation methodology

Emissions factors for the transportation of waste generated at Avaya facilities to waste processing plants were derived from EPA WARM factors, and only include emissions associated with transportation of waste. Global warming potentials were sourced from the IPCC's 5th Assessment Report. Because there were no significant changes in the business, the metric tons CO2e for waste generated in operations calculated in 2017 was used for 2018.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Explanation

## Business travel

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

7075

### Emissions calculation methodology

Business Travel includes short, medium and long-haul flights. Avaya receives detailed data, including departure and arrival locations, total miles and frequency of trips from its third-party travel partner. Avaya applies DEFRA (2017) emission factors and calculates the associated emissions from business travel using its energy and carbon software management tool. Also included in this footprint are emissions from rental cars; the total CO2 value is provided by our travel vendor.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

## Employee commuting

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

16265

### Emissions calculation methodology

Emissions were calculated applying average commuting mode, distance and speed, on a per-country basis, to the number of employees working at Avaya facilities in 2017. This was then multiplied by the appropriate emission factors, based on the mode of transportation, which were sourced from the EPA Emissions Factor Hub. Global warming potentials were sourced from the IPCC's 5th Assessment Report. Because there were no significant changes in the business, the metric tons CO2e for employee commuting calculated in 2017 was used for 2018.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Explanation

## Upstream leased assets

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

25943

### Emissions calculation methodology

Environmentally extended Input-output (IO) analysis is a methodology used in environmental accounting which reflects the link between economic consumption activities and environmental impact. Avaya worked with an external consultant to analyze 2017 spend data for purchased goods and services, capital goods, and upstream leased assets and categorize these activities into their respective IO spend categories applying emission factors developed by the Green Design Institute, Carnegie Mellon University (2002 US Benchmark Version of the Economic Input-Output Life Cycle Assessment (EIO-LCA) Model). <http://www.eiolca.net/cgi-bin/dfi/use.pl> last accessed March 18th, 2015.) Because there were no significant changes in the business, the metric tons CO2e for upstream leased assets calculated in 2017 was used for 2018.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Explanation

## Downstream transportation and distribution

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

26299

### Emissions calculation methodology

Downstream emissions associated with transportation and distribution of products and product inputs were calculated using records provided by 3rd party logistics partners. The distance and weight of shipments were multiplied by emissions factors sourced from the EPA. Global warming potentials were sourced from the IPCC's 5th Assessment Report. Because there were no significant changes in the business, the metric tons CO2e for downstream transportation and distribution calculated in 2017 was used for 2018.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Explanation

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

Avaya determined this category to represent less than 0.1% of Scope 3 emissions, so it was not deemed to be relevant.

## Use of sold products

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

446388

### Emissions calculation methodology

Avaya identified the total number of units sold for each of the product types sold by the company. These figures were then multiplied by assumed annual energy consumption and an average emissions factor for the United States, to identify estimated emissions associated with use of products. The emissions factor was sourced from the International Energy Agency, and global warming potentials were sourced from the IPCC's 5th Assessment Report. Because there were no significant changes in the business, the metric tons CO2e for use of sold products calculated in 2017 was used for 2018.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Explanation

## End of life treatment of sold products

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

68

### Emissions calculation methodology

End of life fate was determined by product sales and country regulations. Electronic waste is regulated in many countries and assumed to be recycled in such markets. End of life emission factors were derived from emissions factors published by the Department of Environment, Food, and Rural Affairs. Because there were no significant changes in the business, the metric tons CO2e for end of life treatment of sold products calculated in 2017 was used for 2018.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Explanation

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

This category is not relevant to Avaya because we do not have downstream leased assets.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

This category is not relevant to Avaya because we do not have any franchises.

## Investments

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

Avaya became a publicly traded company at the end of 2017, which was after we completed a detailed Scope 3 assessment. This category is relevant but not yet calculated until we complete our next Scope 3 assessment.

## Other (upstream)

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

No other upstream categories were determined to be relevant to Avaya in our Scope 3 analysis.

## Other (downstream)

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

No other downstream categories were determined to be relevant to Avaya in our Scope 3 analysis.

