

# Avaya - Climate Change 2018

## C0. Introduction

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### C0.1

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

Avaya is a leading global business communications company, providing an expansive portfolio of software and services for contact center and unified communications, offered on-premises, in the cloud or as a hybrid solution. We provide our solutions to a broad range of companies, from small businesses to large multinational enterprises and government organizations. As of September 30, 2017, we had a presence in more than 100 countries worldwide and during the past three fiscal years we serviced more than 90% of the Fortune 100 organizations. Our products and services portfolio spans software, hardware, professional and support services and cloud services. These fall under two reporting segments: Global Communications Solutions (GCS) and Avaya Global Services (AGS).

Avaya sold its Networking business in July 2017 to Extreme Networks, Inc. In order to account for these changes, we updated our Scope 1 and 2 emissions from 2014, the baseline year, to 2017. These updated numbers are included in this 2018 CDP report and are indicated by a comment where used.

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

### C0.2

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**(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 2017	December 31 2017	No	<Not Applicable>
Row 2	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Row 3	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Row 4	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

### C0.3

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

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

**C0.4**

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

USD

**C0.5**

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**(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

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C1.1

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

Yes

C1.1a

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**(C1.1a) Identify the position(s) 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 leading Avaya in its mission to bring about positive environmental, social, and economic change. 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 reviewing and approving 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. The CEO writes an introductory letter in the Corporate Responsibility Report that reinforces Avaya's corporate responsibility commitments and highlights our achievements from the year.

C1.1b

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**(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 and is a member of the board. However, climate-related issues are not regularly scheduled agenda item for board meetings.

C1.2

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**(C1.2) Below board-level, provide the highest-level management 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

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**(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.**

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

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

Yes

## C1.3a

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**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.**

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

Other C-Suite Officer

**Types of incentives**

Recognition (non-monetary)

**Activity incentivized**

Emissions reduction target

**Comment**

Annual departmental performance ratings are linked to the establishment and achievement of Avaya's environmental commitments, goals and initiatives, including our carbon emission reduction target.

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**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.

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**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.

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**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. Activities this year 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.

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**C2. Risks and opportunities**

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## C2.1

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**(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

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**(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

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**(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

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**(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 considering: 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.

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, and the amount of time needed to recover from reputational harm; and impact on operating costs.

**(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 a part of Avaya's company-wide risk assessment. Avaya actively monitors emerging regulations in the countries in which we operate and evaluates the potential impact on our finances, operations, supply chain, and assets through our business continuity program. Climate change and greenhouse gas regulations are expected to increase; for example, the Paris Agreement has spurred and strengthened a global response to combat climate change and accelerate the transition to a low carbon economy. In order to achieve this goal, the rate and number of carbon taxes is expected to increase around the world, which will add to Avaya's energy and transportation expenditures. Avaya CR/EHS researches and includes emerging regulations in its climate-related risk assessment annually in partnership with the Business Continuity team.
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.
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.

	Relevance & inclusion	Please explain
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. Avaya's business continuity team manages physical risks by documenting them in business continuity plans and developing recovery action plans. The business continuity plan, and any subsequent updates, are distributed to all appropriate employees who have responsibilities under the plan or have a need to know. Avaya has additional 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 chronic physical risks. Each EPP includes building-specific and local information to be used during emergencies like severe weather, fires, or flooding.

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.

## 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 driver**

Policy and legal: 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

**Potential financial impact**

550000

**Explanation of financial impact**

Avaya's transportation expenditures, which include business air travel and fleet fuel usage, were greater than 11 million dollars in 2017. If there was a 5% increase in our transportation expenditures due to a carbon tax, it would result an additional \$550,000 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. Second, Avaya has a stringent travel policy in place that promotes the use of Avaya video conferencing technology and reduces the need for business related travel. As a result, we have avoided carbon emissions from travel; from 2014-2017, Avaya employees reduced their annual air travel by nearly 27 million miles which avoided 5,697 mtCO<sub>2</sub>e.

**Cost of management**

229000000

**Comment**

In FY17, Avaya invested \$229 million in R&D, which is primarily focused on innovations in cloud-based solutions and telecommunications, which allow us to reduce our environmental footprint and avoid business travel.

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**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 driver**

Policy and legal: 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

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**Magnitude of impact**

Medium-high

**Potential financial impact**

42150000

**Explanation of financial impact**

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 FY17, EMEA sales accounted for 26% of our revenue, or approximately \$834 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 \$42.15 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 all 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.

**Cost of management**

0

**Comment**

Avaya's Design for Environment program is a core part of our business; therefore, we do not consider it to incur an additional cost.

**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 driver**

Reduced revenue from decreased production capacity (e.g., transport difficulties, 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

**Potential financial impact**

6500000

**Explanation of financial impact**

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 all 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.

**Cost of management**

229000000

**Comment**

In FY17, Avaya invested \$229 million in R&D, which is primarily focused on innovations in cloud-based solutions and telecommunications, which allow us to reduce our environmental footprint and avoid business travel.

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**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 driver**

Reputation: 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 transition to renewable energy; 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-low

**Potential financial impact**

1900000

**Explanation of financial impact**

If Avaya 's reputation was negatively impacted due to lack of lack of commitment or action towards mitigating climate change, we may lose market share and our consolidated results of operations, financial position, or cash flows could be adversely affected. In a hypothetical scenario, we estimate how a 1% change in our stock price would affect our financial market cap. At the close of 2017, Avaya's trading price was \$17.55 with a market cap of \$1.9 billion. If our trading price decreased by 1% due to reputational harm, it could have as much a \$1.9 million negative impact on our market valuation based on the number of shares as of December 29, 2017.

**Management method**

Avaya demonstrates proactive management of its climate change impacts through 1) developing innovative, energy efficient products such as the ENERGY STAR certified J179, J169 and J129 VoIP phones; 2) utilizing our own products such as Avaya Scopia® to reduce the need for travel; 3) participating in CDP and implementing a carbon emission reduction goal; 4) participating in corporate responsibility and environmental conferences that address solutions to climate change; and 5) promoting the environmental benefits of Avaya solutions to current and potential customers.

**Cost of management**

229000000

**Comment**

In FY17, Avaya invested \$229 million in R&D, which is primarily focused on innovations in cloud-based solutions and

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## C2.4

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### (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

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#### (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 driver

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

Medium-low

##### Potential financial impact

3650000

##### Explanation of financial impact

Avaya holds a leadership position in the Contact Center Systems market, with a market share of 17.4% at the close of 2017. According to a report by MarketsandMarkets™, the cloud-based contact center market is projected to grow from \$6.8 billion in 2017 to \$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 \$3.65 billion in revenue for its cloud-based contact center solutions that year.

##### Strategy to realize opportunity

Avaya offers a robust portfolio of cloud-based contact center and unified communications solutions, providing an advantage over our competitors because we give our customers solutions that increase productivity and save costs while minimizing their carbon footprint. In addition, Avaya designs and develops its products to be increasingly energy efficient; our J179, J169, and J129 VoIP phones are ENERGY STAR certified products and we are actively engaged with the U.S. EPA ENERGY STAR Program in the development of new energy efficiency requirements for IP phone clients, ITE servers, and large network equipment.

**Cost to realize opportunity**

229000000

**Comment**

Avaya invested \$229 million in R&D in FY17, with a primary focus being on innovations in cloud-based contact center solutions.

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**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 driver**

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 78% of total revenue in fiscal 2017, up from 75% for fiscal 2016. Cloud and managed services accounted for >8% of total revenue in 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**

Medium-low

**Potential financial impact**

3650000

**Explanation of financial impact**

Avaya holds a leadership position in the Contact Center Systems market, with a market share of 17.4% at the close of 2017. According to a report by MarketsandMarkets™, the cloud-based contact center market is projected to grow from \$6.8 billion in 2017 to \$20.93 billion by 2022 at a Compound Annual Growth Rate (CAGR) of 13.8% during the forecasted period. If Avaya maintained its market share of 17.4% in 2022, this would create an opportunity to realize nearly \$3.65 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. Avaya's products and solutions are moving to the cloud; 95 percent of our applications are available as virtual machines and we have over 1,200 cloud-based installations of Avaya applications on customer-provided VMWare architecture. 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**

229000000

**Comment**

Avaya invested \$229 million in R&D in FY17, with a primary focus being on innovations in cloud-based contact center solutions.