## C6.7

---

**(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?**

No

## C6.10

---



**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

6.02

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

48646

**Metric denominator**

full time equivalent (FTE) employee

**Metric denominator: Unit total**

8086

**Scope 2 figure used**

Location-based

**% change from previous year**

17.36

**Direction of change**

Decreased

**Reason for change**

Note: metric denominator unit is number of FTE employees in FY18. Our intensity figure decreased because the reduction in our Scope 1 and Scope 2 (location-based) emissions exceeded the reduction in FTE employees from 2017 to 2018. Avaya's Scope 1 and Scope 2 (location-based) emissions decreased by 24%, which was primarily due to reductions in electricity use in Avaya facilities/data centers and fuel usage of Avaya fleet, and the number of FTE employees decreased by 7% from 8,735 to 8,086.

---

**Intensity figure**

17.06

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

48646

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

2851

**Scope 2 figure used**

Location-based

**% change from previous year**

12.27

**Direction of change**

Decreased

**Reason for change**

Note: metric denominator unit is million in GAAP revenue for the Combined periods in FY18. Our intensity figure decreased because the reduction in our Scope 1 and Scope 2 (location-based) emissions exceeded the reduction in GAAP revenue from 2017 to 2018. Avaya's Scope 1 and Scope 2 (location-based) emissions decreased by 24%, which was primarily due to reductions in electricity use in Avaya facilities/data centers and fuel usage of Avaya fleet, and our revenue decreased by 13% compared to fiscal 2017.

---

## C7. Emissions breakdowns

---

### C7.1

---

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

No

**C7.2**

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
India	249
Ireland	310
United States of America	53
Other, please specify (Corporate emissions from Avaya fleet (multiple countries))	6938

**C7.3**

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

- By facility
- By activity

**C7.3b**

**(C7.3b) Break down your total gross global Scope 1 emissions by business facility.**

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Pune-Tower III	149	18.50868	73.926527
Pune-Tower XI	88	18.514017	73.928495
Hyderabad-Vega	12	17.448293	78.391485
Galway	310	53.285348	-9.025049
Columbia	20	39.168117	-76.843701
Highlands Ranch 8740	6	39.557782	-105.005011
Highlands Ranch 8744	5	39.557846	-105.002018
Oklahoma City	22	35.617223	-97.572484
Other, please specify: Corporate emissions from Avaya fleet (multiple facilities)	6938		

**C7.3c**

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Stationary diesel	560
Stationary natural gas	52
Avaya fleet	6938

**C7.5**

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
China, Hong Kong Special Administrative Region	311	386	268	
Singapore	506	506	1281	
Australia	663	663	908	
China	31	26	1161	
India	1791	3082	12968	
Japan	105	105	685	
Argentina	147	147	391	
Brazil	53	53	443	
France	1213	2009	436	
Germany	502	778	3776	
Hungary	9151	9151	755	
Ireland	999	1034	3820	
Israel	75	117	1675	
Italy	422	444	422	
Spain	60	98	251	
United Kingdom of Great Britain and Northern Ireland	1081	1348	4478	
Canada	755	317	5323	
Mexico	721	721	226	
United States of America	20976	15868	38570	
Austria	6	12	25	
Belgium	42	43	214	
Chile	14	14	37	
Taiwan, Greater China	43	43	84	
Colombia	44	44	201	
Croatia	8	15	35	
Czechia	74	83	158	
Denmark	5	12	25	
Indonesia	40	40	65	
Kazakhstan	15	15	34	
Kenya	4	4	19	
Republic of Korea	202	202	444	
Luxembourg	15	21	45	
Malaysia	65	65	117	
Netherlands	130	155	333	
New Zealand	7	7	52	
Norway	4	30	77	
Peru	9	9	37	
Philippines	79	79	152	
Poland	78	94	132	
Qatar	5	5	11	
Russian Federation	108	108	331	
Saudi Arabia	136	136	226	
South Africa	65	65	83	
Sweden	4	5	68	
Switzerland	45	88	328	
Thailand	43	43	103	
Turkey	35	35	85	
United Arab Emirates	212	212	378	