---

**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 driver**

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 uninterruptable 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

**Potential financial impact**

16000000

**Explanation of financial impact**

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 has reduced its annual energy costs by approximately \$16 million since 2015 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 and reducing its square footage, where possible. As a result, Avaya has reduced its annual electricity costs by approximately \$16 million since 2015 across its real estate portfolio.

**Cost to realize opportunity**

0

**Comment**

Managing our real estate assets are a core part of our business, so we do not see it as incurring an additional cost.

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**C2.5**

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**(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 significant due to the R&D investment needed to develop these technologies; for example, Avaya invested \$229 million in R&D in FY17.
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 high due to the significant costs savings we have realized from consolidating our real estate footprint; for example, Avaya reduced its energy costs by approximately \$16 million from 2015 to 2017.
Other, please specify	Please select	

**C2.6**

**(C2.6) Describe where and how the identified risks and opportunities have 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. In addition, Avaya implements energy efficiency projects to further reduce energy and operating costs. As result, Avaya has reduced its annual energy costs by \$16 million since 2015 across its global real estate portfolio.
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 recently acquired Spoken Communications, which will accelerate Avaya's growth in cloud-based solutions and provide a highly scalable cloud platform for customers of all sizes. 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**

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**C3.1**

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

Yes

**C3.1a**

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**(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**

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### **(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 \$229 million in R&D in FY17. Avaya's R&D accelerates the development of new and improved technologies, such as phones, that require less electricity consumption and server virtualization. In addition, Avaya is shifting its R&D focus areas to cloud-based solutions and telecommunications, which lower the total cost of ownership for our customers by reducing hardware, power and space requirements. Avaya solutions benefit our customers by increasing their productivity and reducing their environmental impact.

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 emissions each year for a total 15% cumulative reduction by 2020. Avaya exceeded this goal and reduced its Scope 1 and 2 carbon emissions by 14% from 2016-2017, achieving a cumulative 40% reduction from its 2014 baseline. In addition, we reduced our Scope 3 emissions by 18,978 mtCO<sub>2</sub>e from 2016-2017. In order to meet our carbon emission reduction goals, Avaya has focused on consolidating our real estate footprint, where possible, 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

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

This was the first year where climate-related scenario analysis was introduced in the CDP questionnaire, so Avaya spent 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

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### C4.1

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

Absolute target

### C4.1a

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#### **(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**

100

**% 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

**% achieved (emissions)**

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. \*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

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**Target reference number**

Abs 2

**Scope**

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

**% emissions in Scope**

100

**% 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

**% achieved (emissions)**

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%.

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## C4.2

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

**Target**

Please select

**KPI – Metric numerator**

**KPI – Metric denominator (intensity targets only)**

**Base year**

**Start year**

**Target year**

**KPI in baseline year**

**KPI in target year**

**% achieved in reporting year**

**Target Status**

Please select

**Please explain**

**Part of emissions target**

**Is this target part of an overarching initiative?**

Please select

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## C4.3

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(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

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(C4.3a) Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO<sub>2</sub>e savings.

	Number of projects	Total estimated annual CO <sub>2</sub> e savings in metric tonnes CO <sub>2</sub> e (only for rows marked *)
Under investigation	0	0
To be implemented*	6	338
Implementation commenced*	0	0
Implemented*	3	11266
Not to be implemented	0	0

### C4.3b

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

**Activity type**

Process emissions reductions

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**Description of activity**

Changes in operations

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

9929

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

1970442

**Investment required (unit currency – as specified in CC0.4)**

5000000

**Payback period**

1-3 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; this initiative reduced our total electricity consumption and costs by 20,792 MWh and \$1,970,442 respectively, from 2016 to 2017. The Rough Order of Magnitude budget for total FY17 real estate consolidations was approximately \$5 million. \*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

---

**Activity type**

Energy efficiency: Building services

**Description of activity**

Other, please specify (Uninterruptable power supply)

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

226

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

39987

**Investment required (unit currency – as specified in CC0.4)**

55000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

The Avaya Bangalore office was using conventional type uninterruptable 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 CO2 marginal emission rate of 7.44 x 10<sup>-4</sup> metric tons CO2/kWh to calculate the avoided emissions, 226 mtCO2e.