## C7.6

---

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By facility

By activity

## C7.6b

---

**(C7.6b) Break down your total gross global Scope 2 emissions by business facility.**

Facility	Scope 2 location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Causeway Bay	70	70
Singapore	395	395
North Ryde	510	510
Shanghai	124	124
Beijing - Oriental Plaza	197	197
Beijing - Dongcheng District	70	70
Dalian	224	224
Zhongshan	106	106
Bangalore-AMR Tech Park	840	840
Pune-Tower III	1373	1373
Pune-Tower XI	5789	5789
Pune-Wing AT1	0.28	0.28
Hyderabad-Vega	1030	1030
Gurgaon-MG Road	118	118
Osaka	9	9
Tokyo	365	365
Buenos Aires	147	147
Sao Paulo	53	53
Paris	22	18
Dietzenbach	325	539
Dusseldorf	136	225
Frankfurt – Theodor Heuss Allee	438	726
Hamburg – Sachenstrasse	72	120
Leipzig	39	65
Munich	66	110
Stuttgart	133	220
Budapest	204	278
Galway	1518	2809
Holon	952	952
Ancona – Radvision	53	83
Sesto San Giovanni - Via Nazario Sauro	7	12
Madrid	50	84
Guildford	1063	1323
Ottawa	129	62
Mexico City	105	105
Columbia	416	416
Thornton	5128	2996
Coppell	3117	3291
Highlands Ranch 8740	2305	1347
Highlands Ranch 8744	5554	3141
New York City	55	93
Oklahoma City	291	318
Santa Clara	219	333
Sesto San Giovanni – Viale Edison	14	22
Estimated sites (multiple facilities)	5436	5847
Carrollton Data Center	326	345
Frankfurt 1 & 2 Data Center	326	540
Lebanon Data Center	2260	1994
Singapore Data Center	111	111

## C7.6c

---

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Avaya facilities (purchased electricity)	32637	29700
Avaya facilities (estimated electricity)	4478	4889
Avaya facilities (estimated heating)	958	958
Data Centers (purchased electricity)	3023	2990

## C7.9

---

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

## C7.9a

---

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable >		
Other emissions reduction activities	13203	Decreased	21	Avaya achieved 13,203 mtCO2e in reductions were due to the following emission reduction activities: reduced electricity use in facilities (9,200 mtCO2e), data centers (1,474 mtCO2e), and estimated sites (610 mtCO2e); reduced fuel usage from Avaya fleet (1,725 mtCO2e); reduced natural gas usage for facilities (4 mtCO2e); and eliminated purchased heating (190 mtCO2e). The formula for the calculation is: (Change in Scope 1 & 2 Emissions attributed to emission reduction activities/Previous year Scope 1 & 2 Emissions) x 100. Therefore, 13,203 mtCO2e was divided by the 63,630 mtCO2e, the 2017 gross Scope 1 and 2 emissions, and then multiplied by 100 to calculate the 21% total reduction from emission reduction activities.
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output		<Not Applicable >		
Change in methodology	408	Increased	0.64	Avaya facilities that are less than 20,000 square feet, or do not have available data from the landlord or utility, are included in our Estimated Sites. To estimate natural gas consumption for these sites, an intensity factor is calculated to estimate the average amount of energy consumed per square foot for each facility type (i.e. office, lab/R&D). This intensity factor is multiplied by the square footage of each facility in our Estimated Sites to estimate its natural gas usage. Although the total sq. ft. in our estimated sites decreased from 2017 to 2018, the natural gas intensity factor increased, which resulted in an increase of 408 mtCO2e for estimated heating. This means that on average, sites with access to natural gas data from utilities used more natural gas per square foot in 2018 than 2017. The formula for the calculation is: (Change in Scope 1 & 2 Emissions attributed to change in onsite generator use/Previous year Scope 1 & 2 Emissions) x 100. Therefore, 408 mtCO2e was divided by 63,630 mtCO2e, the 2017 gross Scope 1 and 2 (location-based) emissions, and then multiplied by 100 to calculate the 0.64% total increase from the change in natural gas intensity factor.
Change in boundary		<Not Applicable >		
Change in physical operating conditions	2206	Decreased	3	The following building closures in 2017 and 2018 lead to a reduction of 2,206 mtCO2e in Scope 2 (location-based) emissions, as follows: Billerica (1,238 mtCO2e), Frankfurt - Kleyerstrasse (613 mtCO2e), Pune Wing A T1 (236 mtCO2e), Pune Wing BT1 (49 mtCO2e), Sesto San Giovanni - Viale Edison (40 mtCO2e), and Santa Clara Data Center (30 mtCO2e). In total, building closures resulted in a 2,206 mtCO2e reduction of Scope 1 and 2 emissions from 2017-2018. The formula for the calculation is: (Change in Scope 1 & 2 Emissions attributed to change in physical operating conditions/Previous year Scope 1 & 2 Emissions) x 100. Therefore, 2,206 mtCO2e was divided by 63,630 mtCO2e, the 2017 gross Scope 1 and 2 emissions, and then multiplied by 100 to calculate the 3% total reduction from change in physical operating conditions.
Unidentified		<Not Applicable >		
Other	17	Increased	0.03	Avaya's consumption of diesel fuel from onsite emergency generators increased from 2017-2018, resulting in an increase of 17 mtCO2e in Scope 1 emissions. The formula for the calculation is: (Change in Scope 1 & 2 Emissions attributed to change in onsite generator use/Previous year Scope 1 & 2 Emissions) x 100. Therefore, 17 mtCO2e was divided by 63,630 mtCO2e, the 2017 gross Scope 1 and 2 (location-based) emissions, and then multiplied by 100 to calculate the 0.03% total increase from change in onsite generator use.

**C7.9b**

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

**C8. Energy**

**C8.1**

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

**C8.2**

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

**C8.2a**

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	36149	36149
Consumption of purchased or acquired electricity	<Not Applicable>	6246	70602	76848
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	6246	106751	112997

**C8.2b**



**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

---

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

2088

**MWh fuel consumed for self-generation of electricity**

2088

**MWh fuel consumed for self-generation of heat**

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

5140

**MWh fuel consumed for self-generation of electricity**

**MWh fuel consumed for self-generation of heat**

5140

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

---

Motor Gasoline

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

28921

**MWh fuel consumed for self-generation of electricity**

**MWh fuel consumed for self-generation of heat**

28921

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

C8.2d

---

**(C8.2d) List the average emission factors of the fuels reported in C8.2c.**

**Diesel**

**Emission factor**

0.2683

**Unit**

metric tons CO2e per MWh

**Emission factor source**

IPCC 2006 Guidelines for National Greenhouse Gas Inventories

**Comment**

**Motor Gasoline**

**Emission factor**

8.78

**Unit**

kg CO2e per gallon

**Emission factor source**

USEPA

**Comment**

**Natural Gas**

**Emission factor**

0.20251

**Unit**

metric tons CO2e per MWh

**Emission factor source**

IPCC 2006 Guidelines for National Greenhouse Gas Inventories

**Comment**

## C8.2f

---

**(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.**

**Basis for applying a low-carbon emission factor**

No purchases or generation of low-carbon electricity, heat, steam or cooling accounted with a low-carbon emission factor

**Low-carbon technology type**

<Not Applicable>

**Region of consumption of low-carbon electricity, heat, steam or cooling**

<Not Applicable>

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

<Not Applicable>

**Emission factor (in units of metric tons CO<sub>2</sub>e per MWh)**

<Not Applicable>

**Comment**

---

## C9. Additional metrics

---

### C9.1

---

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

## C10. Verification

---

### C10.1

---

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

### C10.2

---

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, but we are actively considering verifying within the next two years

## C11. Carbon pricing

---

## C11.1

---

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, but we anticipate being regulated in the next three years

## C11.1d

---

**(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?**

Avaya has facilities and operations in 57 countries around the world, so we anticipate being regulated by a carbon pricing system in the next three years. Avaya's Law Team includes personnel who monitor, review, and provide legal advice on current and emerging policies and regulations that are applicable to our business. If Avaya must comply with a carbon pricing system in the next three years, Avaya's Senior Director of Corporate Responsibility, EHS and Philanthropy will work with the Law Team to ensure compliance and inform relevant business divisions, including finance and operations, about the regulatory requirements.