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**Activity type**

Process emissions reductions

**Description of activity**

Other, please specify (Reduction in business travel)

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

978

**Scope**

Scope 3

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

964690

**Investment required (unit currency – as specified in CC0.4)**

700000

**Payback period**

<1 year

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Avaya maintains and implements a strict travel policy in order to reduce our carbon emissions from air travel. We encourage utilizing our own video and web conferencing technologies, which enable participants to interact as if they are all in the same room, in lieu of traveling for business meeting. Avaya uses a travel vendor, American Express, to collect, manage, and provide reports on our company's air travel data. The total procurement spend for American Express in FY17 was less than \$700,000, and there is no additional cost resulting from the travel policy or the utilization of our own technologies. \*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

### 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 Scopia®, 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**

79

**Comment**

Software and services accounted for over 79% of FY17 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**

0.1

**Comment**

Revenue for the J100-series phones accounted for 0.1% of Avaya's FY17 revenue.

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## C5. Emissions methodology

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### C5.1

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**(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**

\*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

**Scope 2 (location-based)**

**Base year start**

January 1 2014

**Base year end**

December 31 2014

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

83752

**Comment**

\*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

**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**

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**C6.1**

---

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

**Row 1**

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

9262

**End-year of reporting period**

<Not Applicable>

**Comment**

\*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

**C6.2**

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**(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**

\*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

**C6.3**

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**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Row 1**

**Scope 2, location-based**

54368

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

50894

**End-year of reporting period**

<Not Applicable>

**Comment**

\*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

**C6.4**

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**(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?**

No

**C6.5**

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

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## 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.)

### 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/dft/use.pl> (last accessed March 18th, 2015.)

### 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

11681

### 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.

### 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.

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

0

### Explanation

## Business travel

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

7361

### 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 (2013) 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.

### 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/dft/use.pl> last accessed March 18th, 2015.)

### 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.

### 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

0

### Emissions calculation methodology

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

0

### Explanation

Avaya determined this category to represent less than 0.1% of Scope 3 emissions.

## 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.

#### 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.

#### 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

0

### Emissions calculation methodology

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

0

### Explanation

Avaya does not have downstream leased assets.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

0

### Emissions calculation methodology

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

0

### Explanation

This category is not applicable to Avaya because it does not have any franchises.

## Investments

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

0

### Emissions calculation methodology

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

0

### Explanation

This category is not applicable to Avaya because it was privately held during the reporting period.

## Other (upstream)

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

0

### Emissions calculation methodology

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

0

### 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

0

### Emissions calculation methodology

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

0

### 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**

7.28

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

63630

**Metric denominator**

full time equivalent (FTE) employee

**Metric denominator: Unit total**

8735

**Scope 2 figure used**

Location-based

**% change from previous year**

2.21

**Direction of change**

Increased

**Reason for change**

Note: metric denominator unit is employees. Although we reduced our Scope 1 and 2 emissions from 2016 to 2017, our intensity figure increased due to the change in the number of full time equivalent employees. At the end of FY17, the number of FTE employees was 8,735 compared to 10,424 employees in FY16. \*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

---

**Intensity figure**

19.45

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

63630

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

3272

**Scope 2 figure used**

Location-based

**% change from previous year**

3.1

**Direction of change**

Decreased

**Reason for change**

Note: metric denominator unit is million. Our intensity figure decreased from 2016 to 2017 due to more efficient use of real estate assets and less energy intensity per square foot. \*Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

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## C7. Emissions breakdowns

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### C7.1

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**(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?**

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	303
Ireland	240
United States of America	56
Other, please specify (Corporate emissions from Avaya fleet)	8663

**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	151	18.50868	73.926527
Pune-Tower XI	129	18.514017	73.928495
Hyderabad-Vega	21.9	17.448293	78.391485
Galway	241	53.285348	-9.025049
Columbia	11.1	39.168117	-76.843701
Highlands Ranch 8740	22.4	39.557782	-105.005011
Highlands Ranch 8744	12.5	39.557846	-105.002018
Oklahoma City	9.49	35.617223	-97.572484
Other, please specify: Corporate emissions from Avaya fleet	8663		