## C11.2

---

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

## C11.3

---

**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years

## C12. Engagement

---

### C12.1

---

**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, our customers

### C12.1a

---

**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Compliance & onboarding

**Details of engagement**

Included climate change in supplier selection / management mechanism

Code of conduct featuring climate change KPIs

Climate change is integrated into supplier evaluation processes

**% of suppliers by number**

95

**% total procurement spend (direct and indirect)**

89

**% Scope 3 emissions as reported in C6.5**

33

**Rationale for the coverage of your engagement**

As a member of the Responsible Business Alliance (RBA), Avaya adopted the RBA Code of Conduct, which includes requirements related to air emissions, energy consumption, greenhouse gas emissions, water management, and solid waste. Avaya requires its direct Tier 1 suppliers to adhere to the RBA Code of Conduct by including it in our contracts.

**Impact of engagement, including measures of success**

By requiring our direct Tier 1 suppliers to adhere to the RBA Code of Conduct, Avaya is promoting social, ethical, and environmental responsibility in the electronics supply chain and reducing our supply chain risk. Avaya reserves the right to audit our suppliers to ensure compliance with the Code. Measures of success include: an increased number of suppliers in the electronics industry adopting the RBA Code of Conduct; an increased number of suppliers passing audits; and reduced number of findings resulting from supplier audits.

**Comment**

---

**Type of engagement**

Information collection (understanding supplier behavior)

**Details of engagement**

Collect climate change and carbon information at least annually from suppliers

**% of suppliers by number**

11

**% total procurement spend (direct and indirect)**

55

**% Scope 3 emissions as reported in C6.5**

19

**Rationale for the coverage of your engagement**

Avaya has access to the Responsible Business Alliance (RBA) online tool which enables companies to request that their suppliers complete an annual Self-Assessment Questionnaire (SAQ), which includes questions on their corporate environmental policy, procedures, and management system. In addition, Avaya has access to annual supplier audits which evaluate their compliance with the RBA Code of Conduct requirements, which include measuring energy consumption and greenhouse gas emissions, waste minimization, water management, air emission reduction, and labor and ethics.

**Impact of engagement, including measures of success**

Avaya has access to supplier audits, findings, and corrective actions on the RBA online platform to ensure compliance with the code. Measures of success include: improvements in supplier audit scores over time; reduced number of findings and increased number of corrective actions implemented; and increasing the number of suppliers completing the audits and SAQs.

**Comment**

---

**C12.1b**

---

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement**

Education/information sharing

**Details of engagement**

Share information about your products and relevant certification schemes (i.e. Energy STAR)

**% of customers by number**

100

**% Scope 3 emissions as reported in C6.5**

58

**Please explain the rationale for selecting this group of customers and scope of engagement**

Avaya shares information about the ENERGY STAR certification of our products (i.e. Avaya J129/J139/J169/J179 IP phones) publicly on our website and in our annual Corporate Responsibility Report to enable access to our customers. In addition, Avaya responds to customer requests throughout the year and shares information on our environmental performance, energy rating of our products, corporate responsibility initiatives, and carbon emissions data.

**Impact of engagement, including measures of success**

Avaya improves its relationship with its customers by being transparent and sharing information on our environmental initiatives both publicly and through specific customer questionnaires. Customer satisfaction with our questionnaire responses, which can be measured by our rating on customer surveys, is an important measure of our success.

---

**Type of engagement**

Education/information sharing

**Details of engagement**

Run an engagement campaign to education customers about your climate change performance and strategy

**% of customers by number**

100

**% Scope 3 emissions as reported in C6.5**

58

**Please explain the rationale for selecting this group of customers and scope of engagement**

As a member of the climate advocacy group, We Are Still In, Avaya participated in the We Are Taking Action Campaign. As part of the campaign, Avaya submitted a Climate Action Contribution on their website to share information about our current goals and strategy to reduce our carbon emissions. This information is made available to our customers on a public platform to raise awareness, stand firm in our commitments, and foster opportunities for collaboration.

**Impact of engagement, including measures of success**

Avaya's participating in the We Are Taking Action Campaign helped encourage others to step up and join the fight against climate change. A measure of success is the total number of Climate Action Contributions submitted as part of the campaign. There were 880 total contributions, which included businesses, investors, cities, states, counties, cultural and educational institutions, and tribes.