**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	543
Stationary natural gas	56
Avaya fleet	8663

**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	110	110	138	138
Singapore	616	616	1398	1398
Australia	626	626	852	852
China	875	875	1287	1287
India	11489	11489	14135	14135
Japan	420	420	754	754
Argentina	196	196	498	498
Brazil	74.7	74.7	466	466
France	15.6	12.3	382	382
Germany	2197	3148	5285	5285
Hungary	239	320	851	851
Ireland	1755	2958	4126	4126
Israel	1256	1256	1934	1934
Italy	112	144	337	337
Spain	64.7	98.2	254	254
United Kingdom of Great Britain and Northern Ireland	239	313	578	578
Canada	154	31.3	1063	1063
Mexico	118	118	257	257
United States of America	23646	17417	38156	38156
Other, please specify (Data Centers)	4527	4763	7601	7601
Other, please specify (Estimated sites)	5638	5638	13669	13669

**C7.6**

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

By facility

**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)
Data Centers	4527	4763
Estimated sites	5638	5638
Causeway Bay	110	110
Singapore	616	616
North Ryde	626	626
Shanghai	146	146
Beijing - Oriental Plaza	217	217
Beijing - Dongcheng District	162	162
Dalian	246	246
Zhongshan	104	104
Bangalore-AMR Tech Park	1080	1080
Pune-Wing BT1	54.3	54.3
Pune-Tower III	1674	1674
Pune-Tower XI	7085	7085
Pune-Wing AT1	262	262
Hyderabad-Vega	1180	1180
Gurgaon-MG Road	153	153
Osaka	9.2	9.2
Tokyo	410	410
Buenos Aires	196	196
Sao Paulo	74.7	74.7
Paris	15.6	12.3
Dietzenbach	364	585
Dusseldorf	156	250
Frankfurt – Kleyerstrasse	637	909
Frankfurt – Theodor Heuss Allee	587	944
Hamburg – Sachenstrasse	91.3	147
Leipzig	67.1	108
Munich	69.4	112
Stuttgart	227	364
Budapest	239	320
Galway	1755	2958
Holon	1256	1256
Ancona – Radvision	63.4	81.7
Sesto San Giovanni	48.2	62.2
Madrid	64.7	98.2
Guildford	239	313
Ottawa	154	31.3
Mexico City	118	118
Columbia	296	488
Thornton	6789	3727
Billerica	1268	1489
Coppell	3995	4361
Highlands Ranch 8740	3109	1707
Highlands Ranch 8744	6849	3760
New York City		
Oklahoma City		
Santa Clara	654	1101

**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	9302	Decreased	12.5	Avaya realized 10,662 mtCO2e in Scope 1 and 2 emission reductions from 2016-2017. Out of this total, 9,302 mtCO2e in reductions were due to the following emission reduction activities: reduced electricity use in facilities (8,631 mtCO2e) and data centers (114 mtCO2e); reduced natural gas usage for facilities (437 mtCO2e) and estimated sites (103 mtCO2e); and reduced purchased heating (17 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, 9,302 mtCO2e was divided by the 74,292 mtCO2e, the 2016 gross Scope 1 and 2 emissions, and then multiplied by 100 to calculate the 12.5% total reduction from emission reduction activities. *Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions	1524	Decreased	2	The following building closures lead to Scope 2 emissions reductions in mtCO2e: Billerica (816 mtCO2e), Basking Ridge 211 (544 mtCO2e), and Pune Wing BT1 (164 mtCO2e). In total, building closures resulted in a 1,524 mtCO2e reduction of Scope 1 and 2 emissions from 2016-2017. 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, 1,524 mtCO2e was divided by 74,292 mtCO2e, the 2016 gross Scope 1 and 2 emissions, and then multiplied by 100 to calculate the 2% total reduction from change in physical operating conditions. *Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.
Unidentified		<Not Applicable>		
Other	165	Increased	0.22	Avaya's consumption of diesel fuel from onsite emergency generators increased from 2016-2017, resulting in an increase of 165 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, 165 mtCO2e was divided by the 74,292 mtCO2e, the 2016 gross Scope 1 and 2 emissions, and then multiplied by 100 to calculate the 0.22% total increase from change in onsite generator use. *Note: Due to changes in the business in 2017, Avaya's Scope 1 and 2 emissions were updated from 2014, the baseline year, to 2017 and are included in this 2018 CDP report.