---

**C12.3**

---

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

Trade associations

Other

**C12.3b**

---

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

No

---

### C12.3e

---

**(C12.3e) Provide details of the other engagement activities that you undertake.**

Avaya is a member of the Responsible Business Alliance (RBA) and has partnered with organizations such as the Silicon Valley Leadership Group to discuss climate change and related policies.

### C12.3f

---

**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

Avaya's Law Team includes personnel who monitor, review, and provide legal advice on current and emerging policies that are applicable to our business. Avaya's Senior Director of Corporate Responsibility, EHS and Philanthropy meets monthly with regulatory review personnel to exchange information and receive guidance to ensure our activities that influence policy are consistent with Avaya's overall climate change strategy. In addition, quarterly meetings are held with Avaya management to review our business activities and ensure consistency with climate change strategy and objectives.

### C12.4

---

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

Form 10-K\_FY18.pdf

**Page/Section reference**

Part I, Item 1A - Risk Factors includes climate-related risks, such as those from severe weather events (pg. 25) and environmental regulations (pg. 28).

**Content elements**

Risks & opportunities

**Comment**

---

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

Avaya CR Report FY2018.pdf

**Page/Section reference**

Information on our response to climate change and GHG performance is found throughout the report, including but not limited to pages 3, 22-23, and 25-27.

**Content elements**

Governance

Strategy

Emissions figures

Emission targets

**Comment**

---

## C14. Signoff

---

### C-FI

---

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

### C14.1

---

**(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	VP & Deputy General Counsel	Other, please specify



## SC. Supply chain module

---

### SC0.0

---

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

### SC0.1

---

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	2851000000

### SC0.2

---

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

### SC0.2a

---

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	0534991098

### SC1.1

---

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

**Requesting member**

Amdocs Ltd

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO<sub>2</sub>e**

3

**Uncertainty (±%)**

**Major sources of emissions**

On-site fuel combustion from facilities

---

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

AT&T Inc.

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO<sub>2</sub>e**

55

**Uncertainty (±%)****Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Bank of America

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO<sub>2</sub>e**

28

**Uncertainty (±%)****Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

---

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

BT Group

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

21

**Uncertainty (±%)**

**Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Caesars Entertainment

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

3

**Uncertainty (±%)**

**Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales. Due to lack of available sales data for Caesars Entertainment for FY18, FY17 data was used as an estimate.

---

**Requesting member**

HP Inc

---

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

87

**Uncertainty (±%)****Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Itaú Unibanco Holding S.A.

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

10

**Uncertainty (±%)****Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Mastercard Incorporated

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

---

**Emissions in metric tonnes of CO2e**

14

**Uncertainty (±%)****Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Swisscom

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

4

**Uncertainty (±%)****Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Vodafone Group

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

17

**Uncertainty (±%)****Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Wells Fargo & Company

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

35

**Uncertainty (±%)****Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Amdocs Ltd

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

14

**Uncertainty (±%)****Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

AT&T Inc.

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

298

**Uncertainty (±%)**

**Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Bank of America

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

151

**Uncertainty (±%)**

**Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

BT Group

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

113

**Uncertainty (±%)**

**Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Caesars Entertainment

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

16

**Uncertainty (±%)**

**Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales. Due to lack of available sales data for Caesars Entertainment for FY18, FY17 data was used as an estimate.

---

**Requesting member**

HP Inc

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

---



**Emissions in metric tonnes of CO2e**

472

**Uncertainty (±%)****Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Itaú Unibanco Holding S.A.

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

53

**Uncertainty (±%)****Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Mastercard Incorporated

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

74

**Uncertainty (±%)****Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

MetLife, Inc.

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO<sub>2</sub>e**

1

**Uncertainty (±%)****Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Swisscom

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO<sub>2</sub>e**

21

**Uncertainty (±%)****Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

---

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Vodafone Group

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

91

**Uncertainty (±%)**

**Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Wells Fargo & Company

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

191

**Uncertainty (±%)**

**Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Grupo Santander Brasil

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

140

**Uncertainty (±%)**

**Major sources of emissions**

Electricity consumption from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

**Requesting member**

Grupo Santander Brasil

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

26

**Uncertainty (±%)**

**Major sources of emissions**

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Due to the complexity of data, Avaya is providing an allocation based upon Scope 1 and 2 emissions. Scope 1 and 2 emissions have been allocated based upon customer-specific sales versus Avaya's total sales.