**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

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### C8.1

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**(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

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**(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	Yes
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)	HHV (higher heating value)	0	2463	2463
Consumption of purchased or acquired electricity	<Not Applicable>	6530	87858	94388
Consumption of purchased or acquired heat	<Not Applicable>	0	1046	1046
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>	6530	91367	97897

### C8.2b

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**(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 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**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

2036

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

**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>

---

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

427

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

**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>

---

C8.2d

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

**Diesel**

**Emission factor**

10.18

**Unit**

kg CO2 per gallon

**Emission factor source**

USEPA

**Comment**

**Natural Gas**

**Emission factor**

53.06

**Unit**

kg CO2e per million Btu

**Emission factor source**

USEPA

**Comment**

**C8.2f**

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**(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>

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

<Not Applicable>

**Emission factor (in units of metric tons CO2e per MWh)**

<Not Applicable>

**Comment**

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**C9. Additional metrics**

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**C9.1**

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

**C10. Verification**

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## C10.1

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**(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

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### C11.1

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**(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

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**(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

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

No

### C11.3

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**(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

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### C12.1

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**(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**

80

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

85

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

29

**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**

8

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

51

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

18

**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**

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**(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)

**Size of engagement**

100

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

100

**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 all 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.

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**C12.3**

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**(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**

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

No

**C12.3e**

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**(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**

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**(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.

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## C12.4

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**(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**

Annual SEC Filing.pdf

**Content elements**

Risks & opportunities

---

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

2017 Avaya Corporate Responsibility Report.pdf

**Content elements**

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

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## C14. Signoff

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### C-FI

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**(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

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**(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 (VP & Deputy General Counsel)

## SC. Supply chain module

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### SC0.0

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

## SC0.1

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

	Annual Revenue
Row 1	3272000000

## SC0.2

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(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**

Alliance Data Systems

**Scope of emissions**

Scope 1

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

2

**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 Alliance Data Systems for FY17, FY16 data was used as an estimate.

**Requesting member**

Amdocs Ltd

**Scope of emissions**

Scope 1

**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.

---

**Requesting member**

AT&T Inc.

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO2e**

119

**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

**Emissions in metric tonnes of CO2e**

52

**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**

Barclays

**Scope of emissions**

Scope 1

**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

**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**

Caesars Entertainment

**Scope of emissions**

Scope 1

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

0.1

**Uncertainty (±%)**

**Major sources of emissions**

On-site fuel combustion from facilities

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**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 FY17, FY16 data was used as an estimate.

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**Requesting member**

California Department of General Services (DGS)

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO2e**

0

**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**

Avaya provides an allocation based upon Scope 1 and 2 emissions, where data is available, based upon customer-specific sales versus total sales. Due to lack of available data, Avaya is unable to allocate emissions to DGS at this time. However, we are exploring this capability for future reporting cycles.

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**Requesting member**

Hewlett Packard Enterprise Company

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO2e**

1

**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 Hewlett Packard Enterprise for FY17, FY16 data was used as an estimate.

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**Requesting member**

HP Inc

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO2e**

124

**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.

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**Requesting member**

Itaú Unibanco Holding S.A.

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO2e**

12

**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.

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**Requesting member**

MetLife, Inc.

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO2e**

7

**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.

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**Requesting member**

Swisscom

**Scope of emissions**

Scope 1

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

6

**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.

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**Requesting member**

U.S. General Services Administration (GSA)

**Scope of emissions**

Scope 1

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

0

**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**

Avaya provides an allocation based upon Scope 1 and 2 emissions, where data is available, based upon customer-specific sales versus total sales. Due to lack of available data, Avaya is unable to allocate emissions to GSA at this time. However, we are exploring this capability for future reporting cycles.

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**Requesting member**

Vodafone Group

**Scope of emissions**

Scope 1

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

22

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

On-site fuel combustion from facilities

**Verified**

No

**Allocation method**

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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.

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**Requesting member**

Wells Fargo & Company

**Scope of emissions**

Scope 1

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

33

**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.

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**Requesting member**

Santander Brasil Asset Management

**Scope of emissions**

Scope 1

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

31

**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.

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**Requesting member**

Alliance Data Systems

**Scope of emissions**

Scope 2

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

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. Due to lack of available sales data for Alliance Data Systems for FY17, FY16 data was used as an estimate.

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**Requesting member**

Amdocs Ltd

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

20

**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.

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**Requesting member**

AT&T Inc.