---

## SC1.2

---

**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

## SC1.3

---

**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Because our product lines are diverse, complex and continuously evolving, it is difficult to categorize groups of products and quantify their associated carbon emissions. In addition, the Avaya EHS/CSR team has been unable to obtain detailed data on the list of products/product lines used for each customer. For future reporting cycles, Avaya will work internally to obtain the necessary data and reports in order to improve the accuracy of our emission allocations.

**SC1.4**

---

**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

Yes

**SC1.4a**

---

**(SC1.4a) Describe how you plan to develop your capabilities.**

Avaya EHS/CSR will work internally with the sales and product team to try to obtain the data needed to improve the accuracy of our Scope 1 and Scope 2 emission allocations. Additionally, we are working on our capabilities to allocate Scope 3 emissions to our customers in addition to Scope 1 and Scope 2.

**SC2.1**

---

**(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.**

**Requesting member**

MetLife, Inc.

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings**

**Estimated payback**

1-3 years

**Details of proposal**

Avaya is pleased to report that we are in discussion with MetLife regarding potential projects where our two companies can join together to utilize our combined expertise and technologies in further reducing carbon emissions around the world for our customers.

---

**Requesting member**

Please select

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

AT&T Inc.

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

Bank of America

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

BT Group

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings**

**Estimated payback**

1-3 years

**Details of proposal**

Avaya is pleased to report that we are in discussion with BT Group regarding potential projects where our two companies can join together to utilize our combined expertise and technologies in further reducing carbon emissions around the world.

---

**Requesting member**

Caesars Entertainment

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings**

**Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

Caesars Entertainment

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

---

**Estimated lifetime CO2e savings****Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

California Department of General Services (DGS)

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Please select

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

Hewlett Packard Enterprise Company

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

HP Inc

**Group type of project**

Other, please specify (TBD)

---



**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

Itaú Unibanco Holding S.A.

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

Swisscom

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement

---

benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

U.S. General Services Administration - OMB ICR #3090-0319

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings**

**Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

Vodafone Group

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings**

**Estimated payback**

1-3 years

**Details of proposal**

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

**Requesting member**

Wells Fargo & Company

**Group type of project**

Other, please specify (TBD)

**Type of project**

Other, please specify (TBD)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

---

### Estimated lifetime CO2e savings

### Estimated payback

1-3 years

### Details of proposal

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

### Requesting member

Grupo Santander Brasil

### Group type of project

Other, please specify (TBD)

### Type of project

Other, please specify (TBD)

### Emissions targeted

Actions that would reduce both our own and our customers' emissions

### Estimated timeframe for carbon reductions to be realized

1-3 years

### Estimated lifetime CO2e savings

### Estimated payback

1-3 years

### Details of proposal

We are open to working with our customers. We are looking for tools and methodologies that are robust, sustaining and cost effective. We have not found such tools at present and welcome any guidance. Since ICT technologies have carbon enablement benefits, there may be an opportunity to pursue a joint project looking further into the CO2 reductions that have been realized by the customer per its adoption of Avaya technology.

---

## SC2.2

---

**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

No

## SC3.1

---

**(SC3.1) Do you want to enroll in the 2019-2020 CDP Action Exchange initiative?**

Yes

## SC3.1a

---

**(SC3.1a) Identify which member(s), if any, have motivated you to take part in Action Exchange this year.**

Please select

## SC3.1b

---

**(SC3.1b) Select the types of emissions reduction activities that your company would like support in analyzing or in implementing in the next reporting year.**

- Energy efficiency: Building services
- Low-carbon energy purchase
- Product design
- Behavioral change

### SC3.1c

---

**(SC3.1c) As part of Action Exchange, would you like facility level analysis?**

No

### SC3.2

---

**(SC3.2) Is your company a participating supplier in CDP's 2018-2019 Action Exchange initiative?**

No

### SC4.1

---

**(SC4.1) Are you providing product level data for your organization's goods or services?**

No, I am not providing data

### Submit your response

---

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Customers	<Not Applicable>

**Please confirm below**

I have read and accept the applicable Terms