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

696

**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.

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**Requesting member**

Bank of America

**Scope of emissions**

Scope 2

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**Emissions in metric tonnes of CO2e**

307

**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.

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**Requesting member**

Barclays

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

162

**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.

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**Requesting member**

BT Group

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

162

**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.

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**Requesting member**

Caesars Entertainment

**Scope of emissions**

Scope 2

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

0

**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 FY17, FY16 data was used as an estimate.

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**Requesting member**

California Department of General Services (DGS)

**Scope of emissions**

Scope 2

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

0

**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**

Avaya provides an allocation based upon Scope 1 and 2 emissions, where data is available, based upon customer-specific sales versus total sales. Due to lack of available data, Avaya is unable to allocate emissions to DGS at this time. However, we are exploring this capability for future reporting cycles.

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**Requesting member**

Hewlett Packard Enterprise Company

**Scope of emissions**

Scope 2

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

5

**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 Hewlett Packard Enterprise for FY17, FY16 data was used as an estimate.

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**Requesting member**

HP Inc

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

730

**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.

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**Requesting member**

Itaú Unibanco Holding S.A.

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

69

**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.

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**Requesting member**

MetLife, Inc.

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

41

**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 MetLife for FY17, FY16 data was used as an estimate.

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**Requesting member**

Swisscom

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

129

**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.

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**Requesting member**

U.S. General Services Administration (GSA)

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

0

**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**

Avaya provides an allocation based upon Scope 1 and 2 emissions, where data is available, based upon customer-specific sales versus total sales. Due to lack of available data, Avaya is unable to allocate emissions to GSA at this time. However, we are exploring this capability for future reporting cycles.

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**Requesting member**

Vodafone Group

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**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

129

**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.

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**Requesting member**

Wells Fargo & Company

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

194

**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.

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**Requesting member**

Santander Brasil Asset Management

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

181

**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

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have been allocated based upon customer-specific sales versus Avaya's total sales.

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## SC1.2

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

## SC1.3

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(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
Please select	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

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

Yes

## SC1.4a

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(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 emission allocations. Avaya conducted a detailed Scope 3 assessment this year, so once we develop our capabilities, we will be able to allocate Scope 3 emissions to our customers in addition to Scope 1 and Scope 2.

## SC2.1

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

**Requesting member**

Alliance Data Systems

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

Amdocs Ltd

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

AT&T Inc.

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

Bank of America

**Group type of project**

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Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

Barclays

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

BT Group

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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

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together to utilize our combined expertise and technologies in further reducing carbon emissions around the world.

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**Requesting member**

Caesars Entertainment

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

California Department of General Services (DGS)

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

Grupo Santander Brasil

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**Emissions targeted**

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

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

1-3 years

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

1-3 years

**Details of proposal**

We are open to working with any and all 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.

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**Requesting member**

Hewlett Packard Enterprise Company

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

Hewlett Packard Enterprise Company

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

HP Inc

**Group type of project**

Other, please specify (To be determined)

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**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

Itaú Unibanco Holding S.A.

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

MetLife, Inc.

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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

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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.

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**Requesting member**

Santander Brasil Asset Management

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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 any and all 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.

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**Requesting member**

Swisscom

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**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**

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**Requesting member**

U.S. General Services Administration (GSA)

**Group type of project**

Other, please specify (To be determined)

**Type of project**

Other, please specify (To be determined)

**Emissions targeted**

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

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

1-3 years

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### Estimated lifetime CO2e savings

#### Estimated payback

1-3 years

#### Details of proposal

We are open to working with any and all 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.

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#### Requesting member

Vodafone Group

#### Group type of project

Other, please specify (To be determined)

#### Type of project

Other, please specify (To be determined)

#### 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 any and all 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.

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#### Requesting member

Wells Fargo & Company

#### Group type of project

Other, please specify (To be determined)

#### Type of project

Other, please specify (To be determined)

#### 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 any and all 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.

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## SC2.2

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

No

### SC3.1

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**(SC3.1) Do you want to enroll in the 2018-2019 CDP Action Exchange initiative?**

Yes

### SC3.1a

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

Please select

### SC3.1b

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**(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

Product design

### SC3.1c

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

No

### SC3.2

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**(SC3.2) Is your company a participating supplier in CDP's 2017-2018 Action Exchange initiative?**

No

### SC4.1

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**(SC4.1) Are you providing product level data for your organization's goods or services, if so, what functionality will you be using?**

No, I am not providing data

### SC4.2d

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**(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?**

No



## Submit your response

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### 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